

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

In re:)	Chapter 11
)	
Urban Brands, Inc., <u>et al.</u> ¹)	Case No. 10-13005 (KJC)
)	
Debtors.)	Joint Administration Pending
)	
)	Re: Docket No. 5

**ORDER (I) AUTHORIZING DEBTORS TO CONTINUE USE
OF CASH MANAGEMENT SYSTEM, BANK ACCOUNTS AND
BUSINESS FORMS AND (II) EXTENDING THE DEBTORS' TIME TO
COMPLY WITH SECTION 345 OF THE BANKRUPTCY CODE**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") for the entry of an order (this "Order") (a) authorizing the Debtors to continue using their Cash Management System, bank accounts and business forms, (b) authorizing the Debtors to open new debtor-in-possession accounts in their sole discretion, and (c) extending the Debtors' time period in which to come into compliance with the

¹ The Debtors in these cases, along with the last four digits of the federal tax identification number for each of the Debtors, are Urban Brands, Inc. (3678), 100% Girls Ltd. (4150), 100% Girls of Georgia, Inc. (4159), 100% Girls of New York, Inc. (2149), 100 Percent Girls of New Jersey, Inc. (4167), A.S. Interactive, Inc. (3472), Ashley Stewart Ltd. (4541), Ashley Stewart Apparel Corporation (4049), Ashley Stewart Clothing Company, Inc. (4051), Ashley Stewart Management Co., Inc. (4053), Ashley Stewart Woman Ltd. (4152), ASIL 6, Inc. (3996), ASNJ 10, Inc. (4004), Carraizo Alto Apparel Corporation (4651), Church Street Retail, Inc. (5954), Kid Spot Ltd. (2585), Kidspot of Delaware, Inc. (2596), Kidspot of Illinois, Inc. (2606), Kidspot of Michigan, Inc. (2603), Kidspot of New Jersey, Inc. (2601), Kidspot of Ohio, Inc. (4705), Kidspot of Pennsylvania, Inc. (2599), Kidspot of Texas, Inc. (3809), Large Apparel of Alabama, Inc. (0624), Large Apparel of California, Inc. (2129), Large Apparel of Connecticut, Inc. (5161), Large Apparel of District of Columbia, Inc. (8613), Large Apparel of Florida, Inc. (2209), Large Apparel of Georgia, Inc. (3894), Large Apparel of Illinois, Inc. (4650), Large Apparel of Indiana, Inc. (4055), Large Apparel of Louisiana, Inc. (3790), Large Apparel of Maryland, Inc. (5158), Large Apparel of Michigan, Inc. (9420), Large Apparel of Mississippi, Inc. (5913), Large Apparel of Missouri, Inc. (2135), Large Apparel of New Jersey, Inc. (5157), Large Apparel of New York, Inc. (5956), Large Apparel of North Carolina, Inc. (8611), Large Apparel of Ohio, Inc. (3815), Large Apparel of Pennsylvania, Inc. (4057), Large Apparel of South Carolina, Inc. (2029), Large Apparel of Tennessee, Inc. (3895), Large Apparel of Texas, Inc. (3787), Large Apparel of Virginia, Inc. (2809), Large Apparel of Wisconsin, Inc. (3898), Marianne Ltd. (3940), Marianne USPR, Inc. (2193), Marianne VI, Inc. (2206), Metro Apparel of Kentucky, Inc. (7533), Metro Apparel of Massachusetts, Inc. (1367), The Essence of Body & Soul, Ltd. (4165), Urban Acquisition Corporation of New Jersey, Inc. (2976), Urban Acquisition Corporation of New York, Inc. (4103), and Urban Brands TM Holding Co. (5909). The Debtors' corporate offices are located at 100 Metro Way, Secaucus, New Jersey 07094.

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

requirements of section 345(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”); and upon the *Declaration of Michael A. Abate in Support of First Day Motions*; the Court finding that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), and (iii) notice of the Motion was sufficient under the circumstances and that no other or further notice need be provided; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtors and their estates; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Debtors are authorized, but not directed, to continue using the Cash Management System as described in the Motion.
3. The Debtors are authorized to: (a) continue to use, with the same account numbers, the bank accounts in existence on the Petition Date, including, without limitation, those accounts identified on Exhibit 1 attached hereto (the “Bank Accounts”); (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors-in-possession; (c) open new debtor-in-possession accounts, as contemplated by the DIP Facility; and (d) use, in their present form, all correspondence and business forms (including, without limitation, letterhead, purchase orders, and invoices), and other documents related to the Bank Accounts, without reference to their status as debtors-in-possession; provided however, that once the Debtors prepetition stock runs out, the Debtors will obtain new stock reflecting their status as debtors-in-possession.

4. All applicable banks and other financial institutions are hereby authorized and directed to receive, process, honor and pay any and all checks evidencing amounts paid by the Debtors pursuant to the Motion, whether presented prior to or after the Petition Date.

5. The Debtors' Cash Management Banks are authorized, subject to the terms of this Order, to debit the Debtors' accounts in the ordinary course of business on account of the relief requested in the Motion without the need for further order of the Court for: (i) all checks drawn on the Debtors' accounts that are cashed at such Cash Management Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (ii) all checks or other items deposited in one of the Debtors' accounts with such Cash Management Bank prior to the Petition Date that have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors was responsible for such items prior to the Petition Date; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Cash Management Bank as service charges for the maintenance of the cash management systems, including processing charges related to any credit or debit card transactions.

6. Any Cash Management Bank may rely on the representations of the Debtors with respect to whether any check or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this Order, and such Cash Management Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein.

7. The Cash Management Banks are authorized to charge, and the Debtors are authorized to pay, honor or allow, prepetition and postpetition fees, costs, charges and expenses (the "Bank Fees"), and charge back returned items to the Bank Accounts in the ordinary course.

8. No liens on any of the Bank Accounts granted to any creditors (including the DIP Agent, the DIP Lenders and the Prepetition Lender) shall take priority over the Bank Fees of the respective Cash Management Bank at which the account is located.

9. The Debtors are authorized to open any new bank accounts or close any existing bank accounts as they may deem necessary and appropriate in their sole discretion; provided that the Debtors give prompt notice to the Office of the United States Trustee for the District of Delaware and any official committees appointed in these Chapter 11 Cases prior to opening or closing a Bank Account.

10. In connection with the ongoing utilization of the cash management system, the Debtors shall continue to maintain records with respect to all transfers of cash so that all transactions (including intercompany transactions) may be readily ascertained, traced, recorded properly, and distinguished between prepetition and post petition transactions.

11. The Debtors are granted an additional sixty (60) days from the Petition Date to come into compliance with section 345 of the Bankruptcy Code. If the Debtors determine that they are unable to comply with the requirements of section 345 within the sixty (60) day period, the Debtors shall file a motion seeking authority to deviate from such requirements.

12. The Cash Management Banks are authorized to pay obligations in accordance with this or any separate order of this Court.

13. As soon as practicable after the entry of this Order, the Debtors shall serve a copy of this Order on the Cash Management Banks.

14. Rule 6003 of the Federal Rules of Bankruptcy Procedure has been satisfied.

15. Notwithstanding the possible applicability of Rule 6004(h) of the Federal Rules of Bankruptcy Procedure, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.


16. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under any approved debtor-in-possession financing facility, any budget in connection therewith and any order regarding the use of cash collateral.

17. Nothing in the Motion or this Order, nor as a result of the Debtors' payment of claims pursuant to this Order, shall be deemed or construed as: (a) an admission as to the validity or priority of any claim against any of the Debtors; (b) a waiver of the Debtors' rights to dispute any claim; or (c) an approval or assumption of any agreement, contract or lease pursuant to the section 365 of the Bankruptcy Code.

18. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

19. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: September ²², 2010
Wilmington, Delaware



THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE