

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(GREENBELT DIVISION)**

In re: * Chapter 11
CREATIVE HAIRDRESSERS, INC., * Case Nos. 20-14583, 20-14584-TJC
et al., *
* (Jointly Administered)
Debtors. *

* * * * *

**LIMITED OBJECTION OF REGENCY CENTERS L.P., SITE CENTERS CORP.,
TEACHERS INSURANCE AND ANNUITY ASSOCIATION, AND
WEINGARTEN REALTY INVESTORS TO MOTION OF THE DEBTORS FOR
ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THE
DEBTORS TO OBTAIN POSTPETITION SECURED FINANCING,
(II) AUTHORIZING USE OF CASH COLLATERAL, (III) GRANTING
ADEQUATE PROTECTION TO PREPETITION SECURED PARTIES,
(IV) SCHEDULING A FINAL HEARING, AND (V) GRANTING RELATED
RELIEF**

Landlords affiliated with Regency Centers L.P., SITE Centers Corp., Teachers Insurance and Annuity Association, and Weingarten Realty Investors (collectively, the "Landlords") by and through the undersigned counsel, respectfully submit this limited objection (the "Objection") to entry of a final order on the *Motion of the Debtors For Entry Of Interim and Final Orders (I) Authorizing The Debtors To Obtain Postpetition Secured Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Adequate Protection To Prepetition Secured Parties, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 23] (the "Financing Motion"). In support of their Objection, the Landlords represent and allege as follows:

I. PRELIMINARY STATEMENT

1. The extraordinary circumstances of the COVID-19 pandemic are unquestionably affecting Debtor, its employees, its secured lender, landlords, vendors and other parties in interest.

The relief sought by Debtors accordingly must balance the respective interests of the parties and the provisions of the Bankruptcy Code. As presented, Debtors' DIP Financing Motion, to the extent it seeks waivers of Bankruptcy Code section 506(c) and 552, fails to do so, placing too much burden and risk on Debtors' landlords, who not only have their own obligations to satisfy based on the payment of Debtors' lease obligations (e.g., landlords' mortgage obligations to their own secured lenders), but who continue to maintain Debtors' leased premises throughout the pending sale process and remain obligated to pay the associated expenses (e.g., utilities, maintenance, security, real property taxes and insurance). These cases should not be funded by Debtors' landlords and administered for the benefit of Debtors' secured lender, which seeks to acquire Debtors' assets in a "loan to own" transaction. Landlords should not inequitably bear the risk of administrative insolvency in these Chapter 11 cases.

2. The Debtors' landlords, including the Landlords, should be granted adequate protection, as authorized by Bankruptcy Code section 363(e). As described below, this should, at a minimum, take the form of the preservation of the Debtors' ability to surcharge its lender under Bankruptcy Code section 506(c) and the "equities of the case" exception in Bankruptcy Code section 552(b).

II. FACTUAL AND PROCEDURAL BACKGROUND

3. On or about April 23, 2020 (the "Petition Date"), the Debtors each filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). On April 28, 2020, this Court entered its order authorizing joint administration and procedural consolidation of these Chapter 11 cases pursuant to Bankruptcy Rule 1015(b) [Docket No. 86]. No trustee or examiner has been appointed and Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to Bankruptcy Code §§ 1107 and 1108.

4. The Landlords are the lessors of debtor Creative Hairdressers, Inc. with respect to the approximately 50 retail store locations listed on the attached Exhibit A, located throughout the United States.

5. There can be no serious question that each of Debtors' leases with the Landlords is a "lease of real property in a shopping center" as that term is used in Section 365(b)(3). See In re Joshua Slocum, Ltd., 922 F.2d 1081, 1086-1087 (3d Cir. 1990).

6. On April 23, 2020, as part of their "first day" motions, Debtors filed their Financing Motion, seeking approval of a term loan of \$40,675,235.66 (the "DIP Facility"), consisting of (i) New Money Loans¹ of \$5,000,000 issued by HC Salon Holdings, Inc. ("Lender"), and (ii) a "roll-up" of existing loans under the Prepetition Facility in the aggregate principal amount of \$35,675,235.66.

7. As a further part of the first day motions, Debtors filed the *Motion of Debtors For Entry of Orders (I)(A) Establishing Bidding Procedures; (B) Approving Expense Reimbursement; (C) Establishing Procedures Relating to Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, Including Notice of Proposed Cure Amounts; (D) Approving Form and Manner of Notice; (E) Scheduling a Hearing To Consider Any Proposed Sale; and (F) Granting Certain Related Relief; and (II)(A) Approving a Sale; (B) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection With The Sale; and (C) Granting Related Relief* [Docket No. 22] (the "Bidding and Sale Procedures Motion"), seeking approval of an expedited bidding and sale process for the sale of substantially all of

¹ All terms not otherwise defined herein shall have the same meanings as set forth in the Financing Motion.

Debtors' assets to Lender as the "Stalking Horse Bidder," subject to overbid at an auction to be conducted on May 22, 2020.

8. Significantly, on the Petition Date, but prior to the Chapter 11 filing, Lender acquired the note underlying the Prepetition Facility from a bank group comprised of M&T Bank, Eagle Bank and Burke and Herbert Bank. Thus, Lender is engaging in a classic "loan to own" transaction, acquiring the Prepetition Facility for the express purpose of credit bidding to acquire Debtors' assets as the Stalking Horse Bidder.

9. The DIP Financing Motion was approved, on an interim basis, by this Court's *Interim Order (I) Authorizing The Debtors To Obtain Postpetition Secured Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Adequate Protection To Prepetition Secured Parties, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 70] ("Interim Financing Order"), entered April 28, 2020. The three-week DIP Budget, Exhibit B to the Interim Financing Order, does not provide for any payment of May 2020 rent and charges with respect to all of Debtors' over 800 salon leases operating under the Hair Cuttery, Bubbles and Cielo brands.

10. On May 4, 2020, this Court entered its order [Docket No. 137], approving an expedited process for the sale of Debtors' assets and the assumption and assignment of leases and executory contracts, with a sale hearing scheduled for May 28, 2020 and an anticipated "Closing Date" on May 29, 2020. The Scheduled Termination Date of the DIP Facility is June 30, 2020.

III. ARGUMENT

A. The Court Should Not Allow Section 506(c) and 552(b) Waivers

11. As evidenced by the DIP Budget, Debtors did not pay May 2002 post-petition rent and charges on a current basis and are not paying, or reserving for, unpaid April "stub rent" (i.e.,

the pro-rated post-petition portion of April 2020 rent and charges),² contrary to the mandate of Bankruptcy Code section 365(d)(3). Debtors have not moved to extend the time for performance of post-petition lease obligations for up to sixty (60) days for "cause," as permitted by Bankruptcy Code section 365(d)(3).

12. Debtors and Lender apparently will argue that landlords may wait to receive payment of unpaid post-petition rent and charges as part of the "cure" of existing defaults due upon assumption and assignment of Debtors' leases, as provided by Bankruptcy Code section 365(b)(1)(A), or such amounts may be the subject of negotiated resolution. But Lender (and, at this stage of the case, any competing bidders who might emerge) has not committed to "take" the assignment of all of Debtors' salon leases, potentially leaving many landlords "holding the bag" with respect to unpaid post-petition rent, particularly if many leases are ultimately rejected and the sale process leaves the bankruptcy estate administratively insolvent (an obvious risk given Lender's intention to credit bid).³ The "intent behind the enactment of § 365(d)(3) was to prevent landlords from becoming involuntary creditors of the debtor's estate." *In re Trak Auto Corp.*, 277 B.R. 655, 662 (Bankr. E.D. Va. 2002); *accord*, *In re Warehouse Club, Inc.*, 184 B.R. 316, 317 (Bankr. N.D. Ill. 1995).

13. Section 506(c) of the Bankruptcy Code allows a debtor to charge the costs of preserving or disposing of a secured lender's collateral to the collateral itself. 11 U.S.C. § 506(c). This provision ensures that the cost of liquidating a secured lender's collateral is not paid from

² See, e.g., *In re Circuit City Stores, Inc.*, 447 B.R. 475, 507-508 (Bankr. E.D. Va. 2009) (endorsing "accrual" or pro-ration method of calculating post-petition rent obligations under Bankruptcy Code section 365(d)(3), discussing Fourth Circuit authorities).

³ The landlord need not show that the "debtor's continued possession of its space is a benefit to the estate" in order to receive administrative expense priority for post-petition rent under Bankruptcy Code section 507(a)(2). *In re Trak Auto Corp.*, *supra*, 277 B.R. at 664.

unsecured recoveries. *See, e.g., Precision Steel Shearing v. Fremont Fin. Corp. (In re Visual Indus., Inc.)*, 57 F.3d 321, 325 (3d Cir. 1995) ("[S]ection 506(c) is designed to prevent a windfall to the secured creditor"); *Kivitz v. CIT Group/Sales Fin., Inc.*, 272 B.R. 332, 334 (D. Md. 2000) (stating that "the reason for [section 506(c)] is that unsecured creditors should not be required to bear the cost of protecting property that is not theirs"); *In re Codesco Inc.*, 18 B.R. 225, 230 (Bankr. S.D.N.Y. 1982) ("The underlying rationale for charging a lienholder with the costs and expenses of preserving or disposing of the secured collateral is that the general estate and unsecured creditors should not be required to bear the cost of protecting what is not theirs.")⁴ Similarly, the "equities of the case" exception in Bankruptcy Code section 552(b) allows a debtor, creditors' committee or other party-in-interest to exclude post-petition proceeds from pre-petition collateral on equitable grounds, including to avoid having unencumbered assets fund the cost of a secured lender's foreclosure or other disposition of assets. 11 U.S.C. § 552(b).

14. At this point, there should be little doubt that this case is now being run for the primary benefit of the Lender. The Lender benefits from the opportunity to improve its position during the pendency of the bankruptcy, enhancing or preserving Debtors' going concern value, potentially culminating in the ownership of a portion of Debtors' assets through the expedited sale process. As a result, the Lender must accept the costs and risks associated with those benefits, including payment of necessary administrative expenses incurred by Debtors in this Chapter 11 case. *See, e.g., In re Scopetta-Senra Partnership III*, 129 B.R. 700, 701 (Bankr. S.D. Fla. 1991) (landlord that leased auto dealership premises to debtor, without payment of administrative rent,

⁴ It is well-settled, however, that administrative claimants do not have an independent right to seek payment of otherwise unsatisfied claims under Section 506(c) from property encumbered by a secured creditor's lien since the statute reserves that right to a trustee (or debtor-in-possession in a Chapter 11 case). *Hartford Underwriters Ins. Co. v. Union Planters Bank, N.A.*, 530 U.S. 1, 6, 120 S.Ct. 1942, 1947 (2000).

provided benefit to secured creditors through the continued use of the premises to sell the vehicles to enable repayment to the secured creditors); *In re So Good South Potato Chip Co.*, 116 B.R. 144, 146 (Bankr. E.D. Mo. 1990) (where the trustee declined to pursue a Section 506(c) surcharge claim, the failure of secured creditor to pay for storage of collateral at premises leased by debtor would otherwise "result in a windfall benefit to the secured creditor to the detriment of a third party."); *In re Issac Cohen Clothing Corp.*, 39 B.R. 199, 201 (Bankr. S.D.N.Y. 1984) (granting surcharge because lender "clearly benefited from the property being stored on the [landlord's] premises").⁵

15. Given that Lender will substantially benefit from the continued use and occupancy of Debtors' salon locations to facilitate the sale process and through the preservation of collateral located in the leased premises, Lender should be required to fund the expenses of that benefit rather than escape any responsibility for post-petition occupancy costs through attempted waivers of Section 506(c) and 552. Foisting the economic burden of this case onto landlords in the event Lender, or another successful bidder at the auction, fails to seek the assignment of all of Debtors' leases and leaves potentially significant unpaid post-petition rent (otherwise payable under Bankruptcy Code section 365(d)(3)) contravenes the essential purpose of Section 506(c). The Lender's "optionality" as to Debtors' assets should not be without burden or expense. It has been observed that bankruptcy courts "should not ignore the basic injustice of an agreement in which a debtor, acting out of desperation, has compromised the rights of unsecured creditors." *In re FCX, Inc.*, 54 B.R. 833, 838 (Bankr. E.D. N.C. 1985); *accord, In re Defender Drug Stores, Inc.*, 145

⁵ In denying a Section 506(c) waiver in *In re Sports Authority Holdings, Inc.*, Case No. 16-10527 (MFW) (Bankr. D. Del.), Judge Walrath observed that where a Chapter 11 case is being run for the "benefit of the lenders," then "the lenders are going to have to pay the cost of that. And that includes all administrative. It includes the rent." April 26, 2016 hearing transcript [Docket No. 1463] at 194:10 to 195:16.

B.R. 312, 317 (9th Cir. BAP 1992) (recognizing that debtors-in-possession "generally enjoy little negotiating power" with secured lenders, "particularly where the lender has a prepetition lien on cash collateral.").

16. Under the circumstances, the Landlords are entitled, at a minimum, to adequate protection under Bankruptcy Code section 363(e) with respect to the payment of post-petition occupancy costs. It is well-settled that real property lessors are entitled to seek adequate protection. *See, e.g., Memphis-Shelby County Airport Authority v. Braniff Airways, Inc. (In re Braniff Airways, Inc.)*, 783 F.2d 1283, 1286-1287 (5th Cir. 1986) (recognizing landlord's right to adequate protection); *In re P.J. Clarke's Restaurant Corp.*, 265 B.R. 392, 404 (Bankr. S.D.N.Y. 2001) (noting that a "landlord's right to adequate protection seems to follow clearly from the language of §363(e)..."); *In re Ernst Home Center, Inc.*, 209 B.R. 955, 965-966 (Bankr. W.D. Wash. 1997); *In re MS Freight Distribution, Inc.*, 172 B.R. 976, 980 fn. 4 (Bankr. W.D. Wash. 1994) ("Section 363(e) by its express terms authorizes an entity whose property is to be leased by the debtor to seek adequate protection."); *In re RB Furniture, Inc.*, 141 B.R. 706, 713 (Bankr. C.D. Cal. 1992) (adequate protection under § 363(e) may even be broader than the rights provided lessors under § 365(d)(3) given that it "is a fluid concept that reflects all the circumstances surrounding a debtor's use of property.").

17. While the timely payment of April "stub rent" and May 2020 is preferred,⁶ the preservation of the Debtors' ability to surcharge its lenders for the cost of preserving Lender's collateral, including on-going occupancy costs for Debtors' salon locations, would be a form of

⁶ The mere allowance of an administrative priority claim for accruing post-petition rents is not adequate protection. *In re Attorneys Office Management, Inc.*, 29 B.R. 96, 99 (Bankr. C.D. Cal. 1983) ("In §361(3) it is made clear that an administrative claim under §503(b)(1) in itself will not constitute adequate protection.").

adequate protection. Landlords are maintaining Debtors' equipment, inventory and trade fixtures in Debtors' leased locations, while landlords are forced to incur expenses on Debtors' behalf for items such as utilities, maintenance, security, real property taxes and insurance. Landlords are placed at further risk in that while Debtors' salons are closed, with employees furloughed, landlords have no access to leased premises in the event of an emergency (unlawful entry, vandalism, water or gas leak, etc.), shifting additional risks to landlords.

18. Under these circumstances, the burden of administrative insolvency should not be borne by Debtors' landlords, who are entitled to some form of adequate protection under Section 363(e) for ongoing post-petition occupancy costs. Accordingly, the Debtors should not be allowed to waive their statutory ability to compel its Lender to "pay to play" in these Chapter 11 cases. Any orders approving the DIP Financing Motion should not waive Debtor's rights under Bankruptcy Code section 506(c) and 552(b).

B. Any Final Order Must Contain Language Limiting the Remedies of the Lender Consistent with the Interim DIP Order

19. Any final order on the DIP Financing Motion should provide that any lien in favor of the DIP Secured Parties "shall not include the Debtors' real property leases but shall include all proceeds of such leases," tracking the provisions of the Interim DIP Order. Interim DIP Order, ¶ 13(a).

20. Similarly, any final order on the DIP Financing Motion should also make it clear that the Lender does not have unrestricted rights of access to use and occupy Debtors' leased premises following a default under the DIP Facility. There is no basis for a bankruptcy court to grant a non-debtor party rights to use and occupy real property leased by a debtor outside the parameters of Section 365. *See, e.g., In re Antwerp Diamond, Inc.*, 138 B.R. 865, 866-869 (Bankr. N.D. Ohio 1992). Any final order approving the DIP Financing Motion should contain the same

limitations on lender access contained in the last sentence of Paragraph 31 of the Interim Order, limiting entry by the Lender after a default to either any agreement with a particular landlord, applicable state law, or such relief as may be granted by this Court.

IV. RESERVATION OF RIGHTS

The Landlords reserve the right to make such other and further objections to the DIP Financing Motion and entry of a final order thereon as may be appropriate based upon any new information provided by Debtors or Lender or upon any different relief requested by Debtors or Lender.

V. JOINDER

To the extent not inconsistent with the foregoing, the Landlords join in the objections to the DIP Financing Motion, and the entry of a final order thereon, filed by Debtors' other landlords.

VII. CONCLUSION

Accordingly, this Court's final order approving the DIP Financing Motion should not waive Debtors' rights under Bankruptcy Code section 506(c) and 552(b). Landlords should be provided with adequate protection under Bankruptcy Code section 363(e) with respect to post-petition occupancy costs, including unpaid April stub rent and May rent and charges.

Dated: May 8, 2020

Respectfully submitted,

/s/ Ira T. Kasdan

Ira T. Kasdan, Esq.
KELLEY DRYE & WARREN LLP
Washington Harbour, Suite 400
3050 K Street, NW
Washington, DC 20007
Telephone: (202) 342-8400
Facsimile: (202) 342-8451
ikasdan@kelleydrye.com
Maryland U.S. District Court Number 26942

-and-

Ivan M. Gold, Esq. (*admission pro hac vice pending*)
ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
Three Embarcadero Center, 12th Floor
San Francisco, CA 94111
Telephone: (415) 273-7431
Facsimile: (415) 837-1516
igold@allenmatkins.com

Attorneys for Weingarten Realty Investors

-and-

Robert L. LeHane, Esq. (*admitted pro hac vice*)
Jennifer D. Raviele, Esq. (*admission pro hac vice pending*)
KELLEY DRYE & WARREN LLP
101 Park Avenue
New York, New York 10178
Tel: (212) 808-7800
Fax: (212) 808-7897
rlehane@kelleydrye.com
jraviele@kelleydrye.com

Attorneys for Regency Centers L.P., SITE Centers Corp., and
Teachers Insurance and Annuity Association

EXHIBIT A**REGENCY CENTERS L.P.**

Store No.	Mall Name	Location	Landlord
1286	Bird Ludlum	Miami, FL	Regency Centers, L.P.
2864	Boyton Lakes Plaza	Boyton Beach, FL	Regency Centers, L.P.
4196	Brooklyn Station on Riverside	Jacksonville, FL	Shoppes on Riverside JAX, LLC
4280	Festival at Woodholme	Pikesville, MD	Woodholme Properties Limited Partnership
2217	Fleming Island Shopping Center	Orange Park, FL	Regency Centers, L.P.
4081	Fountain Square	Miami, FL	Flountainbleau Square, LLC
3173	Fox Mill Shopping Center	Herndon, VA	FW VA-Fox Mill Shopping Center, LLC
1750	Gardens Square	Hialeah, FL	Regency Centers, L.P.
2870	Julington Village	Jacksonville, FL	Columbia Regency Retail Partners
1919	Newton Square	Newton Square, PA	FW PA-Newtown Square, LLC
3836	Nocatee Town Center	Point Vedra, FL	NTC-REG., LLC
2189	Old St. Augustine	Jacksonville, FL	Regency Centers, L.P.
3829	Parkville Shopping Center	Baltimore, MD	Parkville Shopping Center, LLC
3887	Seminole Shoppes	Neptune Beach, FL	Seminole Shoppes, LLC
3886	Shoppes at Bartram Park	Jacksonville, FL	Bartram Park Center, LLC
2997	Shoppes of Jonathans Landing	Jupiter, FL	Regency Centers, L.P.
2369	South Beach Regional Shopping Center	Jacksonville Beach, FL	Regency Centers, L.P.
2815	Stonebrook Plaza	Merrionette Park, IL	FW IL-Stonebrook Plaza, LLC
3679	Village at Lee Airport	Edgewater, MD	Lee Regency, LLC
3428	Waterstone Plaza	Homestead, FL	Equity One (Florida Portfolio) LLC
3963	Westchase	Tampa, FL	FL-Westchase Center, LLC
2069	Willa Spring	Winter Springs, FL	US Regency Retail I, LLC

SITE CENTERS CORP.

Store No.	Mall Name	Location	Landlord
2848	Apple Blossom Corners	Winchester, VA	DDRM Apple Blossom Corners LLC
2533	Kroger Plaza	Viginia Beach, VA	DDR-SAU Virginia Beach Republic, L.L.C.
4123	White Oak Village	Richmond, VA	BRE DDR BR White Oak VA LLC
2932	Commonwealth Center	Midlothian, VA	DT Commonwealth Center II LLC
2952	Flamingo Falls	Pembroke Pines, FL	DDRM Flamingo Falls LLC
4248	Guilford Commons	Guilford, CT	DDR Guilford LLC
3115	Hamilton Marketplace	Hamilton, NJ	JDN Real Estate - Hamilton, L.P.
2209	Wrangleboro Cons Sq (I & II)	Mays Landing, NJ	RVT Wrangleboro Consumer Square LLC
1991	Larkin's Corner	Boothwyn, PA	BRE DDR IVB Larkin's PA LLC
4036	North Pointe Plaza	Tampa, FL	DDRM North Pointe Plaza LLC
2385	Highland Grove Shopping Center	Highland, IN	DDRM Highland Grove LLC
4293	Lee Vista	Orlando, FL	DDR Orlando LLC
3702	Winter Garden Village (Retail)	Winter Garden, FL	DDR Winter Garden LLC
2045	Fairfax Towne Center	Fairfax, VA	BRE DDR Fairfax Town Center LLC

4184	Southtown Center	Tampa FL	SCC Southtown Center LLC
3775	The Forum	Fort Meyers, FL	BRE DDR BR Forum FL LLC

TEACHERS INSURANCE AND ANNUITY ASSOCIATION

Store No.	Mall Name	Location	Landlord
28949	Village Crossings		DDRTC Village Crossings LLC

WEINGARTEN REALTY INVESTORS

Store No.	Location	Landlord
Hair Cattery #4080	Argyle Village, Jacksonville, Florida	Weingarten Nostat, Inc.
Hair Cattery #2337	Colonial Plaza, Orlando, Florida	Weingarten Nostat, Inc.
Hair Cattery #4296	Hilltop Village Center, Alexandria, Virginia	WRI Hilltop Village, LLC
Hair Cattery #4094	Largo Mall, Largo, Florida	Weingarten Realty Investors
Hair Cattery #0622	Palms at Town & Country, Community Center, Miami, Florida	Weingarten Realty Investors
Hair Cattery #4305	Pineapple Commons, Stuart, Florida	Pineapple Commons Retail, LP
Hair Cattery #3848	Wellington Green Commons, Wellington, Florida	WRI Wellington Green, LLC
Hair Cattery #1944	Winter Park Commons, Winter Park, Florida	Weingarten Nostat, Inc.
Hair Cattery #2191	Vizcaya Square, Plantation, Florida	Weingarten Realty Investors

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(GREENBELT DIVISION)**

In re:

**CREATIVE HAIRDRESSERS, INC., et
al.,**

Debtors.

Chapter 11

Case Nos. 20-14583, 20-14584-TJC

(Jointly Administered)

CERTIFICATE OF SERVICE

I, Michael W. Reining, hereby certify that on May 8, 2020, in addition to the notice and service provided through the Court's CM/ECF system, I served true and correct copies of the foregoing document upon the parties listed in the attached schedule in the manner indicated.

/s/ Michael W. Reining

Michael W. Reining

EXHIBIT A - SERVICE LIST**Parties Served Via E-Mail**

<p><i>Counsel to the Debtors</i></p> <p>SHAPIRO SHER GUINOT & SANDLER 250 W. Pratt Street, Suite 2000 Baltimore, Maryland 21201 Attn: Joel I. Sher, Richard M. Goldberg, Daniel J. Zeller, and Anastasia L. McCusker, Esq. Email: jis@shapirosher.com rmg@shapirosher.com djz@shapirosher.com alm@shapirosher.com</p>	<p><i>United States Trustee</i></p> <p>Office of the U.S. Trustee 6305 Ivy Lane, Suite 600 Greenbelt, Maryland 20770 Attn: Lynn A. Kohen and L. Jeanette Rich Email: lynn.a.kohen@usdoj.gov Jeanette.Rice@usdoj.gov</p>
<p><i>Counsel to the DIP Lender</i></p> <p>DLA Piper LLP (US) 444 West Lake Street Chicago, IL 60606-0089 Attn: Richard A. Chesley Email: Richard.chesley@dlapiper.com</p>	