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Proposed Counsel to Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

SAM ASH MUSIC CORPORATION, *et al.*

Debtors.¹

Chapter 11

Case No. 24-14727 (SLM)

(Joint Administration Requested)

**NOTICE OF HEARING ON DEBTORS' MOTION FOR ENTRY OF AN ORDER
AUTHORIZING (I) REJECTION OF CERTAIN UNEXPIRED LEASES, EFFECTIVE
AS OF MAY 31, 2024, AND (II) GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE that on **June 3, 2024 at 10:00 a.m. (prevailing Eastern Time)**, or as soon thereafter as counsel may be heard, the above-captioned debtors and debtors in possession (the "Debtors"), by and through their undersigned proposed counsel, shall move the *Debtors' Motion for Entry of an Order Authorizing (I) Rejection of Unexpired Leases, Effective as of May 31, 2024, and (II) Granting Related Relief* (the "Motion") before the Honorable Stacey

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Sam Ash Music Corporation (3915); Samson Technologies Corp. (4062); Sam Ash Megastores, LLC (9955); Sam Ash California Megastores, LLC (3598); Sam Ash Florida Megastores, LLC (7276); Sam Ash Illinois Megastores, LLC (8966); Sam Ash Nevada Megastores, LLC (6399); Sam Ash New York Megastores, LLC (7753); Sam Ash New Jersey Megastores, LLC (8788); Sam Ash CT, LLC (5932); Sam Ash Music Marketing, LLC (2024); and Sam Ash Quikship Corp. (7410). The location of debtor Sam Ash Music Corporation's principal place of business is 278 Duffy Avenue, P.O. Box 9047, Hicksville, NY 11802.

L. Meisel, United States Bankruptcy Judge, in Courtroom 3A of the United States Bankruptcy Court for the District of New Jersey, Martin Luther King, Jr. Federal Building, 50 Walnut Street, Newark, NJ 07102, for entry of an order (the “Order”), substantially in the form submitted herewith, establishing procedures for the allowance of interim compensation and reimbursement of expenses of professionals retained by this Court.

PLEASE TAKE FURTHER NOTICE that in support of the relief requested in the Motion, the Debtors shall rely on the accompanying Motion, which sets forth the relevant legal and factual bases upon which the relief requested should be granted. A proposed Order granting the relief requested in the Motion is also submitted herewith.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the relief requested in the Motion shall: (a) be in writing; (b) state with particularity the basis of the objection; and (c) be filed with the Clerk of the United States Bankruptcy Court electronically by attorneys who regularly practice before the Bankruptcy Court in accordance with the *General Order Regarding Electronic Means for Filing, Signing, and Verification of Documents dated March 27, 2002* (the “General Order”) and the *Commentary Supplementing Administrative Procedures* dated as of March 2004 (the “Supplemental Commentary”) (the General Order, the Supplemental Commentary and the User’s Manual for the Electronic Case Filing System can be found at www.njb.uscourts.gov, the official website for the Bankruptcy Court) and, by all other parties-in-interest, on CD-ROM in Portable Document Format (PDF), and shall be served in accordance with the General Order and the Supplemental Commentary, so as to be received no later than seven (7) days before the hearing date set forth above.

PLEASE TAKE FURTHER NOTICE that copies of all documents filed in these chapter 11 cases may be obtained free of charge by visiting the website of Epiq Corporate Restructuring,

LLC at <https://dm.epiq11.com/SamAsh>. You may also obtain copies of any pleadings by visiting the Court's website at <https://www.njb.uscourts.gov> in accordance with the procedures and fees set forth therein.

PLEASE TAKE FURTHER NOTICE that unless objections are timely filed and served, the Motion shall be decided on the papers in accordance with D.N.J. LBR 9013-3(d) and the relief requested may be granted without further notice or hearing.

DATED: May 10, 2024

Respectfully submitted,

COLE SCHOTZ P.C.

By: /s/Michael D. Sirota

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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

SAM ASH MUSIC CORPORATION, *et al.*

Debtors.¹

Chapter 11

Case No. 24-14727 (SLM)

(Joint Administration Requested)

**DEBTORS’ MOTION FOR ENTRY OF AN ORDER AUTHORIZING (I) REJECTION
OF CERTAIN UNEXPIRED LEASES, EFFECTIVE AS OF MAY 31, 2024,
AND (II) GRANTING RELATED RELIEF**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

The above-captioned debtors and debtors in possession (collectively, the “Debtors”)² respectfully state as follows in support of this motion (this “Motion”):

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal tax identification number, are: Sam Ash Music Corporation (3915); Samson Technologies Corp. (4062); Sam Ash Megastores, LLC (9955); Sam Ash California Megastores, LLC (3598); Sam Ash Florida Megastores, LLC (7276); Sam Ash Illinois Megastores, LLC (8966); Sam Ash Nevada Megastores, LLC (6399); Sam Ash New York Megastores, LLC (7753); Sam Ash New Jersey Megastores, LLC (8788); Sam Ash CT, LLC (5932); Sam Ash Music Marketing, LLC (2024); and Sam Ash Quikship Corp. (7410). The location of debtor Sam Ash Music Corporation’s principal place of business is 278 Duffy Avenue, P.O. Box 9047, Hicksville, NY 11802.

² A detailed description of the Debtors, their business, and the facts and circumstances supporting these chapter 11 cases is set forth in the *Declaration of Jordan Meyers, Chief Restructuring Officer of the Debtors, in Support of Debtors’ Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”) [Docket No. 17]. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Day Declaration.

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”): (a) authorizing (i) the rejection of certain unexpired leases, including any guaranties thereof and any amendments, modifications, supplements, or subleases thereto (each a “Lease” and, collectively, the “Leases”)³, as set forth on Schedule 1 to **Exhibit A** attached hereto, and (ii) the abandonment of certain equipment, fixtures, furniture, store signage, or other personal property that might be located at the premises and not otherwise transitioned to another location (collectively, the “Personal Property”), effective as of May 31, 2024 (the “Rejection Date”); and (b) granting related relief.

Jurisdiction and Venue

2. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157(a)-(b) and 1334(b) the *Standing Order of Reference to the Bankruptcy Court Under Title 11* of the United States District Court for the District of New Jersey, dated September 18, 2012 (Simandle, C.J.). This is a core proceeding pursuant to 28 U.S.C. § 157(b). The Debtors confirm their consent to the Court entering a final order in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105(a) and 365(a) of title 11 of the United States Code (the “Bankruptcy Code”), rule 6006 of the Federal Rules of Bankruptcy

³ Among the Leases is one vehicle lease which is no longer needed and is being rejected to avoid additional administrative expense to the Debtors’ estates.

Procedure (the “Bankruptcy Rules”), and rule 9013-1 of the Local Bankruptcy Rules for the District of New Jersey (the “Local Rules”).

Background

5. As set forth in the First Day Declaration, the Debtors are “The World’s Favorite Music Store®” having served thousands of musicians since 1924 as a family-owned manufacturer and specialty retailer of musical instruments and related equipment. As of the date hereof, the Debtors operate 42 stores and 4 distribution centers throughout the United States. The Debtors also operate an ecommerce business that primarily conducts sales domestically. Further, the Debtors operate a wholesale business, Samson, which designs, markets, distributes, and sells products to musical instrument and consumer electronic retailers, distributors, and sound contractors both domestically and internationally. The Debtors are headquartered in Hicksville, New York and currently employ approximately 830 employees.

6. On May 8, 2024 (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors have requested the joint administration of their cases under lead Case No. 24-14727 pursuant to Bankruptcy Rule 1015 [Docket No. 3]. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases, and no official committees have been appointed or designated.

7. The Debtors commenced these chapter 11 cases to implement a timely and efficient process to maximize the value of the Debtors’ estates for the benefit of all stakeholders.

Leases to Be Rejected

8. As set forth in the First Day Declaration, the Debtors filed these chapter 11 cases with the intent to conduct a going concern sale process for all or some of their assets on an

expedited basis while simultaneously initiating liquidation sales at their brick and mortar retail locations to monetize their inventory. In preparation for the filing of these cases, the Debtors, with the assistance of their advisors, undertook a comprehensive review of their lease portfolio, including an analysis of each of their store locations. The Debtors have determined in their business judgment that the costs incurred under the Leases constitute an unnecessary burden on the Debtors' enterprise and that the value of the Debtors' business would be maximized by rejecting such Leases, particularly since the liquidation sales at the applicable stores will have concluded before the Rejection Date.

9. The Debtors seek to reject the Leases to be effective as May 31, 2024, provided that the Debtors relinquish control of the premises associated therewith (the "Premises") by notifying each affected landlord (each a "Landlord", and collectively, the "Landlords") in writing, with email being sufficient, of the Debtors' surrender of the Premises and (i) turning over keys, key codes, and security codes, if any, to each affected Landlord or (ii) notifying each affected Landlord in writing, with email being sufficient, that the keys, key codes, and security codes, if any, are not available, but that the Landlord may rekey the Premises.

10. The rejection of the Leases is critical for the Debtors to efficiently administer their estates during the pendency of these chapter 11 cases. As of the Rejection Date, the Debtors will have vacated the Premises related to the Leases sought to be rejected by this Motion. Therefore, absent rejection, the Debtors would be obligated to pay rent under the Leases even though they will have ceased operations at, and will no longer be in possession of, such Premises. Moreover, in addition to their obligations to pay rent under the Leases, the Debtors may be obligated to pay certain real property taxes, utilities, insurance, and other related charges associated with the Leases.

11. Therefore, the Debtors have determined in their business judgment that the cost of maintaining the Leases would no longer benefit the estates and, thus, the Leases should be rejected effective as of May 31, 2024, to reduce unnecessary postpetition administrative costs.

Personal Property to Be Abandoned

12. Additionally, the Debtors evaluated the remaining Personal Property, if any, located at the Premises and determined that (a) the Personal Property is of inconsequential value or (b) the cost of removing and storing the Personal Property for future use, marketing, or sale exceeds its value to the Debtors' estates.

13. To reduce postpetition administrative costs and in the exercise of the Debtors' sound business judgment, the Debtors believe that the abandonment of the Personal Property as of May 31, 2024, is appropriate and in the best interests of the Debtors, their estates, and their creditors. Thus, the Debtors submit that any Personal Property remaining at the Premises should be abandoned pursuant to section 544 of the Bankruptcy Code.

Basis for Relief

A. Rejection of the Leases Reflects the Debtors' Sound Business Judgment.

14. Section 365(a) of the Bankruptcy Code provides that a debtor in possession, "subject to the court's approval, may . . . reject any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a). The decision to assume or reject executory contracts or unexpired leases is a matter within the "business judgment" of the debtor. *See NLRB v. Bildisco & Bildisco (In re Bildisco)*, 682 F.2d 72, 79 (3d Cir. 1982) *aff'd*, 465 U.S. 513 (1984) ("The usual test for rejection of an executory contract is simply whether rejection would benefit the estate, the 'business judgment' test." (citation omitted)); *see also Glenstone Lodge, Inc. v. Buckhead Am. Corp. (In re Buckhead Am. Corp.)*, 180 B.R. 83, 88 (D. Del. 1995). Application of the business judgment standard requires a court to approve a debtor's business decision unless the decision is

the product of bad faith, whim, or caprice. *See, e.g., In re HQ Glob. Holdings, Inc.*, 290 B.R. 507, 511–12 (Bankr. D. Del. 2003). Further, “[t]his provision allows a trustee to relieve the bankruptcy estate of burdensome agreements which have not been completely performed.” *Stewart Title Guar. Co. v. Old Republic Nat’l Title Ins. Co.*, 83 F.3d 735, 741 (5th Cir. 1996) (citation omitted).

15. Rejection of a contract or unexpired lease is appropriate where such rejection would benefit the estate. *See Sharon Steel Corp. v. Nat’l Fuel Gas Distrib. Corp.*, 872 F.2d 36, 39–40 (3d Cir. 1989). Upon finding that a debtor has exercised its sound business judgment in determining that rejection of certain contracts or leases is in the best interests of its creditors and all parties in interest, a court should approve the rejection under section 365(a). *See, e.g., In re Fed. Mogul Glob., Inc.*, 293 B.R. 124, 126 (D. Del. 2003); *Westbury Real Estate Ventures, Inc. v. Bradlees, Inc. (In re Bradlees Stores, Inc.)*, 194 B.R. 555, 558 n.1 (Bankr. S.D.N.Y. 1996), appeal dismissed, 210 B.R. 506 (S.D.N.Y. 1997); *In re Summit Land Co.*, 13 B.R. 310, 315 (Bankr. D. Utah 1981) (holding that absent extraordinary circumstances, court approval of a debtor’s decision to assume or reject an executory contract “should be granted as a matter of course”).

16. Rejection of the Leases is well within the Debtors’ business judgment and is in the best interests of their estates. The Debtors seek to reject the Leases, pursuant to section 365(a) of the Bankruptcy Code, to avoid the incurrence of any additional unnecessary expenses related to the Leases and the maintenance of the Premises. The Debtors have concluded that the costs of maintaining the Premises outweigh any revenue that such Premises currently generate or that they are likely to generate in the near future as the liquidation sales at such stores will have concluded by the Rejection Date. Absent rejection, the Leases will continue to burden the Debtors’ estates with meaningful administrative rent and related expenses, without sufficient marginal revenue to

justify the incurrence of such costs. Rejecting the Leases will help increase the Debtors' liquidity and otherwise facilitate the efficient administration of the Debtors' estates.⁴

17. Moreover, the Debtors have determined that there is no net benefit likely to be realized from efforts to market the Leases for potential assignment or sublease, and that there is little if any likelihood that the Debtors will be able to realize value from the Leases. Accordingly, the Debtors have determined that the Leases constitute an unnecessary drain on the estates' resources and, therefore, rejection of the Leases reflects the Debtors' exercise of sound business judgment and is in the best interests of the Debtors' estates, creditors, and other parties in interest.

B. Abandonment of Any Personal Property Located at the Premises is Authorized by Section 554(a) of the Bankruptcy Code.

18. Section 554(a) of the Bankruptcy Code provides that, “[a]fter notice and a hearing, the [debtor] may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate.” 11 U.S.C. § 554(a); *see also In re Wilson*, 94 B.R. 886, 888 (Bankr. E.D. Va. 1989) (“It is well settled, however, that a trustee is not obligated to accept onerous or unprofitable property surrendered as part of the estate, and may abandon property that is ‘burdensome’ or ‘of inconsequential value and benefit’ under § 554 of the Code.”) (internal citations omitted). The right to abandon property is virtually unfettered, unless: (a)

⁴ To the extent necessary, the Court should grant retroactive rejection of the Leases to ensure that the Debtors are able to preserve liquidity and do not incur expenses for rent and other costs at Premises which they have vacated. Many courts have held that bankruptcy courts may, in their discretion, authorize rejection retroactively to a date prior to entry of the order authorizing such rejection where the balance of equities favor such relief. *See, e.g., In re Virginia Packaging Supply Co., Inc.*, 122 B.R. 491, 493 (Bankr. E.D. Va. 1990) (allowing retroactive rejection of a lease where the debtor timely filed a motion for rejection); *see also, e.g., In re Philadelphia Newspapers, LLC*, 424 B.R. 178, 185 (Bankr. E.D. Pa. 2010) (granting retroactive rejection where equitable considerations did not weigh against it); *BP Energy Co. v. Bethlehem Steel Corp.*, 2002 WL 31548723, at *3 (S.D.N.Y. Nov. 15, 2002) (“[W]e cannot conclude . . . that a bankruptcy court’s assignment of a retroactive rejection date falls outside of its authority when the balance of the equities favors this solution.”); *In re At Home Corp.*, 392 F.3d 1064, 1065–66 (9th Cir. 2004) cert. denied sub nom., 546 U.S. 814 (2005) (affirming bankruptcy court’s approval of retroactive rejection); *In re Thinking Machs., Corp.*, 67 F.3d 1021, 1028 (1st Cir. 1995) (“[B]ankruptcy courts may enter retroactive orders of approval, and should do so when the balance of equities preponderates in favor of such remediation.”).

abandonment of the property will contravene laws designed to protect public health and safety; or (b) the property poses an imminent threat to the public's welfare. *See In re Midlantic Nat'l Bank*, 474 U.S. 494, 501 (1986). Neither of these limitations is relevant under the instant facts.

19. The Debtors submit that any Personal Property left at the Premises is of inconsequential value to the Debtors' estates, or the costs to the Debtors of retrieving, marketing, and reselling the Personal Property will exceed the recoveries, if any, that the Debtors and their estates could reasonably obtain in exchange for such property. Accordingly, the Debtors have determined, in the exercise of their sound business judgment, that abandonment of any Personal Property will be in the best interests of the Debtors and their estates.

Reservation of Rights

20. Nothing contained in this Motion or any order granting the relief requested in this Motion, and no action taken pursuant to the relief requested or granted (including any payment made in accordance with any such order), is intended as or shall be construed or deemed to be: (a) an admission as to the amount of, basis for, or validity of any claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission or finding that any particular claim is an administrative expense claim, other priority claim or otherwise of a type specified or defined in this Motion or any order granting the relief requested by this Motion; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; or (g) a waiver or limitation of any claims, causes of action, or other rights of the Debtors or any other

party in interest against any person or entity under the Bankruptcy Code or any other applicable law. If the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

No Prior Request

21. No prior request for the relief sought in this Motion has been made to this Court or any other court.

Notice

22. The Debtors will provide notice of this Motion to the following parties and/or their respective counsel, as applicable: (a) the Office of the U.S. Trustee for the District of New Jersey, Attn: Fran B. Steele, Esq. (Fran.B.Steele@usdoj.gov) and Peter J. D'Auria, Esq. (Peter.J.D'Auria@usdoj.gov); (b) the holders of the 30 largest unsecured claims against the Debtors (on a consolidated basis); (c) counsel for Tiger Finance LLC, Riemer & Braunstein LLP, Anthony B. Stumbo, Esq. and Steven E. Fox, Esq.; (d) the Landlords; and (e) any party that is entitled to notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

[Remainder of Page Intentionally Left Blank.]

WHEREFORE the Debtors respectfully request entry of the proposed order granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

DATED: May 10, 2024

Respectfully submitted,

COLE SCHOTZ P.C.

By: /s/Michael D. Sirota

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Ryan T. Jareck, Esq.

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Proposed Counsel to Debtors and Debtors in Possession

Exhibit A

Proposed Order

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)
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In re:

SAM ASH MUSIC CORPORATION, *et al.*

Debtors.¹

Chapter 11

Case No. 24-14727 (SLM)

Judge:

(Joint Administration Requested)

**ORDER AUTHORIZING (I) REJECTION OF CERTAIN UNEXPIRED LEASES,
EFFECTIVE AS OF MAY 31, 2024, AND (II) GRANTING RELATED RELIEF**

The relief set forth on the following pages, numbered two (2) through six (6), is hereby
ORDERED.

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Sam Ash Music Corporation (3915); Samson Technologies Corp. (4062); Sam Ash Megastores, LLC (9955); Sam Ash California Megastores, LLC (3598); Sam Ash Florida Megastores, LLC (7276); Sam Ash Illinois Megastores, LLC (8966); Sam Ash Nevada Megastores, LLC (6399); Sam Ash New York Megastores, LLC (7753); Sam Ash New Jersey Megastores, LLC (8788); Sam Ash CT, LLC (5932); Sam Ash Music Marketing, LLC (2024); and Sam Ash Quikship Corp. (7410). The location of debtor Sam Ash Music Corporation's principal place of business is 278 Duffy Avenue, P.O. Box 9047, Hicksville, NY 11802.

(Page 2)

Debtors: SAM ASH MUSIC CORPORATION, *et al.*
Case No.: 24 - 14727 (SLM)
Caption of Order: ORDER AUTHORIZING (I) REJECTION OF UNEXPIRED LEASES, EFFECTIVE AS OF MAY 31, 2024, AND (II) GRANTING RELATED RELIEF

Upon the *Debtors' Motion for Entry of an Order Authorizing (I) Rejection of Unexpired Leases, Effective as of May 31, 2024, and (II) Granting Related Relief* (the "Motion"),² of the above-captioned debtors and debtors in possession (the "Debtors"), for entry of an order (this "Order"): (a) authorizing (i) the rejection of the Leases set forth on Schedule 1 attached hereto, and (ii) the abandonment of certain Personal Property effective as of May 31, 2024, and (b) granting related relief; all as more fully set forth in the Motion; and upon the First Day Declaration; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order of Reference to the Bankruptcy Court Under Title 11 of the United States District Court for the District of New Jersey, entered July 23, 1984, and amended on September 18, 2012 (Simandle, C.J.); and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion was appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein;

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

(Page 3)

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Case No.: 24 - 14727 (SLM)
Caption of Order: ORDER AUTHORIZING (I) REJECTION OF UNEXPIRED LEASES, EFFECTIVE AS OF MAY 31, 2024, AND (II) GRANTING RELATED RELIEF

and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor **IT IS HEREBY ORDERED THAT:**

1. The Motion is **GRANTED** as set forth herein.
2. Pursuant to section 365 of the Bankruptcy Code, the Leases identified on **Schedule 1** attached hereto are hereby rejected, effective as of May 31, 2024, provided that the Debtors relinquish control of the Premises by notifying each affected Landlord in writing, with email being sufficient, of the Debtors' surrender of the Premises and (i) turning over keys, key codes, and security codes, if any, to each affected Landlord or (ii) notifying each affected Landlord in writing, with email being sufficient, that the keys, key codes, and security codes, if any, are not available, but that the Landlord may rekey the Premises.
3. The Debtors shall not be liable for any rent or any other obligation arising after May 31, 2024 with respect to the Leases, whether pursuant to 11 U.S.C. §§ 365(d)(3), 503(b), or otherwise.
4. The Debtors do not waive any claims that they may have against the Landlords with respect to the Leases, whether such claims arise under, are related to the rejection of, or are independent of the Leases.
5. The Debtors are authorized to abandon any Personal Property located at the Premises free and clear of all liens, claims, encumbrances, interests, and rights of third parties.
6. Any Personal Property located at the Premises is deemed abandoned, as of May 31, 2024, free and clear of all liens, claims, encumbrances, interests, and rights of third parties. The

(Page 4)

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Landlords may dispose of such Personal Property in their sole and absolute discretion and without further notice or order of this Court and without liability to the Debtors or any third party claiming an interest in the Personal Property.

7. Nothing herein shall prejudice any party's rights to assert that a Lease is not, in fact, an unexpired lease within the meaning of section 365 of the Bankruptcy Code.

8. Nothing herein shall prejudice the rights of the Debtors to argue that any Lease was terminated prior to the Petition Date, or that any claim for damages arising from the rejection of any Lease is limited to the remedies available under any applicable termination provision of such lease, sublease, or contract, as applicable, or that any such claim is an obligation of a third party, and not that of the Debtors or their estate.

9. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the amount of, basis for, or validity of any claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission or finding that any particular claim is an administrative expense claim, other priority claim or otherwise of a type specified or defined in this Motion or any order granting the relief requested by this Motion; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability or perfection of any lien on, security interest in, or other

(Page 5)

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Case No.: 24 - 14727 (SLM)
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encumbrance on property of the Debtors' estates; or (g) a waiver or limitation of any claims, causes of action, or other rights of the Debtors or any other party in interest against any person or entity under the Bankruptcy Code or any other applicable law. Any payment made pursuant to this Order is not intended and should not be construed as an admission as to the validity of any particular claim or a waiver of the Debtors' rights to subsequently dispute such claim.

10. Nothing in the Motion or this Order shall be deemed or construed as an approval of an assumption of any lease, sublease, or contract pursuant to section 365 of the Bankruptcy Code, and all such rights are reserved.

11. Nothing contained in the Motion or this Order is intended or should be construed to create an administrative priority claim.

12. Notwithstanding anything to the contrary, the terms and conditions of this Order are immediately effective and enforceable upon its entry.

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

14. The requirement set forth in Local Rule 9013-1(a)(3) that any motion be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Motion or otherwise waived.

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

(Page 6)

Debtors: SAM ASH MUSIC CORPORATION, *et al.*
Case No.: 24 - 14727 (SLM)
Caption of Order: ORDER AUTHORIZING (I) REJECTION OF UNEXPIRED LEASES,
EFFECTIVE AS OF MAY 31, 2024, AND (II) GRANTING RELATED
RELIEF

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

Schedule 1

Leases to Be Rejected¹

No.	Title/Description of Lease	Property Address	Landlord	Landlord Address	Rejection Effective Date	Abandoned Personal Property
4	Forest Hills	113-25 Queens Blvd. Forest Hills New York 11375	RIPCO	Three Mac Properties c/o RIPCO Management, LLC 471 N Broadway, Suite 405 Jericho, NY 11753 Attn: Michael Korff	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
7	New York	333 W. 34th St. New York New York 10001	Brookfield	BPREP 333 W 34TH LLC c/o Brookfield Property Partners 225 Liberty Street, 43rd Floor New York, NY 10281-1023 Attention: Executive Vice President, Director of Leasing	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
18	Buffalo Grove	1305 West Dundee Rd. Buffalo Grove Illinois 60089-4007	National Shopping Plazas, Inc.	Three Mac Properties c/o RIPCO Management, LLC 471 N Broadway, Suite 405 Jericho, NY 11753 Attn: Michael Korff	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
20	Lombard	1139 South Main St. Lombard Illinois 60148- 3948	Pine Tree	Pines Plaza, LLC c/o Pine Tree Commercial Realty, LLC 814 Commerce Dr., Suite 300 Oak Brook, IL 60523 Attn: Cassandra Murff	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures

¹ For the avoidance of doubt, the Leases referenced herein include any ancillary documents, including guaranties or assignments thereof, and any amendments, modifications, subleases, or termination agreements related thereto.

No.	Title/Description of Lease	Property Address	Landlord	Landlord Address	Rejection Effective Date	Abandoned Personal Property
33	Miami Lakes	5360 NW 167 Street Miami Lakes Florida 33014-6235	Wareco Enterprises, Inc.	Wareco Enterprises, Inc., 2970 Luckie Road Weston Florida 33331	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
34	King Of Prussia	139 E. DeKalb Pike King Of Prussia Pennsylvania 19406-2154	Sovereign Property Management	King of Prussia Center, LLC c/o Sovereign Property Management, LLC 102 Larch Circle, Suite 3010 Newport, DE 10804 Attn.: Daniel McBride	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
42	Clearwater	923 McMullen Booth Rd. Clearwater Florida 33759-3426	Armadillo Enterprises	Kapok Pavilion I, Ltd. 700 Spottiswood Lane Clearwater, Florida 33756	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
49	Philadelphia	1887 Franklin Mills Circle Philadelphia Pennsylvania 19154-3135	Simon	Franklin Mills Associates, LP c/o Simon Property Group 225 W. Washington Street Indianapolis, IN 46204-3438	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
54	Orlando	4644 E. Colonial Drive Orlando Florida 32803	Stiles	Greater Orlando Aviation Authority One Jeff Fuqua Blvd. Orlando, FL 32827 Attn: Chief Executive Officer	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures

No.	Title/Description of Lease	Property Address	Landlord	Landlord Address	Rejection Effective Date	Abandoned Personal Property
56	Cincinnati	1805 Commons Drive, Springdale, OH 45246	SPRINGDALE KEMPER ASSOCIATES, LTD.	Springdale Kemper Associates, L.P. c/o Bergman Group, Inc. 4695 Lake Forest Drive, Suite 100 Cincinnati, OH 45242	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
60	City of Industry	18031 Gale Avenue City of Industry California 91748-1245	JSL Plaza Puente Hills, LLC	JTNA Management Inc. 1014 S Glendora Ave West Covina Ca 91790 Attention: Joseph Liu, Managing Member	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
63	Atlanta	2999 Cobb Parkway Atlanta Georgia 30339-3117	ROOKER	445 Bishop Street NW, Suite 200 Atlanta, GA 30318-4303 Attention: Brian Cardoza	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
70	Jacksonville	8151 Blanding Blvd Jacksonville Florida 32244	Fields-Realty	G RACK FIELDS, LLC 550 SE 5th Avenue, Apt. 304S Boca Raton, FL 33432 Attn: Kim B. Fields	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
82	New Haven	95 Amity Road New Haven Connecticut 06515-1403	JBAD Limited Partnership	JBAD Limited Partnership 180 East Hyerdale Drive PO Box 357Goshen, CT 06756	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures

No.	Title/Description of Lease	Property Address	Landlord	Landlord Address	Rejection Effective Date	Abandoned Personal Property
50	Hollywood	7404 Sunset Blvd. Hollywood California 90046	Donald Rothenberg Family Limited Partnership	The Donald Rothenberg Family Limited Partnership 12272 North Highway 14 Cedar Crest, NM 87008 Attention: Denise P. Simon,	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
64	Hollywood	7401 Sunset Blvd. Hollywood California 90046	Iroquois Investment Company	Iroquois Investment Company 9101 Ivory Beach Drive Las Vegas, NV 89147	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures
95	Hollywood	7360 Sunset Blvd. Hollywood California 90046-3487	The Martin Family Trust	The Martin Family Trust c/o Ricki Martin 18909 Granada Circle Porter Ranch, CA 91326	May 31, 2024	Miscellaneous FF&E, store signage, and/or retail fixtures

Vehicle Lease to be Rejected

Title/Description of Lease	Lessor	Vin #	Rejection Effective Date
2022 BMW 750i X Drive Sedan	BMW Financial Services NA, LLC c/o CT CORPORATION SYSTEM, 28 LIBERTY ST., NEW YORK, NY, 10005 Rallye BMW, 1 Brush Hollow Rd, Westbury NY 11590	WBA7U2C01NCK00835	May 31, 2024