

UNITED STATES BANKRUPTCY COURT FOR DISTRICT OF DELAWARE

PROOF OF CLAIM

Name of Debtor: UBI Liquidating Corp. f/k/a Urban Brands, Inc.

Case Number: 10-13005

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (the person or other entity to whom the debtor owes money or property):
Commerce and Industry Insurance Company, The Insurance Company of the State of Pennsylvania, National Union Fire Insurance Company of Pittsburgh, PA, and certain other entities related to Chartis Inc.

Check this box to indicate that this claim amends a previously filed claim.

Name and address where notices should be sent:
Chartis U.S.
Michelle A. Levitt, Authorized Representative
175 Water Street, 18th Floor
New York, New York 10038
Telephone number: (212) 458-6777

Court Claim Number: (If known)

Filed on:

Name and address where payment should be sent (if different from above):

RECEIVED
JAN 24 2011
BMC GROUP

Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Check this box if you are the debtor or trustee in this case.

Telephone number:

1. Amount of Claim as of Date Case Filed: \$Unliquidated *Subject to Adjustment (See Attachment).

5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.

If all or part of your claim is entitled to priority, complete item 5.

Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

Specify the priority of the claim.

2. Basis for Claim: Other- See Attachment. (See instruction #2 on reverse side.)

Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

3. Last four digits of any number by which creditor identifies debtor: See Attachment.

3a. Debtor may have scheduled account as: (See instruction #3a on reverse side.)

Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier -- 11 U.S.C. § 507 (a)(4).

4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Contributions to an employee benefit plan - 11 U.S.C. § 507 (a)(5).

Nature of property or right of setoff: [] Real Estate [] Motor Vehicle [X] Other Describe: Right of Setoff- See Attachment.

Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use -- 11 U.S.C. § 507 (a)(7).

Value of Property: \$ Annual Interest Rate %

Amount of arrearage and other charges as of time case filed included in secured claim,

if any: \$ Basis for perfection:

Amount of Secured Claim: \$ Unliquidated * Amount Unsecured: \$ Unliquidated *

* Subject to Adjustment (See Attachment).

Taxes or penalties owed to governmental units -- 11 U.S.C. § 507 (a)(8).

Other - Specify applicable paragraph of 11 U.S.C. §507 (a)().

Amount entitled to priority:

\$

*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

Date: January 21, 2011

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Michelle A. Levitt, Authorized Representative

FOR COURT USE ONLY



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

-----:
In re: :
 : **Chapter 11**
 :
UBI Liquidating Corp., et al., : **Case No. 10-13005 (KJC)**
 :
 : **JOINTLY ADMINISTERED**
DEBTORS. :
-----:

**ATTACHMENT TO PROOF OF CLAIM OF COMMERCE AND INDUSTRY
INSURANCE COMPANY, THE INSURANCE COMPANY OF THE STATE OF
PENNSYLVANIA, NATIONAL UNION FIRE INSURANCE COMPANY OF
PITTSBURGH PA, AND CERTAIN OTHER ENTITIES RELATED TO
CHARTIS INC.**

1. This proof of claim is filed on behalf of Commerce and Industry Insurance Company, The Insurance Company of the State of Pennsylvania, National Union Fire Insurance Company of Pittsburgh, PA, and certain other entities related to Chartis Inc. (collectively, "Claimant") that provide or provided insurance, insurance services and/or surety bonds to UBI Liquidating Corp., et al., ("Debtors") (see the List of Debtors attached hereto).

2. As of September 21, 2010 (the "Petition Date"), the Debtors are indebted to Claimant for premiums, deductibles, and other related fees, expenses and obligations for, among other things, insurance coverages and services provided and to be provided by Claimant to the Debtors as more fully described below.

3. **The Insurance Program.** Claimant provided the Debtors with certain insurance coverages, including, without limitation, directors and officers, commercial crime, workers compensation, other services (the "Insurance Program") for varying periods commencing December 4, 1998 and ending 12:00 a.m., October 29, 2011. Attached hereto is a list of the policies issued by Claimant to the Debtors and certain related documentation. Claim is made for all obligations of the Debtors arising under the Insurance Program whether or not the relevant insurance policies and related agreements are specifically listed or described in the attached list or documents. Moreover, the documents which evidence the Insurance Program are voluminous and it is not practical to attach and/or list all of them. Nothing in this description of the Insurance Program or any of the attached documents is intended to vary, amend or alter in any way the terms, conditions, coverages, limitations, exclusions or dates of coverage of any policy or coverage.

4. **Fidelity and Surety Bonds.** Claimant may have provided the Debtors with various surety, fidelity and other bonds for the account of the Debtors. Claim is asserted for all such bonds issued or outstanding and for all premiums, fees and expenses due thereunder, whether or not specifically listed or described in the attached documents. Nothing in this

description of the bond programs is intended to vary, amend or alter in any way the terms, conditions, coverages, limitations, exclusions or dates of coverage of any bond. Should Claimant be called upon to pay on any such bond, Claimant may amend this proof of claim to assert a claim on account of such payment.

5. **Components of this Claim.**

(a) **Unliquidated Claim for the Insurance Program.** Pursuant to the Insurance Program, the Debtors entered into certain agreements and are obligated to pay to Claimant, among other things, certain premiums, deductibles, self-insured retention, reimbursement obligations, fees, expenses and related costs. Such amounts constitute the Claimant's unliquidated claim. When the amount of premiums, deductibles, fees, expenses and other costs due under the Insurance Program, including, without limitation, damages that may arise from the rejection of the Insurance Program or any part thereof, are liquidated or determined, such amounts shall become a liquidated claim. Claimant reserves the right to amend this proof of claim as such amounts become liquidated.

(b) **Other Insurance or Services.** To the extent Claimant provides or provided any other or different insurance (including excess coverages or renewals of the Insurance Program), or other services to the Debtors, either included within or in addition to the Insurance Program, Claimant hereby asserts a claim for all obligations of the Debtors to Claimant arising thereunder, including, without limitation, premiums, deductibles, self-insured retention, reimbursement obligations, fees, expenses and other costs arising from such transactions, or from funds advanced or to be advanced on the Debtors' behalf. Additionally, Claimant reserves the right to amend this proof of claim to assert further amounts due or particulars in connection therewith.

(c) **Bond Obligations.** To the extent of any bonds outstanding, the Debtors agreed to pay to Claimant, among other things, any and all loss and expense, including, without limitation, attorneys' fees, incurred by Claimant by reason of having issued any such bonds, and losses incurred as a result of the issuance of any bonds. The amount presently due Claimant with respect to any bonds is unliquidated and untabulated.

(d) **Quantum Meruit.** To the extent any Debtor received a benefit from insurance or from bonds provided by Claimant, such Debtor is obligated to pay Claimant for the value of the benefits received.

(e) **Joint Liability.** Should it be established in these bankruptcy cases or otherwise that any of the Debtors have liability for the obligations of any of the other Debtors, then this claim asserts the same claim as Claimant asserted against each such Debtor against such other Debtor.

(f) **Indemnity Obligations.** In the event Debtors have entered into any agreement with Claimant pursuant to which Debtors have a duty to indemnify Claimant, claim is made herein for such right to indemnity.

(g) **Other.** In connection with the foregoing, the Debtors also may be liable to Claimant by virtue of relevant principles of contract and common law relating to, among other things, subrogation, suretyship, indemnification or contribution.

6. **Right of Recoupment.** Claimant asserts the right to use funds paid to it on account of, among other things, the Insurance Program to recoup obligations of the Debtors arising from, among other things, the Insurance Program.

7. **Security.** To the extent Claimant holds any cash or other collateral as security for its claim, regardless of whether such cash or collateral is property of the Debtors' estates, Claimant asserts a secured claim and/or a right of setoff and reserves its rights to collect against same by recoupment and/or setoff. Alternatively or in addition, to the extent Claimant holds an interest in any property of the Debtors, Claimant asserts a security interest in same.

8. **Interest.** Claimant claims all rights to claim interest to the extent permitted by law, including post-petition interest to the extent such interest is secured. To the extent this claim is unliquidated, appropriate interest (if any) remains unliquidated at this time. In preparing any attached tabulation of a liquidated claim, we will endeavor to include a tabulation of applicable interest to the extent dates of accrual of obligations can be readily ascertained. Claimant reserves the right to amend such calculations and to claim additional interest as facts are learned, data compiled, and/or unliquidated claims become liquidated.

9. As indicated above, supporting documents for this claim are voluminous and certain such documents, including policies of insurance, are not attached.

10. Claimant also asserts an administrative expense claim for all services provided, risks insured or occurrences occurring after the Petition Date, all or a portion of which may be set forth in this proof of claim. To the extent any amounts set forth herein are entitled to administrative expense status, Claimants reserve the right to assert such status.

11. The filing of this Proof of Claim is not intended to waive any right to arbitration. Claimant(s) expressly reserve the right to seek arbitration of any dispute arising in connection with this claim. To the extent of any pre-existing arbitration agreement, this court's jurisdiction to resolve disputes should be limited to referring such disputes to arbitration and enforcing any arbitration award.

12. In executing and filing this proof of claim, Claimant: (i) does not submit itself to the jurisdiction of this Court for any purpose other than with respect to said claim; (ii) does not waive any right or rights that it has or may have against any other persons liable for all or part of the claim set forth herein; (iii) expressly reserves the right to the extent permitted by law to amend or supplement this proof of claim in any respect; (iv) expressly reserves the right to assert all claims, causes of action, defenses, offsets or counterclaims; and (v) expressly reserves the right to contest insurance coverage in the event of each or any claim that may be tendered by Debtors for Coverage.

Dated: January 21, 2011

PENALTY FOR PRESENTING FRAUDULENT CLAIMS: Fine of not more than \$500,000.00 or imprisonment for not more than five years, or both. Title 18, U.S.C. §§152 and 3571.

DEBTORS' LIST

10-13005-KJC	Urban Brands, Inc., et al.
10-13004-KJC	ASIL 6, Inc.
10-13006-KJC	Ashley Stewart Management Co., Inc.
10-13007-KJC	Carraizo Alto Apparel Corporation
10-13008-KJC	Kidspot of Delaware, Inc.
10-13009-KJC	100% Girls of Georgia, Inc.
10-13010-KJC	The Essence of Body & Soul, Ltd.
10-13011-KJC	Large Apparel of District of Columbia, Inc.
10-13012-KJC	100% Girls of New York, Inc.
10-13013-KJC	Large Apparel of Michigan, Inc.
10-13014-KJC	Large Apparel of Louisiana, Inc.
10-13015-KJC	A.S. Interactive, Inc.
10-13016-KJC	Ashley Stewart Clothing Company, Inc.
10-13017-KJC	Large Apparel of Illinois, Inc.
10-13018-KJC	Large Apparel of Maryland, Inc.
10-13019-KJC	Large Apparel of Indiana, Inc.
10-13020-KJC	Kidspot of New Jersey, Inc.
10-13021-KJC	Ashley Stewart Woman Ltd.
10-13022-KJC	100% Girls Ltd.
10-13023-KJC	Large Apparel of Mississippi, Inc.
10-13024-KJC	Kid Spot Ltd.
10-13025-KJC	Marianne VI, Inc.

10-13026-KJC Large Apparel of Florida, Inc.
10-13027-KJC Ashley Stewart Ltd.
10-13028-KJC Kidspot of Pennsylvania, Inc.
10-13029-KJC Large Apparel of North Carolina, Inc.
10-13030-KJC Marianne USPR, Inc.
10-13031-KJC Large Apparel of Alabama, Inc.
10-13032-KJC Large Apparel of California, Inc.
10-13033-KJC Kidspot of Illinois, Inc.
10-13034-KJC 100 Percent Girls of New Jersey, Inc.
10-13035-KJC Large Apparel of Connecticut, Inc.
10-13036-KJC Large Apparel of Ohio, Inc.
10-13037-KJC Large Apparel of South Carolina, Inc.
10-13038-KJC Large Apparel of Georgia, Inc.
10-13039-KJC Large Apparel of Tennessee, Inc.
10-13040-KJC Church Street Retail, Inc.
10-13041-KJC Large Apparel of New Jersey, Inc.
10-13042-KJC Large Apparel of Missouri, Inc.
10-13043-KJC Large Apparel of Texas, Inc.
10-13044-KJC Large Apparel of Pennsylvania, Inc. J
10-13045-KJC Large Apparel of Virginia, Inc.
10-13046-KJC Urban Brands TM Holding Co.
10-13047-KJC Kidspot of Texas, Inc.
10-13048-KJC Large Apparel of Wisconsin, Inc.

10-13049-KJC	Large Apparel of New York, Inc.
10-13050-KJC	Metro Apparel of Kentucky, Inc.
10-13051-KJC	Kidspot of Ohio, Inc.
10-13052-KJC	Urban Acquisition Corporation of New Jersey, Inc.
10-13053-KJC	Kidspot of Michigan, Inc.
10-13054-KJC	Urban Acquisition Corporation of New York, Inc.
10-13055-KJC	Metro Apparel of Massachusetts, Inc.
10-13056-KJC	ASNJ 10, Inc.
10-13057-KJC	Ashley Stewart Apparel Corporation
10-13058-KJC	Marianne Ltd.

Policy #	Profit Center	Branch	MLOB	Insured Name	Writing Company	Effective	Expiration
				URBAN BRANDS, INC.			
				PETITION DATE: 9/21/2010			
				POLICY LIST DATE: 1/20/2011			
00001475757	04 - CORPORA	20 - MIDTC	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2004-04-19	2005-04-19
00002145144	04 - CORPORA	86 - LONG	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2002-05-01	2003-05-01
00001475761	04 - CORPORA	20 - MIDTC	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2004-04-19	2005-04-19
00008731358	04 - CORPORA	86 - LONG	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2001-05-01	2002-05-01
00006596171	39 - PRIVATE	20 - MIDTC	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2007-06-29	2008-06-29
00006268298	39 - PRIVATE	20 - MIDTC	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2006-04-19	2007-06-29
00004913785	04 - CORPORA	20 - MIDTC	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2005-04-19	2006-04-19
00004913779	04 - CORPORA	20 - MIDTC	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2005-04-19	2006-04-19
00003827705	04 - CORPORA	86 - LONG	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2003-05-01	2004-06-30
00002806237	04 - CORPORA	86 - LONG	DO	URBAN BRANDS INC	NATIONAL UNION FIRE INS.CO	2000-05-01	2001-05-01
00005213804	04 - CORPORA	86 - LONG	DO	URBAN BRANDS INC FKA ASHLEY S	NATIONAL UNION FIRE INS.CO	2002-12-04	2003-12-04
00008574325	39 - PRIVATE	86 - LONG	DO	URBAN BRANDS INC FKA ASHLEY S	NATIONAL UNION FIRE INS.CO	1998-12-04	1999-12-04
00008747367	04 - CORPORA	86 - LONG	DO	URBAN BRANDS INC FKA ASHLEY S	NATIONAL UNION FIRE INS.CO	2001-12-04	2002-12-04
00008720420	04 - CORPORA	86 - LONG	DO	URBAN BRANDS INC FKA ASHLEY S	NATIONAL UNION FIRE INS.CO	2000-12-04	2001-12-04
00008602047	39 - PRIVATE	86 - LONG	DO	URBAN BRANDS INC FKA ASHLEY S	NATIONAL UNION FIRE INS.CO	1999-12-04	2000-12-04
00006596185	39 - PRIVATE	20 - MIDTC	DO	URBAN BRANDS, INC	NATIONAL UNION FIRE INS.CO	2007-06-29	2008-06-29
00006268295	39 - PRIVATE	20 - MIDTC	DO	URBAN BRANDS, INC	NATIONAL UNION FIRE INS.CO	2006-04-19	2007-06-29
00004446390	39 - PRIVATE	01 - NEW Y	DO	URBAN BRANDS, INC	NATIONAL UNION FIRE INS.CO	2008-04-15	2009-04-15
00018197763	39 - PRIVATE	01 - NEW Y	DO	URBAN BRANDS, INC	NATIONAL UNION FIRE INS.CO	2010-04-30	2011-04-30
00017730864	39 - PRIVATE	01 - NEW Y	DO	URBAN BRANDS, INC	NATIONAL UNION FIRE INS.CO	2009-04-15	2010-04-30
00009682016	13 - SPECIALT	04 - BOSTC	WC	URBAN BRANDS, INC	INS CO OF THE STATE OF PENN	2004-06-12	2005-06-12
00009682015	13 - SPECIALT	04 - BOSTC	WC	URBAN BRANDS, INC	COMMERCE & INDUSTRY INS CO	2004-06-12	2005-06-12
00009682014	13 - SPECIALT	04 - BOSTC	WC	URBAN BRANDS, INC	COMMERCE & INDUSTRY INS CO	2004-06-12	2005-06-12
00009685999	13 - SPECIALT	04 - BOSTC	WC	URBAN BRANDS, INC.	COMMERCE & INDUSTRY INS CO	2005-06-12	2006-06-12
00009696359	13 - SPECIALT	80 - ALBAN	WC	URBAN BRANDS, INC.	COMMERCE & INDUSTRY INS CO	2003-06-12	2004-06-12
00009696357	13 - SPECIALT	80 - ALBAN	WC	URBAN BRANDS, INC.	COMMERCE & INDUSTRY INS CO	2003-06-12	2004-06-12
00009686001	13 - SPECIALT	04 - BOSTC	WC	URBAN BRANDS, INC.	INS CO OF THE STATE OF PENN	2005-06-12	2006-06-12
00009686000	13 - SPECIALT	04 - BOSTC	WC	URBAN BRANDS, INC.	COMMERCE & INDUSTRY INS CO	2005-06-12	2006-06-12
00005687987	04 - CORPORA	20 - MIDTC	DO	URBAN BRANDS, INC.	NATIONAL UNION FIRE INS.CO	2003-12-04	2004-12-04
00013052836	39 - PRIVATE	04 - BOSTC	DO	ASHLEY STEWART LTD	NATIONAL UNION FIRE INS.CO	2010-10-29	2011-10-29

00013052836	63 - MIDDLE M04 - BOSTC	FIDL	ASHLEY STEWART LTD	NATIONAL UNION FIRE INS.CO.	2010-10-29	2011-10-29
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CHARTIS INC.
175 WATER STREET, 18TH FLOOR
NEW YORK, NEW YORK 10038

January 21, 2011

VIA OVERNIGHT MAIL

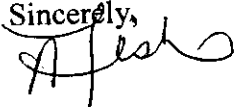
BMC Group, Inc.
Attn: Urban Brands Claims Processing
18750 Lake Drive East,
Chanhassen, MN 55317

Re: UBI Liquidating Corp., et al.
Case Number: 10-13005

To whom this may concern:

Enclosed please find one original and two copies of a Proof of Claim for the case mentioned above. Please file the original in the Court file, kindly have the copies stamped "Filed", and return the copies in the enclosed self addressed envelope.

If you have any questions, please do not hesitate to contact me at (212) 458-7065.
Thank you for your cooperation in this matter.

Sincerely,

Aleksandra Fish
Litigation Paralegal