

COLE SCHOTZ P.C.

Court Plaza North
25 Main Street
P.O. Box 800
Hackensack, New Jersey 07602-0800
(201) 489-3000
(201) 489-1536 Facsimile
Michael D. Sirota, Esq.
msirota@coleschotz.com
Ryan T. Jareck, Esq.
rjareck@coleschotz.com
Matteo Percontino, Esq.
mpercontino@coleschotz.com

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 DEBTOR'S APPLICATION FOR ENTRY OF AN ORDER
(I) AUTHORIZING THE (A) RETENTION OF SIERRACONSTELLATION
PARTNERS LLC AND (B) DESIGNATION OF JORDAN MEYERS AS CHIEF
RESTRUCTURING OFFICER EFFECTIVE AS OF THE PETITION
DATE AND (II) GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE that on **June 21, 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 submit the *Debtor's Application for Entry of an Order (I) Authorizing the (A) Retention of SierraConstellation*

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.

Partners LLC and (B) Designation of Jordan Meyers as Chief Restructuring Officer Effective as of the Petition Date and (II) Granting Related Relief (the “Application”) before the Honorable Stacey 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, approving the Debtors’ Application.

PLEASE TAKE FURTHER NOTICE that in support of the relief requested in the Application, the Debtors shall rely on the accompanying Application, 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 Application is also submitted herewith.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the relief requested in the Application 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 Application 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 29, 2024

Respectfully submitted,

COLE SCHOTZ P.C.

By: /s/ Michael D. Sirota

Michael D. Sirota, Esq.

Ryan T. Jareck, Esq.

Matteo Percontino, Esq.

Court Plaza North

25 Main Street

Hackensack, NJ 07601

(201) 489-3000

(201) 489-1536 Facsimile

Email: msirota@coleschotz.com

rjareck@coleschotz.com

mpercontino@coleschotz.com

Proposed Counsel to Debtors and Debtors in Possession

COLE SCHOTZ P.C.

Court Plaza North

25 Main Street

P.O. Box 800

Hackensack, New Jersey 07602-0800

(201) 489-3000

(201) 489-1536 Facsimile

Michael D. Sirota, Esq.

msirota@coleschotz.com

Ryan T. Jareck, Esq.

rjareck@coleschotz.com

Matteo Percontino, Esq.

mpercontino@coleschotz.com

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)

(Jointly Administered)

**DEBTOR'S APPLICATION FOR ENTRY OF AN ORDER (I) AUTHORIZING THE (A)
RETENTION OF SIERRACONSTELLATION PARTNERS LLC AND (B)
DESIGNATION OF JORDAN MEYERS AS CHIEF RESTRUCTURING OFFICER
EFFECTIVE AS OF THE PETITION DATE AND (II) GRANTING RELATED RELIEF**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

The above-captioned debtors and debtors in possession (the “Debtors”)² respectfully states the following in support of this application (the “Application”):

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 Debtor, its business, and the facts and circumstances supporting these chapter 11 cases (the “Chapter 11 Cases”) is set forth in the *Declaration of Jordan Meyers, CRO of the Debtors, in Support of Debtors' Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Day Declaration.

1. The Debtors seek entry of an order (the “Proposed Order”), substantially in the form attached hereto as Exhibit A, authorizing the Debtors to (a) retain and employ SierraConstellation Partners LLC (“Sierra”) and (b) designate Jordan Meyers as Chief Restructuring Officer (“CRO”) pursuant to the terms of the engagement letter by and among the Debtors and Sierra, dated as of April 4, 2024 (the “Engagement Letter”), a copy of which is attached hereto as Exhibit B, in each instance effective as of the Petition Date (as defined herein), and (c) granting related relief. In support of the Application, the Debtors submit the declaration of Jordan Meyers, a Managing Director of Sierra (the “Meyers Declaration”), attached hereto as Exhibit C.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the District of New Jersey (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference to the Bankruptcy Court Under Title 11*, entered July 23, 1984, and amended on September 18, 2012 (Simandle, C.J.). The Debtors confirm their consent to the Court entering a final order in connection with this Application 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 pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105 and 363 of title 11 of the United States Code (the “Bankruptcy Code”) and rule 2002(f) and 2016 of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”), and rules 2002-1(f), 2014-1, and 2016-1 of the Local Rules of the United States Bankruptcy Court 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 May 8, 2024, the Debtors operated 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.

6. On May 8, 2024 (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”). 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 cases are being jointly administered under lead Case No. 24-14727 (SLM) pursuant to Bankruptcy Rule 1015 [Docket No. 39]. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

7. On May 21, 2024, the Office of the United States Trustee for the District of New Jersey (the “U.S. Trustee”) appointed the official committee of unsecured creditors pursuant to section 1102(a) of the Bankruptcy Code [Docket No. 107] (the “Committee”).

Sierra’s Qualifications

8. Sierra is an interim management and advisory firm providing services to companies navigating their way through business challenges, including bankruptcy. Sierra’s diversified

consulting experience assisting companies in transition has made it capable of solving strategic, operational, and financial issues faced by businesses. Specifically, Sierra provides services in areas including performance improvement, financial restructuring, and interim management.

9. Sierra is well qualified to provide its services and a CRO to the Debtors. Sierra is recognized for its experience in providing advisory services to financially distressed companies, including advising debtors, creditors, and other constituents in chapter 11 proceedings in numerous cases. Among numerous other cases across the United States, Sierra has provided advisory and restructuring services to entities in a broad range of industry sectors, including healthcare, manufacturing, pharmaceuticals, specialty chemicals, and technology, among others. Some of the chapter 11 cases in which Sierra has provided restructuring and advisory services, include: *In re Zosano Pharma Corp.*, Case No. 22-10506 (Bankr. D. Del. 2022); *In re Proteus Digital Health, Inc.*, Case No. 20-11580 (Bankr. D. Del. 2020); *In re NORPAC Foods, Inc.*, Case No. 19-62584 (Bankr. D. Or. 2019); *In re CFO Mgmt. Holdings, LLC*, Case No. 19-40426 (Bankr. E.D. Tex. 2019); *In re J & M Sales Inc.*, Case No. 18-11801 (Bankr. D. Del. 2018); *In re Woodbridge Grp. of Cos. LLC*, Case No. 17-12560 (Bankr. D. Del. 2017); *In re Katy Indus., Inc.*, Case No. 17-11101 (Bankr. D. Del. 2017); *In re Cranberry Growers Coop.*, Case No. 17-13318 (Bankr. W.D. Wis. 2017); *In re Liberty Asset Mgmt. Corp.*, Case No. 16-13575 (Bankr. C.D. Cal. 2016); *In re Bethel Healthcare, Inc. & Corinthian Sub-Acute & Rehab. Ctr., Inc.*, Case No. 13-12220 (Bankr. C.D. Cal. 2013).

10. In addition to Sierra's experience and reputation for providing restructuring services in chapter 11 cases, since November, 2023, Sierra has performed significant prepetition work for the Debtors. As a result, Sierra has acquired significant knowledge of the Debtors and their businesses, and familiarity with the Debtors' financial affairs, debt structure, operations, and

related matters. Likewise, in providing prepetition services to the Debtors, Sierra's professionals have worked closely with the Debtors' management and their other advisors. Sierra has experience, expertise, and specifically relevant knowledge regarding the Debtors that will assist it in providing effective and efficient services in these Chapter 11 Cases.

11. Jordan Meyers, a Managing Director of Sierra, has more than 15 years of experience providing transformation services, fiduciary services, restructuring advisory, interim management and litigation support services to distressed companies. Mr. Meyers previously worked at three other restructuring firms, two international accounting firms, and as an investment banker. He has provided guidance to financially challenged entities maneuvering through both out-of-court and court-supervised restructurings, including M&A transactions, interim management roles and bankruptcies resulting in reorganizations, liquidations and asset sales. Most recently Mr. Meyers served as Deputy CRO to Vyera Pharmaceuticals, LLC. During the course of his career, Mr. Meyers has been involved in numerous large and complex restructurings, including, but not limited to, Armstrong Flooring, Inc. Aluminum Shapes, LLC and PhaseBio Pharmaceuticals, Inc.. Mr. Meyers is a Certified Insolvency & Restructuring Advisor and a Certified Public Accountant. He received a bachelor's degree in accounting from Binghamton University and earned a Master of Business Administration from the Goizueta Business School at Emory University. The Debtors submit that the designation of Jordan Meyers as CRO and the retention of Sierra on the terms and conditions set forth herein is necessary and appropriate, in the best interest of the Debtors, their estates, and all parties in interest, and should be granted in all respects.

12. If the Application is approved, the individuals working on this matter (the "Sierra Personnel"), all with substantial expertise in the areas discussed above, will continue to provide necessary services to the Debtors. Such personnel will work closely with the Debtors' management

and other professionals throughout the reorganization process. By virtue of the expertise of its restructuring personnel and the significant prepetition work that Sierra performed for the Debtors, Sierra is well-qualified to provide services to and represent the Debtors' interests in these Chapter 11 Cases.

Services to be Provided

13. Prior to the Petition Date, the Debtors and Sierra entered into the Engagement Letter, which governs the relationship between them. The terms and conditions of the Engagement Letter were negotiated between the Debtors and Sierra and reflect the parties' mutual agreement as to the substantial efforts that will be required under this engagement.

14. Generally, the CRO and Sierra shall perform activities and services to assist the Debtors throughout these Chapter 11 Cases. Working collaboratively with the senior management team, the Board of Directors and other of the Debtors' professionals, Mr. Meyers will assist the Debtors in evaluating and implementing strategic and tactical options through the restructuring process. In addition to the ordinary course duties of a CRO, the Sierra Personnel may provide the following services:

- Prepare budgets and 13-week cash forecasts and evaluate variances thereto, as required by the Debtors' lenders;
- Communicate with, and meet information needs of, the Debtors' various constituencies;
- Assist the Debtors with the financial reporting requirements attendant to a bankruptcy filing, including, but not limited to, court orders and court-approved transactions;
- Develop the Debtors' revised business plan, and such other related forecasts as may be required by the Debtors' lenders in connection with negotiations or by the Debtors for other corporate purposes;
- Provide management and oversight of the Company's investment banker through an anticipated asset sale process in these chapter 11 cases;

- Identify, implement, and monitor both short-term and long-term liquidity generating initiatives;
- Develop short-term and long-term cash flow forecasting tools and related methodologies to support negotiations with the Debtors' stakeholders and fundraising initiatives;
- Prepare for and file a bankruptcy petition, coordinating and providing administrative support for the proceeding and developing the Debtors' plan of reorganization or other appropriate case resolution, if necessary;
- In connection with a bankruptcy, prepare (i) a disclosure statement and plan of reorganization, (ii) a liquidation analysis, (iii) statements of financial affairs and schedules of assets and liabilities, (iv) a claims analysis, and (v) monthly operating reports and other regular reporting required by the Court;
- Coordinate the Debtors' professionals assigned to sourcing, negotiating, and implementing any financing, including debtor-in-possession facilities;
- Manage the "working group" professionals who are assisting the Debtors in the restructuring process or who are working for the Debtors' various stakeholders to improve coordination of their effort and individual work product to be consistent with the Debtors' overall restructuring goals;
- Create and communicate materials for diligence purposes and manage the flow of information to potential acquirers in connection a potential sale of the Debtors' assets;
- Provide Bankruptcy Court testimony, if required; and
- Assist the Company with such other matters as may be requested by the Company and are mutually agreeable.

15. Where necessary, the Sierra Personnel will be assisted by or replaced by various professionals at various levels.

No Duplication Services

16. Sierra understands that the Debtors may retain additional professionals during the term of its engagement and will work cooperatively with such professionals to integrate any respective work conducted by the professionals on behalf of the Debtors. The services provided

by Sierra will complement, and not duplicate, the services to be rendered by other professional retained in these Chapter 11 Cases.

Fee and Expense Structure

17. Sierra’s decision to accept this engagement is conditioned upon its ability to be retained in accordance with its customary terms and conditions of employment, compensated for its services, and reimbursed for the out-of-pocket expenses it incurs in accordance with its customary billing practices, as set forth in the Engagement Letter (the “Fee and Expense Structure”)

18. On May 1, 2024, Sierra implemented its customary yearly rate increase, increasing its rates from those disclosed in the Engagement Letter. Sierra’s current standard hourly rates as of May 1, 2024, subject to periodic adjustments, are as follows:

<u>Title</u>	<u>Hourly Rate</u>
Partners	\$850/hr to \$1,300/hr
Managing Director	\$700/hr to \$775/hr
Senior Directors	\$615/hr to \$680/hr
Directors	\$470/hr to \$475/hr
Senior Associates	\$370/hr
Associates	\$295/hr

19. The current hourly rates of Mr. Meyers and the Sierra Personnel presently working on this matter are as follows:

Interim Management

<u>Title</u>	<u>Function</u>	<u>Hourly Rate</u>	<u>Commitment Full or Part Time</u>
Jordan Meyers	CRO	\$775/hr	Full Time

Additional Temporary Staff

<u>Title</u>	<u>Function</u>	<u>Hourly Rate</u>	<u>Commitment Full or Part Time</u>
Carmine Bruno	Sierra Personnel	\$295/hr	Full Time

20. The standard billing rates reflect, among other things, geographical differentials, differences in experience levels within classifications, and differences between types of services. Sierra's hourly rates are adjusted periodically and may be increased by Sierra in accordance with its normal billing practices. Changes in applicable hourly rates will be noted on the invoices for the first time period in which the revised rates become effective.

21. To the extent Sierra uses the services of independent contractors (the "Contractors") in these Chapter 11 Cases, Sierra shall: (a) pass through the cost of such Contractors to the Debtors at the same rate that Sierra pays the Contractors; (b) seek reimbursement for actual costs only; (c) ensure that the Contractors are subject to the same conflict checks as required for Sierra; and (d) file with the Court such disclosures required by Bankruptcy Rule 2014.

22. In addition to compensation for services rendered by Sierra Personnel, Sierra will seek reimbursement for reasonable and necessary expenses incurred in connection with these Chapter 11 Cases, including, but not limited to, transportation costs, lodging, and meals.

23. Sierra will submit monthly invoices to the Debtors, and the Debtors request authority to pay, in the ordinary course of business, all reasonable amounts invoiced by Sierra for fees and expenses.

24. Upon approval of the requested relief, Sierra will not be employed as a professional under section 327 of the Bankruptcy Code, and it will not submit fee applications pursuant to sections 330 and 331 of the Bankruptcy Code. Sierra will, however, file with the Court reports of compensation earned and expenses incurred on a monthly basis (“Compensation Reports”). Sierra may from time to time add or remove staff and, as a result, Sierra will also file staffing reports that will reflect the names of all full- and part-time Sierra Personnel involved in these Chapter 11 Cases and each individual’s hourly billing rate (“Staffing Reports” and together with Compensation Reports, the “Staffing and Compensation Reports”).

25. Sierra will provide its Staffing and Compensation Reports to: (i) the Office of the United States Trustee for the District of New Jersey (the “U.S. Trustee”), (ii) counsel to the Debtors and (iii) counsel to any official committee in these Chapter 11 Cases, if appointed (the “Notice Parties”). The Notice Parties shall have fourteen days after the date each Compensation Report is served upon them to object, and the related compensation and expenses will be subject to Court review in the event an objection is filed.

26. Sierra received a retainer in the amount of \$100,000.00 from the Debtors (the “Retainer”). According to Sierra’s books and records, during the 90-day period prior to the Petition Date, the Debtors paid Sierra \$1,024,813.71 in aggregate for professional services performed and expenses incurred, including advanced payments and the Retainer.

27. Sierra requests that any balance of the Retainer constitutes an evergreen retainer as security for post-petition services and expenses. An evergreen retainer is appropriate in these

Chapter 11 Cases because it reflects normal business terms in the marketplace and because Sierra and the Debtors are sophisticated business entities that have negotiated the Retainer at arm's length. *See In re Insilco Techs., Inc.*, 291 B.R. 628, 634 (Bankr. D. Del. 2003) (“[I]t is not disputed that the taking of evergreen retainers is a practice now common in the marketplace [T]he practice in this district has been engaged in since at least the early 1990s . . .”).

28. Due to the ordinary course and unavoidable reconciliation of fees and submission of expenses immediately prior, and subsequent to, the Petition Date, Sierra may have incurred fees and reimbursable expenses related to the prepetition period which remain unpaid. Approval is sought from the Court for Sierra to apply the Retainer and advanced payments to these unpaid amounts. Upon entry of an order approving the relief requested herein, Sierra will apply the Retainer and advanced payments to the unpaid amounts, and the Debtors will not owe Sierra any sums for prepetition services.

29. The Fee and Expense Structure is consistent with and typical of compensation arrangements entered into by Sierra and other comparable firms that render similar services. The Debtors believe that the Fee and Expense Structure is reasonable, market-based, and designed to compensate Sierra fairly for its work, and to cover fixed and routine overhead expenses.

Sierra's Disinterestedness

30. To the best of the Debtors' knowledge and except to the extent disclosed herein and in the Meyers Declaration, Sierra: (a) has no connection with the Debtors, their creditors, or parties in interest, or the attorneys or accountants of the foregoing, or U.S. Trustee or any person employed in the Office of the U.S. Trustee and (b) does not hold any interest adverse to the Debtors' estates.

31. Although the Debtors respectfully submit that the retention of Sierra is not governed by section 327 of the Bankruptcy Code, the Meyers Declaration discloses certain

connections with creditors, equity security holders, and other parties in interest in these Chapter 11 Cases. Sierra does not believe that any of these connections represent an interest materially adverse to the Debtors' estates or otherwise create a conflict of interest regarding the Debtors or these Chapter 11 Cases. Thereby, the Debtors submit that Sierra is a "disinterested person" as that term is defined by section 101(14) of the Bankruptcy Code.

32. In the event that Sierra learns of additional connections not reflected in the Meyers Declaration, Sierra will use reasonable efforts to promptly file a supplemental declaration.

Indemnification

33. Subject to any limitations imposed by the Court, including the proposed limitations on indemnification set forth in the proposed order appended to this Application as **Exhibit A**, the Debtors have agreed to indemnify Sierra as set forth in paragraph 20 of the Engagement Letter. The Debtors request that they be permitted to indemnify Sierra, its subsidiaries, and subcontractors for any claims, liabilities, or expenses relating to this engagement. In no event shall the Debtors be obligated to indemnify Sierra for its bad faith, gross negligence, willful misconduct, or violation of any law.

Basis for Relief

34. The Debtors seek to employ and retain Sierra and appoint Mr. Meyers as CRO pursuant to sections 105 and 363 of the Bankruptcy Code, effective as of the Petition Date. Section 363(b) of the Bankruptcy Code permits a bankruptcy court, after notice and a hearing, to authorize a debtor to "use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). "In determining whether to authorize the use, sale or lease of property of the estate under this section, courts require the debtor to show that a sound business purpose justifies such actions." *In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (D. Del. 1999)

(collecting cases); *see also In re Phx. Steel Corp.*, 82 B.R. 334, 335–36 (Bankr. D. Del. 1987) (requiring the debtor to show a “good business reason” for a proposed transaction under section 363(b)). Indeed, courts in this district routinely grant the relief requested herein under section 363. *See In re Careismatic Brands, LLC*, No. 24-10561 (VFP) (Bankr. D.N.J. Feb. 29, 2024) [Docket No. 328]; *In re Cyxtera Techs., Inc.*, No. 23-14853 (JKS) (Bankr. D. N.J. Jul. 19, 2023) [Docket No. 300]; *In re Bed Bath & Beyond Inc.*, No. 23-13359 (VFP) (Bankr. D. N.J. Jun. 15, 2023) [Docket No. 730]; *In re Nat’l Realty Investment Advisors, LLC*, No. 22-14539 (JKS) (Bankr. D.N.J. Aug. 10, 2022) [Docket No. 288]; *In re BlockFi Inc.*, No. 22-19361 (MBK) (Bankr. D.N.J. Feb. 9, 2023) [Docket No. 494] (MBK); *In re RTW Retailwinds, Inc.*, No. 20-18445 (JKS) (Bankr. D.N.J. July 15, 2020) [Docket No. 58].

35. Additionally, section 105(a) of the Bankruptcy Code provides the Court with the power to grant the relief requested herein. Section 105(a) of the Bankruptcy Code codifies a bankruptcy court’s inherent equitable powers to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a); *see also United States v. Energy Resources Co.*, 495 U.S. 545, 549 (1990); *In re Cont’l Airlines*, 203 F.3d 203, 211 (3d Cir. 2000) (“Section 105(a) of the Bankruptcy Code supplements courts’ specifically enumerated bankruptcy powers by authorizing orders necessary or appropriate to carry out provisions of the Bankruptcy Code”). Indeed, the relief requested herein is consistent with the relief generally approved by bankruptcy courts. *See In re K.G. IM, LLC*, 620 B.R. 469, 486–87 (Bankr. S.D.N.Y. 2020) (approving the debtors’ application affirming the designation of a chief restructuring officer pursuant to section 363(b) of the Bankruptcy Code and overruling the U.S. Trustee’s objection that the proposed retention did not abide by Part I.D. of the J. Alix Protocol where the debtors lacked a board of directors); *In re Nine West Holdings, Inc.*, 588 B.R. 678, 687–

90 (Bankr. S.D.N.Y. 2018) (holding the debtors' financial advisor had complied in all material respects with the J. Alix Protocol, approving the advisor's application to provide the debtors with an interim chief executive officer and certain additional personnel, and overruling the U.S. Trustee's objection that retention under section 363(b) of the Bankruptcy Code was improper because the proposed interim chief executive officer had served as a director of a subsidiary board within two years of the petition date).

36. The terms and conditions of the Engagement Letters were negotiated by the Debtors and Sierra at arm's length and in good faith. The Debtors submit that the employment of Sierra and Mr. Meyers as CRO, is a sound exercise of their business judgment as Sierra's and Mr. Meyers's services are necessary and essential to the Debtors' restructuring efforts. Mr. Meyers and the Sierra Personnel assigned to this engagement have extensive experience providing management and financial services to distressed companies. In addition, since the beginning of their engagement with the Debtors in November, 2023, Sierra and Mr. Meyers, working in conjunction with the Debtors' senior management, have provided invaluable assistance in, among other things, analyzing the Debtors' overall operations and financial condition, negotiating with the Debtors' creditors and stakeholders, and coordinating the Debtors' preparation for filing these Chapter 11 Cases. Sierra and Mr. Meyers in his capacity as CRO, will provide services that are in the best interest of all parties in interest in these Chapter 11 Cases.

Waiver of Memorandum of Law

37. The Debtors respectfully request that the Court waive the requirement to file a separate memorandum of law pursuant to Local Rule 9013-1(a)(3) because the legal basis upon which the Debtors rely is set forth herein and the Application does not raise any novel issues of law.

No Prior Request

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

Notice

39. The Debtors will provide notice of this Motion to the following parties or their respective counsel: (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 Debtor; (c) counsel for Tiger Finance LLC, Riemer & Braunstein LLP, Anthony B. Stumbo, Esq. and Steven E. Fox, Esq.; (d) the United States Attorney's Office for the District of New Jersey; and (e) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtor submits 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 request that the Court enter the order substantially in the form attached here as **Exhibit A**, granting the relief requested herein and such other relief as is just and proper under the circumstances.

DATED: May 29, 2024

Respectfully submitted,

COLE SCHOTZ P.C.

By: /s/ Michael D. Sirota

Michael D. Sirota, Esq.

Ryan T. Jareck, Esq.

Matteo Percontino, Esq.

Court Plaza North

25 Main Street

Hackensack, NJ 07601

(201) 489-3000

(201) 489-1536 Facsimile

Email: msirota@coleschotz.com

rjareck@coleschotz.com

mpercontino@coleschotz.com

Proposed Counsel to Debtor and Debtor 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)
COLE SCHOTZ P.C.
Court Plaza North
25 Main Street
P.O. Box 800
Hackensack, New Jersey 07602-0800
(201) 489-3000
(201) 489-1536 Facsimile
Michael D. Sirota, Esq.
msirota@coleschotz.com
Ryan T. Jareck, Esq.
rjareck@coleschotz.com
Matteo Percontino, Esq.
mpercontino@coleschotz.com
Proposed Counsel to Debtors and Debtors in Possession

In re:

SAM ASH MUSIC CORPORATION, *et al.*

Debtors.¹

Chapter 11

Case No. 24-14727 (SLM)

Judge: Stacey L. Meisel

(Jointly Administered)

**ORDER (I) AUTHORIZING THE (A) RETENTION OF SIERRACONSTELLATION
PARTNERS LLC AND (B) DESIGNATION OF JORDAN MEYERS AS CHIEF
RESTRUCTURING OFFICER EFFECTIVE AS OF THE PETITION DATE AND (II)
GRANTING RELATED RELIEF**

The relief set forth on the following pages, numbered two (2) through seven (7), is
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 (I) AUTHORIZING THE (A) RETENTION OF SIERRACONSTELLATION PARTNERS LLC AND (B) DESIGNATION OF JORDAN MEYERS AS CHIEF RESTRUCTURING OFFICER EFFECTIVE AS OF THE PETITION DATE AND (II) GRANTING RELATED RELIEF

Upon the *Debtors' Application for Entry of an Order (I) Authorizing the (A) Retention of SierraConstellation Partners LLC, and (B) Designation of Jordan Meyers as Chief Restructuring Officer Effective as of the Petition Date and (II) Granting Related Relief* (the “Application”)¹ of the above-captioned debtors and debtors in possession (collectively, the “Debtors”)² for entry of an order (this “Order”) (a) authorizing the Debtors to (i) retain and employ SierraConstellation Partners LLC (“Sierra”) and (ii) designate Jordan Meyers as Chief Restructuring Officer (“CRO”), each pursuant to the terms of the engagement letter by and among the Debtors and Sierra, dated as of April 4, 2024 (the “Engagement Letter”) effective as of the Petition Date and (b) granting related relief, all as more fully set forth in the Application; and upon consideration of the Meyers Declaration; and the Court having jurisdiction to consider the Application 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 Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors’ notice of the Application was appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Application 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 Application establish just cause for the relief granted herein; and upon all of

(Page | 3)

Debtors: SAM ASH MUSIC CORPORATION, *et al.*

Case No. 24-14727 (SLM)

Caption of Order: ORDER (I) AUTHORIZING THE (A) RETENTION OF SIERRACONSTELLATION PARTNERS LLC AND (B) DESIGNATION OF JORDAN MEYERS AS CHIEF RESTRUCTURING OFFICER EFFECTIVE AS OF THE PETITION DATE AND (II) GRANTING RELATED RELIEF

the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Application is **GRANTED** as set forth herein.
2. Pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, the Debtors are authorized to (i) retain and employ Sierra and (ii) designate Jordan Meyers as CRO, in each instance effective as of the Petition Date, and in accordance with the terms and conditions set forth in the Engagement Letter attached to the Application as **Exhibit B**.
3. The terms of the Engagement Letter including, without limitation, the indemnification provisions and compensation provisions, as modified by the Application and this Order, are reasonable and conditions of employment and are hereby approved.
4. Sierra is authorized to apply the Retainer and advanced payments to satisfy any unbilled or other remaining prepetition fees and expenses that Sierra becomes aware of during its ordinary course billing review and reconciliation. The balance of the Retainer and advanced payments held by Sierra shall be treated as an evergreen retainer and be held by Sierra as security throughout these Chapter 11 Cases until Sierra's fees and expenses are fully paid.
5. Upon employment and retention by the Debtors, the CRO shall be empowered and authorized to carry out all duties and responsibilities set forth in the Engagement Letter.
6. Notwithstanding anything to the contrary in the Application or the Engagement Letter, Sierra's engagement is subject to the following terms:

(Page | 4)

Debtors: SAM ASH MUSIC CORPORATION, *et al.*

Case No. 24-14727 (SLM)

Caption of Order: ORDER (I) AUTHORIZING THE (A) RETENTION OF SIERRACONSTELLATION PARTNERS LLC AND (B) DESIGNATION OF JORDAN MEYERS AS CHIEF RESTRUCTURING OFFICER EFFECTIVE AS OF THE PETITION DATE AND (II) GRANTING RELATED RELIEF

- (a) Sierra shall not act in any other capacity (for example, and without limitation, as a financial advisor or investor/acquirer) in connection with these Chapter 11 Cases.
- (b) In the event the Debtors seek to have Sierra Personnel assume executive officer positions that are different than the position(s) disclosed in the Application, or to materially change the terms of the engagement by either (i) materially modifying the functions of personnel, (ii) adding new executive officers, or (iii) altering or expanding the scope of the engagement, a motion to modify the retention shall be filed.
- (c) Sierra shall file with the Court with copies to (i) the Office of the United States Trustee for the District of New Jersey (the “U.S. Trustee”), (ii) counsel to the Debtors and (iii) counsel to any official committee appointed in these Chapter 11 Cases (the “Notice Parties”), staffing reports on the engagement for the previous month. Such report shall include the names and functions filled of the individuals assigned (the “Staffing Reports”). The Notice Parties shall have 14 days after the date each Staffing Report is served to object to such Staffing Report. The Staffing Reports shall be subject to review by the Court in the event an objection is filed.
- (d) Sierra shall submit reports of compensation earned and expenses incurred on a monthly basis (the “Compensation Reports”) to the Court with copies to the Notice Parties. Compensation Reports shall summarize the services provided, and identify the compensation earned and expenses incurred by each executive officer and staff employee. Time records shall (i) be appended to the Compensation Reports, (ii) contain detailed time entries describing the task(s) performed, and (iii) be organized by project category. Where Sierra Personnel are providing services at an hourly rate, the time entries shall identify the time spent completing each task in 1/10 hour increments and the corresponding charge (time multiplied by hourly rate) for each task; where Sierra Personnel are providing services at a “flat” rate, the time entries shall be kept in .5 hour increments. Notwithstanding the above, from the Petition Date to the date this Order is entered, the time entries for all personnel that are providing services shall be kept daily and shall identify the individuals providing services, the amount of time spent, and set forth the services provided. The Notice Parties and the Debtors shall have 14 days after the date of each Compensation Report is served to object to such Compensation Report. The Compensation Reports shall be subject to Court review in the event an objection is filed. All fees and expenses paid

(Page | 5)

Debtors: SAM ASH MUSIC CORPORATION, *et al.*

Case No. 24-14727 (SLM)

Caption of Order: ORDER (I) AUTHORIZING THE (A) RETENTION OF SIERRACONSTELLATION PARTNERS LLC AND (B) DESIGNATION OF JORDAN MEYERS AS CHIEF RESTRUCTURING OFFICER EFFECTIVE AS OF THE PETITION DATE AND (II) GRANTING RELATED RELIEF

to Sierra are subject to disgorgement to the extent an objection is filed and sustained after payment of any fees and expenses.

- (e) The Debtors may file each monthly Staffing Report and each monthly Compensation Report as one joint single report.
- (f) No principal, employee, or independent contractor of Sierra shall serve as a director of any of the above-captioned Debtors during the pendency of these Chapter 11 Cases.
- (g) Notwithstanding the terms of the Engagement Letter, any transaction fees, or any other back-end or success fees shall be subject to approval by the Court at the conclusion of the cases on a reasonableness standard and are not being pre-approved under section 328(a) of the Bankruptcy Code by entry of this Order and all parties' rights to object to any of the transaction fees, or any other back-end or success fees are fully reserved. No success fee, transaction fee or back-end fee shall be sought upon conversion of the cases, dismissal of the cases for cause, or appointment of a trustee.
- (h) Notwithstanding the terms of the Engagement Letter, the Debtors are permitted to indemnify only those persons serving as corporate officers on the same terms as provided to the Debtors' other officers and directors under the corporate bylaws and applicable state law, along with insurance coverage under the Debtors' D&O policy. There shall otherwise be no indemnification of Sierra.
- (i) To the extent Sierra uses the services of third party entity independent contractor entities or subcontractors (collectively, the "Contractors") in these Chapter 11 Cases, (i) Sierra shall pass through the cost of such Contractors to the Debtors at the same rate that Sierra pays the Contractors; (ii) seek reimbursement for actual costs only; (iii) ensure that the Contractors are subject to the same conflicts checks as required for Sierra; and (iv) file with this Court disclosures pertaining to such Contractors of the kind required by Bankruptcy Rule 2014.
- (j) For a period of three years after the conclusion of the engagement, neither Sierra nor any of its affiliates shall make any investments in the Debtors or the reorganized Debtors.
- (k) Sierra shall make appropriate disclosures of any and all facts that may have a bearing on whether Sierra, or any individuals working on the engagement

(Page | 6)

Debtors: SAM ASH MUSIC CORPORATION, *et al.*

Case No. 24-14727 (SLM)

Caption of Order: ORDER (I) AUTHORIZING THE (A) RETENTION OF SIERRACONSTELLATION PARTNERS LLC AND (B) DESIGNATION OF JORDAN MEYERS AS CHIEF RESTRUCTURING OFFICER EFFECTIVE AS OF THE PETITION DATE AND (II) GRANTING RELATED RELIEF

hold/represent any interest adverse to, the Debtors, their creditors, or other parties in interest. The obligation to disclose identified in this subparagraph is a continuing obligation.

- (l) The limitation of liability section in the Engagement Letter will be eliminated for the duration of these Chapter 11 Cases.
- (m) Notwithstanding anything to the contrary contained in the Application or the Engagement Letter, during these Chapter 11 Cases, Sierra will only seek reimbursement of actual and necessary expenses.
- (n) Sierra shall not seek reimbursement of any fees or costs, including attorney fees and costs, arising from the defense of any of Sierra's fee applications in the cases.

7. The relief granted herein shall be binding upon any chapter 11 trustee appointed in these Chapter 11 Cases, or upon any chapter 7 trustee appointed in the event of a subsequent conversion of these Chapter 11 Cases to cases under chapter 7 subject to paragraph 6(g) of this Order. Notwithstanding the previous sentence, any trustee appointed in these cases shall be bound concerning Sierra's entitlement to fees earned, but a trustee shall not be obligated to continue such engagement.

8. To the extent there is any inconsistency between the terms of the Engagement Letter, the Application, and this Order, the terms of this Order shall govern.

9. Sierra shall use its reasonable efforts to avoid any unnecessary duplication of services provided by any retained professionals in these Chapter 11 Cases.

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

(Page | 7)

Debtors: SAM ASH MUSIC CORPORATION, *et al.*

Case No. 24-14727 (SLM)

Caption of Order: ORDER (I) AUTHORIZING THE (A) RETENTION OF SIERRACONSTELLATION PARTNERS LLC AND (B) DESIGNATION OF JORDAN MEYERS AS CHIEF RESTRUCTURING OFFICER EFFECTIVE AS OF THE PETITION DATE AND (II) GRANTING RELATED RELIEF

11. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

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

13. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Exhibit B

Engagement Letter



April 4, 2024

David Ash
CEO and General Counsel
Sam Ash Music Corporation
278 Duffy Avenue
Hicksville, NY 11802

Re: Terms of Engagement of SierraConstellation Partners LLC to Provide Chief Restructuring Officer and CRO Support

Dear Mr. Ash:

This letter sets forth the agreement between Sam Ash Music Corporation and its subsidiaries (collectively, the "Company" or "you") and SierraConstellation Partners LLC ("SCP" and "we"). This letter (the "Engagement Letter") together with the Standard Terms and Conditions (the "Standard Terms") annexed hereto and incorporated by reference (collectively, the "Agreement") sets forth the terms of our engagement.¹

You shall, by executing this letter, engage SCP for the purposes of providing Jordan Meyers, Managing Director of SCP as Chief Restructuring Officer ("CRO") to the Company and additional SCP personnel to support the CRO (collectively, the "CRO Support" and, together with the CRO, collectively, the "SCP Personnel") in connection with the Services to be performed at the Company. The SCP Personnel will also work with you toward the implementation of whatever strategies are most appropriate to achieve your objectives.

On or about the Effective Date (as defined in the Standard Terms), SCP shall provide the following services ("Services") including, but not be limited to, the following:

- SCP shall make the CRO available to the Company, to be named the Company's CRO to oversee and exercise full control over the daily financial management and operations of the Company in accordance with the Company's bylaws and applicable law. The CRO shall report into the Board of Directors of Sam Ash Music Corporation (the "Board") in connection with the engagement;
- SCP will also provide the CRO Support to provide assistance to the CRO, the Company and the Board from time to time. SCP will keep the Board reasonably informed as to SCP's staffing on the engagement;
- Provide management and oversight of the Company's investment banker through an anticipated asset sale process under the Bankruptcy Code;

¹ Capitalized terms not otherwise defined in this letter shall have the meanings ascribed in the Standard Terms. In the event of any conflict between the terms of this letter and the Standard Terms, the terms of this letter shall control. Reference is further hereby made to that certain Loan and Security Agreement, dated as of February 21, 2024 (as amended, restated, supplemented or otherwise modified and in effect from time to time, the "Loan Agreement"), entered into by and between Tiger Finance, LLC, as the lender ("Tiger") and the Company, as the borrower.



- Exercise management and control related to the operations and cash flow management leading up to and during the bankruptcy case;
- Preparation of interim financial forecast used to support financing to fund restructuring process and review same with the Company;
- Assess business plan and profitability, provide recommendations to improve operations and cash flows, and share same with the Company;
- Develop sizing of DIP financing, and present cash flows to Tiger and other potential lenders;
- Develop and advise on any liquidity improvement opportunities and any vendor or customer management matters, including developing strategies for negotiating with vendors and other constituencies which can impact weekly cash flows and affect the Company's liquidity needs;
- Preparation of financial information for distribution to creditors (including Tiger) and others, including, but not limited to, cash flow projections and budgets, cash receipts and disbursements analysis of various asset and liability accounts, and analysis of proposed transactions;
- Lead all interactions with the unsecured creditor committee (if one is formed in the bankruptcy case) and assist in the preparation of management reports in connection therewith;
- Lead the drafting of, and seek confirmation of, a plan of reorganization under the Bankruptcy Code;
- Develop and implement recommendations in connection with strategic alternatives as needed to maximize the value of the Company;
- Direct the Company's efforts with respect to cash flow generation capabilities and the valuation maximization thereof;
- Evaluate and respond to parties during negotiation including Tiger, landlords, vendors, potential buyers, and other key constituents;
- Provide testimony and serve as responsible party for reporting requirements in the bankruptcy case;
- Attend meetings, presentations and negotiations as may be reasonably requested by the Company and/or Tiger; and
- Perform such other services as requested or directed by the Company.

SCP shall provide such other services as may be agreed to by SCP and the Company in writing based on discussions with you as the engagement progresses and additional information is obtained during the course of the engagement.



Pursuant to Section 9.20 of the Loan Agreement, SCP shall, at a minimum, provide Tiger with weekly telephone updates and copies of all written materials with respect to the Services being provided by the CRO and SCP. It being understood that SCP shall keep Tiger reasonably informed of all actions undertaken in furtherance of the engagement and the provision of Services hereunder.

SCP's fees for the Services will be billed at the rates set forth below. SCP's hourly rates are adjusted periodically and may be increased by SCP in accordance with its normal billing practices. There will be an additional "evergreen" retainer of \$50,000 paid to SCP at the execution of this Agreement, such that the total cash on account held by SCP shall be \$100,000 (the "Retainer"). The Retainer will be applied to all invoices issued to the Company for Services and Reimbursable Expenses as and when each invoice is issued. The Retainer will be held by SCP as an advance towards Services and Reimbursable Expenses. The Company agrees that invoices are due upon receipt and will promptly wire the invoice amount to SCP as replenishment of the Retainer.

The current hourly rates for SCP Personnel are as follows:

Jordan Meyers, CRO:	\$750/hr.
Partners:	\$750/hr. to \$1,200/hr.
Managing Directors:	\$660/hr. to \$750/hr.
Senior Directors:	\$600/hr. to \$660/hr.
Directors:	\$455/hr. to \$515/hr.
Senior Associates:	\$360/hr.
Associates:	\$285/hr.

Requirements of Filing Chapter 11 Case

The Company has determined that it is appropriate to prepare a contingency plan addressing the potential that it will need to seek protection under the United States Bankruptcy Code at some point in the future. As part of this contingency preparation SCP has been asked to develop a detailed approach to preparing the Company for one or more bankruptcy proceedings, which will be structured in a cost effective and efficient manner suitable for the situation. In addition, in the event a Chapter 11 proceeding is pursued, SCP has been asked to prepare the necessary financial and operating information in furtherance of the Chapter 11 case and coordinate and manage the requirements for filing and operating under the Bankruptcy Code. If cases under the Bankruptcy Code are commenced and SCP's retention is approved, its role will include serving as principal bankruptcy financial advisors to the debtors and debtors in possession in those cases, subject to court approval.

The services SCP will provide in connection with the engagement will encompass all services normally and reasonably associated with this type of engagement that we are requested and are able to provide and that are consistent with our ethical obligations. With respect to all matters of our engagement, we will coordinate closely with the Company as to the nature of the services that we will render and the scope of our engagement.



This Agreement represents the entire understanding of the parties hereto and supersedes any and all other prior agreements among the parties regarding the subject matter hereof, including that certain *Terms of Engagement of SierraConstellation Partners LLC as Financial and Business Advisory For Sam Ash Music* dated November 3, 2023 and *Terms of Engagement of SierraConstellation Partners LLC for Refinancing Transaction and Sale Transaction Services* dated December 14, 2023 (collectively, the “Prior Agreements”). Notwithstanding the foregoing, SCP shall be entitled to a Sale Transaction Fee (as defined in the Prior Agreements) in the event the Company closed on one or more Sale Transactions; provided, however, the Sale Transaction Fee shall be reduced on a dollar for dollar basis on account of any success or transaction fee payable to another investment banker; provided, further, however, in the event a prospective acquirer that emerged from SCP’s sale process is successful in consummating a transaction, SCP shall be entitled to a Sale Transaction Fee in the amount of any reduction the Company is afforded on account of a success fee payable to another investment banker in connection with such transaction; provided, further, that SCP and the Company expressly acknowledge and agree that no Sale Transaction Fee shall be paid to SCP unless Tiger has been paid in full on account of its allowed claim under the Loan Agreement.

If the foregoing represents your agreement, please sign the enclosed copy of this letter in the space provided and return it to me; or if you have any questions, please call me at (917) 576-5006.

By signing this letter, you represent and warrant that the Company has the authority to enter into this engagement letter on behalf of itself and its subsidiaries and that all authorizations from the Board to commence the Services have been obtained and documented.



We appreciate the opportunity to work for you and look forward to your prompt response.

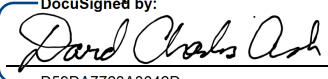
Very truly yours,

SierraConstellation Partners LLC

By: 
1B64A34695E3441
Jordan Meyers, Managing Director

Agreed and Accepted by:

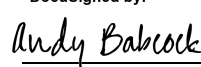
Sam Ash Music Corporation

By: 
D59DA7723A3642D...
David Ash
Name: _____
Title: **CEO**

Pursuant to the Loan Agreement, Tiger consents to the Company's selection and appointment of Jordan Meyers as CRO.

Approved:

Tiger Finance, LLC

By: 
E06EC951868C44F...
Andy Babcock
Name: _____
Title: **Managing Director**



Standard Terms & Conditions

The terms and conditions set forth below (the "Standard Terms") are incorporated by reference into that certain Engagement Letter by and between SierraConstellation Partners LLC ("SCP") and Sam Ash Music Corporation and its subsidiaries (the "Company") dated as of April 4, 2024 (the "Engagement Letter") and together with the Standard Terms, the "Agreement").

EFFECTIVE DATE, FEES AND EXPENSES

1. Effective Date. As used in the Agreement, the term "Effective Date" shall mean the date upon which all of the following occur: (a) SCP receives the Engagement Letter signed by a person at the Company with the authority to enter into the Agreement and bind the Company, including, as applicable, confirmation that the necessary resolutions of the Company's board of directors or officers appointing SCP to provide Company with the CRO and with the Deputy CRO and obligating the Company to indemnify and hold such CRO and Deputy CRO harmless have been obtained, (b) SCP receives the Retainer, (c) either (i) the Company obtains the D&O policy naming the CRO and the Deputy CRO as an insured or (ii) the Company adds the CRO and the Deputy CRO to its existing D&O policy; whichever is acceptable to SCP, and (d) SCP receives the Engagement Letter signed by Tiger.

2. Invoices. SCP will provide an invoice for Services to Company on a regular basis (the "Invoice"). Each Invoice will provide sufficient details identifying the Services rendered and the Reimbursable Expenses incurred.

3. Payment of Invoices and Replenishment of Retainer. Payment of each Invoice is due upon receipt by Company and shall be deducted from the Retainer as and when issued by SCP. Company shall maintain the "evergreen" nature of the Retainer by replenishing the Retainer within three (3) Business Days of the issuance of an Invoice. If the Retainer is not replenished in full when due, you agree that SCP has the rights and options, in its discretion until the Retainer is replenished and/or all outstanding Invoices are paid in full: (i) to suspend or terminate Services and/or (ii) withhold delivery of Services, testimony, Deliverables (as defined herein), reports or data (written or oral); in which event you agree that the CRO, the Deputy CRO and SCP will not be liable for any resulting losses, damages or expenses in connection with or resulting from such suspension, withholding or termination of Services or any delay in completion of or performance of the Services or compliance with any deadlines or timelines related to the Services.

4. Reimbursable Expenses. SCP will be reimbursed timely by you for any and all reasonable, actual out-of-pocket expenses incurred in connection with or related to the Services, including but not limited to the fees and expenses of counsel retained by SCP to advise SCP on Services that concern the Company, airfare, hotel, car rental, photocopying charges, telephone calls, postage, shipping, meals, report preparation, delivery services, and other costs (collectively, the "Reimbursable Expenses").

5. Taxes. Company shall be responsible for any taxes imposed on the Services or on the Engagement, other than taxes imposed by employment withholding for SCP Personnel or on SCP income or property.

INFORMATION, ASSISTANCE AND DELIVERABLES

6. Information, Access to Information. The Company shall use all reasonable efforts to: (i) provide SCP Personnel with access to Company management and other representatives of the Company; and (ii) furnish all data, material, and other information concerning the business, assets, liabilities, operations, cash flows, properties, financial condition and prospects of the Company that SCP Personnel request in connection with and in furtherance of their performance of the Services. SCP Personnel shall rely, without further independent verification, on the accuracy and completeness of all publicly available information and all information that is furnished to SCP and SCP Personnel by or on behalf of the Company and otherwise reviewed by SCP Personnel in connection with the Services. Company acknowledges and agrees that SCP Personnel are not responsible for the accuracy or completeness of such information and shall not be responsible to Company or any third party for any inaccuracies or omissions therein. SCP is under no obligation to update data submitted to SCP or to review any other areas of the Company's business or operations unless specifically set forth in the Engagement Letter or as mutually agreed by and between Company and SCP in writing. The source of such information, whether the Company management or other third party, as the case may be, shall be responsible for any and all financial information provided to SCP pursuant to this Agreement. Furthermore, unless specifically retained to do so, SCP will not independently examine, compile or verify any financial information provided to SCP by the Company and/or Company management, as the case may be. You shall use reasonable skill, care and attention to ensure that all information and documentation we may reasonably require is provided to us on a timely basis and is accurate and complete and relevant for the purpose for which it is required. You shall also notify us promptly if you subsequently learn that the information provide is outdated, incorrect or inaccurate or otherwise should not be relied upon; and, in addition, you may not rely upon any Deliverable that contains outdated, incorrect or inaccurate information which you know or have reason to believe is outdated, incorrect or inaccurate.

7. Cooperation and Responsibilities. Company shall cooperate with SCP in the performance of the Services. The Company shall be responsible for, among other things (a) the performance of its personnel and agents, (b) the accuracy and completeness of all data and information provided to SCP for purposes of the performance of the Services, (c) designating a competent, responsible person to oversee the Services (d) evaluating the adequacy and results of the Services, (e) accepting responsibility for the results of



the Services, and (f) establishing and maintaining internal controls, including monitoring ongoing activities. SCP's performance is dependent upon the timely and effective satisfaction of Company's responsibilities hereunder and timely decisions and approvals of Company in connection with the Services.

8. Forward-Looking Statements. You understand that the Services may include the preparation of projections and other forward-looking statements, and numerous factors can affect the actual results of the Company's operations, which may materially and adversely differ from those projections and statements. Moreover, SCP will be relying upon information provided by the Company in the preparation of those projections and other forward-looking statements.

9. Deliverables. The tangible items specified as deliverables or work product in the Engagement Letter (the "Deliverables") are complete only when presented in their entirety and only for the purpose stated therein. Furthermore, (i) neither the Services nor any Deliverables, in whole or in part, shall constitute a fairness or solvency opinion; (ii) SCP will not provide any legal advice or address any questions of law; and (iii) the performance of the Services does not constitute an audit conducted in accordance with generally accepted auditing standards, an examination of internal controls, or other attestation or review services in accordance with standards established by the American Institute of Certified Public Accountants ("AICPA"), the Public Company Accounting Oversight Board (the "PCAOB"), or other state or federal professional or regulatory body. Upon full payment to SCP hereunder, and subject to the terms and conditions contained herein, (i) the tangible items specified in the Deliverables shall become the property of Company.

LIMITATIONS ON SERVICES

10. Use and Purpose of Advice and Deliverables. Any advice given, communication (oral or written), report or Deliverable issued by SCP is provided solely for the use and benefit of Company and only in connection with the Services. Unless required by law or with the prior consent of SCP, Company shall not share or disclose any advice given, communication, report or Deliverable to any third party (a "Third Party") or refer to the Services. Neither the Services nor any Deliverables are intended for the express or implied benefit of any Third Party. Unless otherwise agreed to in writing by SCP, no Third Party is entitled to rely in any manner or for any purpose on the Services or Deliverables. Regardless of whether consent has been provided by SCP or disclosure is mandated as a matter of law or disclosure is made in violation of the Standard Terms, under no circumstances shall SCP assume any responsibility to any Third Party to whom any such advice, communication, report or Deliverable is disclosed or otherwise made available. The Services and this Engagement do not create privity between SCP and any Third Party.

11. No Audit, Review or Compilation. Company acknowledges and agrees that SCP is not being retained to, and SCP Personnel are not being requested to, perform an audit, review or compilation, or any other type of financial statement reporting engagement that is subject to the rules of AICPA, the SEC or other state or federal professional or regulatory body.

12. No Assurances. The Services will not result in the issuance of any written or oral communications by SCP to Company or any Third Party expressing any opinion, conclusion, or any other form of assurance with respect to, among other things, accounting policies, financial data, financial statements and related footnotes, appropriate application of generally accepted accounting principles, disclosure, operating or internal controls, compliance with the rules and regulations of the SEC or the PCAOB, compliance with the Sarbanes-Oxley Act of 2002 and related rules and regulations, or any other matters our services cannot be relied upon to disclose errors or fraud should they exist. The Services to be provided by SCP will not include any predictions or provide any opinions or other assurances concerning the outcomes of future events, including, without limitation, those that pertain to the operating results of any entity, the achievability of any business plan, the success of any investment, the recovery of any asset, or the ability to pay any debt. Company expressly acknowledges that SCP does not guarantee, warrant, or otherwise provide any assurances regarding the outcome of any of Company's strategies or objectives as set forth in this Agreement.

13. No Assessment of Other Professional's Work. The Services may include access to the work of other professional advisors or to financial statements or financial information or data reported on by such other professional advisors. Company agrees that such access is not for the purpose of affirming or evaluating the procedures or professional standards used by such other professional advisors. In this regard, we call your attention to the possibility that other professional advisors may perform procedures concerning the same information or data, and perhaps the same accounts and records, and reach different observations than SCP for a variety of reasons, including the possibilities that additional or different information or data might be provided to them that was not provided to SCP, that they might perform different procedures from SCP, or that professional judgments concerning, among others, complex, unusual, or poorly documented matters may differ.

14. Strategic Decisions. Neither SCP nor any SCP Personnel, assume any responsibility for the Company's decision to pursue, or not pursue any business strategy, or to effect, or not to effect any transaction. SCP and SCP Personnel shall be responsible for implementation only of the Services and only to the extent and in the manner directed and authorized by Company.

15. Limitations on Warranties. This is a services engagement. SCP warrants that it shall perform the Services in good faith and with due professional care. SCP DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.



16. Limitations on Damages. SCP, its subsidiaries and subcontractors, and their respective personnel shall not be liable to Company for any claims, liabilities, or expenses relating to this Engagement (“Company Claims”) for an aggregate amount in excess of the fees paid to SCP pursuant to this Engagement, except to the extent resulting from the gross negligence, bad faith or intentional misconduct of SCP or its subcontractors. In no event shall SCP, its subsidiaries or subcontractors, or their respective personnel be liable to Company for any loss of use, data, goodwill, revenues or profits (whether or not deemed to constitute a direct Company Claim), or any consequential, special, indirect, incidental, punitive, or exemplary loss, damage, or expense relating to this engagement. In circumstances where any limitation on damages or indemnification provision hereunder is unavailable, you agree that the aggregate liability of SCP, its subsidiaries and subcontractors, and their respective personnel for any Company Claim shall not exceed an amount that is proportional to the relative fault that the conduct of SCP and its subcontractors bears to all other conduct giving rise to such Company Claim.

17. Expert Witness Services. Unless specifically included in the description of Services contained in the Engagement Letter. It is understood that the engagement of SCP and/or SCP Personnel to provide services as an expert witness, with respect to written reports, testimony or otherwise, in connection with or related to any administrative or judicial proceeding, or perform any level of related investigation (collectively, “Expert Witness Services”), is excluded from the definition of Services in this Agreement.

18. No Expert Advice on Securities Matters. SCP is not an expert under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, and will not consent to be a named expert in any Company filings with the SEC under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or otherwise.

19. No Improper Purposes. Under no circumstances will SCP or SCP Personnel abide by, assist or aid, directly or indirectly, any request by Company to violate or aid any violation of any state or federal statute, securities law, common law or regulatory rule or the terms and conditions of any loan agreement, security agreement or similar agreement to which the Company is a party. No person on behalf of the Company may take any action to impede SCP or SCP Personnel from communicating with Company or appropriate authorities regarding a possible violation of a state or federal statute, securities law, common law or regulatory rule or the terms and conditions of any loan agreement, security agreement or similar agreement, including enforcing, or threatening to enforce, any confidentiality agreement, the confidentiality provisions of the Standard Terms or termination of this Agreement with respect to such communications if SCP determines, in its discretion, that any such request exposes SCP to any potential liability or harm to its professional reputation.

INDEMNIFICATION

20. Indemnification, Generally. As part of the consideration for SCP’s agreement to furnish the Services, Company agrees to indemnify and hold harmless all SCP Personnel and SCP and its owners, partners, members, managers, officers, directors, agents, employees, consultants, attorneys and agents and any successors or assigns thereof (each, an “SCP Indemnified Party”) to the fullest extent lawful from any and all claims, liabilities losses, damages, debts, judgments and/or expenses or actions (collectively, “Indemnified Claims”) in respect thereof, incurred, related to or arising out of or in connection with the Services, the Engagement and/or this Agreement, including without limitation, any and all such SCP Indemnified Parties’ reasonable costs, fees and expenses incurred in connection with investigating, preparing, defending, or settling any Indemnified Claim arising from or relating to such liabilities, including all of such SCP Indemnified Parties’ reasonable legal fees and expenses; provided, however, that the Company shall not be responsible for any Indemnified Claim to the extent, and only to the extent, that it is finally and judicially determined by a final, non-appealable Court Order, that such Indemnified Claim was caused primarily due to such SCP Indemnified Party’s bad faith, willful misconduct or gross negligence. The indemnity and expense reimbursement obligations set forth herein (i) shall be in addition to any liability the Company may have to SCP at common law or otherwise, (ii) shall survive the completion of the Engagement, as amended, modified or extended, and/or the termination of this Agreement, (iii) shall apply to any modification of this Agreement or revisions to the Services, and (iv) shall be binding on any successor or assign of Company and its successors or assigns.

21. Indemnification of CRO, Deputy CRO and SCP Personnel Acting as Officers. To the extent that the CRO and the Deputy CRO and, as the case may be, any SCP Personnel is acting as an officer of the Company pursuant to the description of Services, in addition to any other indemnification provided in this Agreement, the Company further agrees to indemnify the CRO, the Deputy CRO and the SCP Personnel acting as an officer(s) of the Company, to the same extent as the most favorable indemnification it extends to its officers or directors, whether under the Company’s bylaws, its certificate of incorporation, by contract or otherwise, and no reduction or termination in any of the benefits provided under any such indemnities shall affect the benefits provided to the CRO, the Deputy CRO and/or the SCP Personnel. The CRO, the Deputy CRO and SCP Personnel shall be covered as an officer under the Company’s existing director and officer liability insurance policy and such policy shall have coverage and limits acceptable to SCP. A certificate of insurance evidencing such coverage shall be furnished promptly to SCP and as a condition of the Effective Date occurring. If no such policy exists prior to the Effective Date, the Company shall obtain such D&O policy prior to the Effective Date. The Company shall give thirty (30) days prior written notice to SCP and to CRO and Deputy CRO of cancellation, non-renewal, or material reduction in coverage, scope or amount of such director and office liability policy. The Company shall purchase a “tail” on such directors and officers insurance policy upon the request of SCP. Regardless, the Company shall also maintain such applicable insurance coverage for the CRO, the Deputy CRO and SCP Personnel for a period of not less than six (6) years following the date of termination of the Services. The provision of this Clause are in the nature of a contractual obligation and no change in



the applicable law or the Company's charter by-laws or other organizational documents or policies shall affect the CRO's, the Deputy CRO's or SCP Personnel's rights hereunder. This obligation shall be an administrative obligation and remain in effect regardless of the conditions upon which the Engagement concludes and/or this Agreement is terminated.

The foregoing provisions concerning Indemnification shall be subject to any limitation post-petition required by the Bankruptcy Court.

RELATIONSHIP OF THE PARTIES

22. Independent Contractor. SCP is an independent contractor under this Agreement. This Agreement is not intended to create and does not create an employment agreement. No one on behalf of SCP, nor any members, managers, directors, employees, agents, independent consultants or contractors thereof, shall be considered to be a director, officer, member, manager, partner, control person, employee, representative, agent, or insider of Company unless expressly agreed to by SCP – it being understood that the CRO is, upon proper appointment by the Company, an officer of the Company. As an independent contractor, SCP will have exclusive control over the management and operation of SCP, including hiring and paying the wages or other compensation of its personnel. Unless expressly provided otherwise in the Agreement, SCP and the SCP Personnel that provide services hereunder may also provide services to other past, present or future SCP clients in connection with unrelated matters. In addition, SCP may utilize the services of its own employees or services of qualified independent contractors to perform this Agreement in addition to the SCP Personnel.

23. No Fiduciary Relationship with CRO Support. Nothing in this Agreement is intended to create, or shall be deemed or construed to create a fiduciary relationship between the Company, including without limitation, the Company's directors, officers, members, managers, partners, control persons, shareholders, employees, representatives, agents, or creditors, on the one hand; and SCP, CRO Support, affiliated, consultants, members, control persons, shareholders, employees, representatives, attorneys, agents, successors or assigns, on the other hand. The foregoing sentence does not apply to the CRO and/or the Deputy CRO who will provide Services in a fiduciary capacity.

24. No Agency Relationship. Except as set forth in this Agreement, the Services are not intended to and do not create an agency relationship between Company and SCP.

25. No Tenancy Created. If SCP is provided with access to or use of Company's facilities for the purpose of performing the Services, such facilities may not be dedicated solely for SCP's use and SCP will not be deemed a tenant of Company with respect to such facilities.

26. Non-Exclusivity. SCP may (i) provide any services to any person or entity in matters or engagements unrelated to this Engagement, and (ii) develop for itself, or for others, any materials or processes, including those that may be similar to those produced as a result of the Services, provided that, SCP complies with its obligations of confidentiality set forth hereunder.

CONFLICTS

27. Future Conflicts. SCP is retained by new clients in the ordinary course of its business. As a result, SCP cannot assure that, following the completion of our internal conflict search in connection with the Engagement, a new engagement for or involving one of the Company's creditors or other parties-in-interest or their respective attorneys and accountants will not be accepted by SCP or its affiliates. Should any potential conflict come to the attention of SCP, we will endeavor to resolve such potential conflict and will determine what action needs to be taken. You agree that you will inform us of the parties-in-interest to this matter or of additions to, or name changes for, those parties-in-interest whose names you provided. SCP's determination of conflicts is based on the substance of the work to be performed on an engagement as opposed to the parties involved. It is possible that some of SCP's past, present or future clients will have disputes with and other matters relating to Company, during the course of and subsequent to this Engagement. As a condition of this Engagement, Company agrees that SCP may be engaged by parties with interests that are adverse to and may not be consistent with the interests of Company. SCP reserves the right to accept engagement with other parties consistent with its internal, prior practices without objection by Company.

CONFIDENTIALITY

28. Duty to Maintain Confidentiality. SCP shall keep as confidential all non-public information received in conjunction with the Engagement, except: (i) as requested by subpoena or equivalent judicial process by the Company or its legal counsel or any successor in interest to the Company, including, but not limited to a chapter 11 trustee, a chapter 7 trustee, a liquidating trustee under a plan of reorganization or liquidation, a receiver, the assignee under an assignment for the benefit of creditors, the acquirer of the Company's assets, or a committee appointed in any bankruptcy case of the Company; (ii) as required by legal proceedings or (iii) as reasonably required in the performance of this Engagement to the extent that such disclosure is (a) reasonably determined by the SCP to be in furtherance of its duties to Company and not otherwise in contravention of applicable disclosure rules and/or an express direction of the Company or (B) with a person that has agreed to be bound by confidentiality. All obligations as to non-disclosure shall cease to any part of such information to the extent that such information is or becomes public other than as a result of a breach



of this provision. To the extent documents are requested pursuant to (i) or (ii) above, SCP shall produce any and all documents that are responsive to a subpoena or demand for production of documents without regard to any type of privilege or confidentiality. It is the express duty of the Company, and not SCP, to object to a subpoena or demand for production of documents if the Company wishes to maintain any documents confidential or otherwise prevent the production of the same.

29. Disclosure. To the extent that, in connection with this Engagement, either party (each, the “receiving party”) comes into possession of any confidential information of the other (the “disclosing party”), it will not disclose such information to any third party without the disclosing party’s consent, using at least the same degree of care as it employs in maintaining in confidence its own confidential information of a similar nature, but in no event less than a reasonable degree of care. The disclosing party hereby consents to the receiving party disclosing such information: (i) to subcontractors, whether located within or outside of the United States, that are providing services in connection with this engagement and that have agreed to be bound by confidentiality obligations similar to those in this Clause; (ii) as may be required by law, regulation, judicial or administrative process, or in accordance with applicable professional standards or rules, or in connection with litigation or arbitration pertaining hereto; or (iii) to the extent such information (a) is or becomes publicly available other than as the result of a disclosure in breach hereof, (b) becomes available to the receiving party on a non-confidential basis from a source that the receiving party believes is not prohibited from disclosing such information to the receiving party, (c) is already known by the receiving party without any obligation of confidentiality with respect thereto, or (d) is developed by the receiving party independently of any disclosures made to the receiving party hereunder. Nothing in this Clause shall alter Company’s obligations under any other Clause. SCP, however, may use and disclose any knowledge and ideas acquired in connection with the Services, to the extent they are retained in the unaided memory of its personnel. Further, SCP and its affiliates and related entities shall have the right to use Company’s name as part of a general Company listing and as a specific citation in proposals or similar directed marketing efforts.

30. Subject Tax Planning Advice. No term of this Agreement is or is to be construed as a condition of confidentiality within the meaning of PCAOB Release 2005-014, Internal Revenue Code Sections 6011 and 6111 or the regulations thereunder, any related Internal Revenue Service guidance, or any other similar law, with respect to any Services, Deliverables or other materials of any kind provided hereunder relating to tax treatment or tax structure (collectively referred to as “Subject Tax Planning Advice”). Notwithstanding anything herein to the contrary, no provision of the Agreement shall place any limitation on Company’s disclosure of any Subject Tax Planning Advice. In the event of any unauthorized reliance on any Subject Tax Planning Advice by a Third Party, Company agrees to indemnify and hold harmless SCP, its subcontractors, and their respective personnel from any and all claims of a Third-Party, liabilities, costs, and expenses including attorneys’ fees and expenses as provided for in the “Indemnification” Section of the Standard Terms.

TERMINATION

31. Termination at Completion of Engagement. This Agreement is terminable by the Company or by SCP at any time upon the giving of thirty (30) days written notice. Unless terminated pursuant to the foregoing sentence, this Agreement shall terminate upon (i) the completion of the Services and the Engagement and (ii) the payment in full of all outstanding Invoices. Upon termination, SCP shall cease work and the Company shall have no further obligation for fees and expenses of SCP arising or incurred after the termination.

32. Return of Company Data/SCP Data Destruction Policy. Upon conclusion of the Engagement, Company may request to retrieve its confidential information, data, information and documents provided to, prepared by or otherwise in the possession of SCP (collectively, the “Company Data”) from SCP at no additional charge to Company. Alternatively, Company Data can be returned in a mutually agreed format at a scope and price to be agreed. Regardless, SCP will maintain a copy of Company Data for no more than six (6) months following termination of this Engagement, after which any Company Data not retrieved will be destroyed, subject to applicable law and SCP’s internal data retention policy.

MISCELLANEOUS

33. Collection Costs/Enforcement Action. If an action or proceeding is commenced by SCP – whether during the Engagement or subsequent to termination – to collect or defend any objection to any Invoice, fee, Reimbursable Expense or cost or enforce any other obligation of Company under this Agreement whether commenced during or after termination of this Agreement (an “Enforcement Action”), Company agrees to pay and reimburse SCP for all reasonable SCP Personnel time, administration costs and expenses, including, attorneys’ fees, costs and expenses incurred in connection with such Enforcement Action.

34. Misc. Fees, Expenses & Costs (Including Discovery Requests). SCP will be compensated for any SCP Personnel time and expenses, including, attorneys’ fees, costs and expenses, that SCP may incur in connection with the Services (whether during the Engagement or after termination of this Agreement) with respect to the responding to discovery requests, subpoenas or other requests for documents or information, or in participating as a witness or otherwise in any legal, regulatory, arbitration, or other proceedings (including, without limitation, those unrelated to the matters that are subject to this Engagement) as a result of, related to or in connection with the Services, the Engagement or this Agreement.



35. Non-Solicitation. During the period commencing on the Effective Date and ending one year following termination, the Company shall not, without SCP's prior written consent, directly or indirectly; (i) solicit or encourage any person to leave the employment or other service of SCP or its affiliates; or (ii) hire, on behalf of the Company or any other person or entity, any person who has left the employment within the one year period following the termination of that person's employment with SCP or its affiliates. During the period commencing on the date hereof through and ending one year following termination, the Company will not, whether for its own account or for the account of any other person, intentionally interfere with the relationship of SCP or its affiliates with, or endeavor to entice away from SCP, any person who during the term of the Agreement is, or during the preceding one-year period, was an employee or independent contractor of SCP or its affiliates.

36. Survival and Interpretation. All provisions which are intended by their nature to survive performance of the Services and/or the termination of this Agreement, shall survive such performance, or the expiration or termination of this Agreement and remain an independent obligation of Company and of SCP. Each of the provisions of these terms shall apply to the fullest extent of the law, whether in contract, statute, common law, or otherwise, notwithstanding the failure of the essential purpose of any remedy. Any references herein to the term "including" shall be deemed to be followed by "without limitation".

37. Assignment. Except as provided in this Agreement, neither party may assign any of its rights or obligations hereunder (including interests, Claims or Company Claims) without the prior written consent of the other party.

38. Severability. If any portion of this Agreement is held to be void, invalid, or otherwise unenforceable, in whole or in part, the remaining portions shall remain in effect.

39. Successors and Assigns. This Agreement shall be binding upon SCP and Company together with their respective heirs, successors, and assignees and any heir, successor, or assignee of a substantial portion of its businesses and/or assets.

40. Entire Agreement; Bankruptcy Court Order. Subject to the terms of any order entered by the Bankruptcy Court in the bankruptcy case pertaining to SCP and the Engagement or the Services, this Agreement incorporates the entire understanding of the parties with respect to the subject matter hereof and may not be amended or modified except in writing executed by the parties. This Agreement replaces and supersedes any previous proposal, draft letter of engagement, communication (oral or written), undertaking, representation, or correspondence – whether written or oral, regarding the Services.

41. Limited Disclosure of Engagement. Notwithstanding anything herein to the contrary, SCP may reference or list the Company's name and/or logo and /or a general description of the Services in SCP's marketing materials, media, social media, website or in any disclosure to a court of law as appropriate.

42. Force Majeure. No party shall be liable for any delays or nonperformance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including fire, epidemic or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order, or requirement of any governmental agency or authority.

43. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. This Agreement may be executed by facsimile signatures or signatures forwarded by email.

44. No Waiver. No failure to delay in exercising any right, power or privilege related hereto, or any single or partial exercise thereof, shall operate as a direct or indirect waiver thereof.

45. Waiver of Trial by Jury. THE PARTIES HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM RELATING TO THIS ENGAGEMENT AND THE SERVICES.

46. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California (without giving effect to the choice of law principles thereof). Any action based upon or arising out of this Agreement shall be brought and maintained exclusively in any state or federal court, in each case located in Los Angeles County, the State of California. Each of the parties hereby expressly and irrevocably submits to the jurisdiction of such courts for the purposes of any such action and expressly and irrevocably waives, to the fullest extent permitted by law, any objection which it may have or hereafter may have to the laying of venue of any such action brought in any such court and any claim that any such action has been brought in an inconvenient forum.

47. In the Event of a Bankruptcy Filing by the Company; Bankruptcy Court Orders. In the event the Company determines to commence a bankruptcy case, the Company shall apply promptly to the presiding Bankruptcy Court pursuant to the Bankruptcy Code, applicable rules and procedural orders of the Bankruptcy Court and procedural guidelines for approval of this Agreement, *nunc pro tunc* to the commencement date of such proceedings, and shall use its best efforts to obtain such Bankruptcy Court approval and authorization. SCP acknowledges and accepts that in the event that the Bankruptcy Court approves its retention by the Company, payment of SCP's fees and expenses shall be subject to (i) the jurisdiction and approval of the Bankruptcy Court and



the Bankruptcy Code, (ii) any applicable fee and expense guidelines and/or orders and (iii) any requirements governing interim and final fee applications imposed in the bankruptcy case. The Company agrees that SCP's fees and expenses post-filing, will be priority administrative expenses and that appropriate "Carve-outs" will be obtained from any debtor-in-possession financing to cover all such fees and expenses. The Company shall consult with SCP as to the amount of "carve-out " for SCP's fees and Reimbursable Expenses. In the context of a bankruptcy filing, "Reimbursable Expenses" shall include any and all SCP Professional time, attorneys' fees, costs and expenses incurred by SCP in reviewing retention applications, interim and final fee applications and any related or appropriate bankruptcy court pleading of bankruptcy as approved by the Bankruptcy Court and Bankruptcy Court orders.

[Remainder of page left blank intentionally]

Exhibit C

Meyers Declaration

COLE SCHOTZ P.C.

Court Plaza North

25 Main Street

P.O. Box 800

Hackensack, New Jersey 07602-0800

(201) 489-3000

(201) 489-1536 Facsimile

Michael D. Sirota, Esq.

msirota@coleschotz.com

Ryan T. Jareck, Esq.

rjareck@coleschotz.com

Matteo Percontino, Esq.

mpercontino@coleschotz.com

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)

(Jointly Administered)

**DECLARATION OF JORDAN MEYERS IN SUPPORT OF THE DEBTORS'
APPLICATION FOR ENTRY OF AN ORDER (I) AUTHORIZING THE (A)
RETENTION OF SIERRACONSTELLATION PARTNERS LLC AND (B)
DESIGNATION OF JORDAN MEYERS AS CHIEF RESTRUCTURING OFFICER
EFFECTIVE AS OF THE PETITION DATE AND (II) GRANTING RELATED RELIEF**

I, Jordan Meyers, make this declaration (the "Declaration")² pursuant to 28 U.S.C. § 1746,
and state:

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

1. I am a Managing Director of SierraConstellation Partners LLC (“Sierra”), which has a place of business at 355 S. Grand Avenue, Suite 1450, Los Angeles, CA 90071.

2. I am duly authorized to execute this Declaration as an authorized representative of Sierra in support of the *Debtors’ Application for Entry of an Order (I) Authorizing the (A) Retention of SierraConstellation Partners LLC, and (B) Designation of Jordan Meyers as Chief Restructuring Officer Effective as of the Petition Date and (II) Granting Related Relief* (the “Application”). Except as otherwise noted, I have personal knowledge of the matters set forth herein. If called and sworn as a witness, I could, and would, testify competently to the matters set forth herein.³

Sierra’s Qualifications

3. Sierra is an interim management and advisory firm providing services to companies navigating their way through business challenges, including bankruptcy. Sierra’s diversified consulting experience assisting companies in transition has made it capable of solving strategic, operational, and financial issues faced by businesses. Specifically, Sierra provides services in areas including performance improvement, financial restructuring, and interim management.

4. Sierra is well qualified to provide its services and a CRO to the Debtors. Sierra is recognized for its experience in providing advisory services to financially distressed companies, including advising debtors, creditors, and other constituents in chapter 11 proceedings in numerous cases. Among numerous other cases across the United States, Sierra has provided advisory and restructuring services to entities in a broad range of industry sectors, including healthcare, manufacturing, pharmaceuticals, specialty chemicals, and technology, among others. Some of the

³ Certain of the disclosures herein relate to matters within the personal knowledge of other professionals at Sierra and are based on information provided by them.

chapter 11 cases in which Sierra has provided restructuring and advisory services, include: *In re Zosano Pharma Corp.*, Case No. 22-10506 (Bankr. D. Del. 2022); *In re Proteus Digital Health, Inc.*, Case No. 20-11580 (Bankr. D. Del. 2020); *In re NORPAC Foods, Inc.*, Case No. 19-62584 (Bankr. D. Or. 2019); *In re CFO Mgmt. Holdings, LLC*, Case No. 19-40426 (Bankr. E.D. Tex. 2019); *In re J & M Sales Inc.*, Case No. 18-11801 (Bankr. D. Del. 2018); *In re Woodbridge Grp. of Cos. LLC*, Case No. 17-12560 (Bankr. D. Del. 2017); *In re Katy Indus., Inc.*, Case No. 17-11101 (Bankr. D. Del. 2017); *In re Cranberry Growers Coop.*, Case No. 17-13318 (Bankr. W.D. Wis. 2017); *In re Liberty Asset Mgmt. Corp.*, Case No. 16-13575 (Bankr. C.D. Cal. 2016); *In re Bethel Healthcare, Inc. & Corinthian Sub-Acute & Rehab. Ctr., Inc.*, Case No. 13-12220 (Bankr. C.D. Cal. 2013).

5. In addition to Sierra's experience and reputation for providing restructuring services in chapter 11 cases, since November, 2023, Sierra has performed significant prepetition work for the Debtors. As a result, Sierra has acquired significant knowledge of the Debtors and their businesses, and familiarity with the Debtors' financial affairs, debt structure, operations, and related matters. Likewise, in providing prepetition services to the Debtors, Sierra's professionals have worked closely with the Debtors' management and their other advisors. Sierra has experience, expertise, and specifically relevant knowledge regarding the Debtors that will assist it in providing effective and efficient services in these Chapter 11 Cases.

6. I am currently acting as CRO for the Debtors. I have over 15 years of experience providing transformation services, fiduciary services, restructuring advisory, interim management and litigation support services to distressed companies. I previously worked at three other restructuring firms, two international accounting firms, and as an investment banker. I have provided guidance to financially challenged entities maneuvering through both out-of-court and

court-supervised restructurings, including M&A transactions, interim management roles and bankruptcies resulting in reorganizations, liquidations and asset sales. Most recently I have served as Deputy CRO to Vyera Pharmaceuticals, LLC. During the course of my career, I have been involved in numerous restructurings, including, but not limited to, Armstrong Flooring, Inc. Aluminum Shapes, LLC and PhaseBio Pharmaceuticals, Inc. I am a Certified Insolvency & Restructuring Advisor and a Certified Public Accountant. I received a bachelor's degree in accounting from Binghamton University and earned a Master of Business Administration from the Goizueta Business School at Emory University.

7. The individuals who will work on this matter (the “Sierra Personnel”) have substantial expertise in the areas discussed above, and, if approved, will provide necessary services to the Debtors under an order approving the Application. The Sierra Personnel will work closely with the Debtors’ management and professionals throughout the reorganization process. By virtue of the expertise of its restructuring personnel, Sierra is well-qualified to provide services to and represent the Debtors’ interests in these Chapter 11 Cases.

Services to be Provided

8. Prior to the Petition Date, the Debtors and Sierra entered into the Engagement Letter, which governs the relationship between them. The terms and conditions of the Engagement Letter were negotiated between the Debtors and Sierra and reflect the parties’ mutual agreement as to the substantial efforts that will be required under this engagement. Sierra Personnel and I will provide the ordinary course duties of a CRO and may work with the Debtors to do the following:

- Prepare budgets and 13-week cash forecasts and evaluate variances thereto, as required by the Debtors’ lenders;
- Communicate with, and meet information needs of, the Debtors’ various constituencies;

- Assist the Debtors with the financial reporting requirements attendant to a bankruptcy filing, including, but not limited to, court orders and court-approved transactions;
- Develop the Debtors' revised business plan, and such other related forecasts as may be required by the Debtors' lenders in connection with negotiations or by the Debtors for other corporate purposes;
- Provide management and oversight of the Company's investment banker through an anticipated asset sale process in these chapter 11 cases;
- Identify, implement, and monitor both short-term and long-term liquidity generating initiatives;
- Develop short-term and long-term cash flow forecasting tools and related methodologies to support negotiations with the Debtors' stakeholders and fundraising initiatives;
- Prepare for and file a bankruptcy petition, coordinating and providing administrative support for the proceeding and developing the Debtors' plan of reorganization or other appropriate case resolution, if necessary;
- In connection with a bankruptcy, prepare (i) a disclosure statement and plan of reorganization, (ii) a liquidation analysis, (iii) statements of financial affairs and schedules of assets and liabilities, (iv) a claims analysis, and (v) monthly operating reports and other regular reporting required by the Court;
- Coordinate the Debtors' professionals assigned to sourcing, negotiating, and implementing any financing, including debtor-in-possession facilities;
- Manage the "working group" professionals who are assisting the Debtors in the restructuring process or who are working for the Debtors' various stakeholders to improve coordination of their effort and individual work product to be consistent with the Debtors' overall restructuring goals;
- Create and communicate materials for diligence purposes and manage the flow of information to potential acquirers in connection a potential sale of the Debtors' assets;
- Provide Bankruptcy Court testimony, if required; and
- Assist the Company with such other matters as may be requested by the Company and are mutually agreeable.

No Duplication Services

9. Sierra understands that the Debtors may retain additional professionals during the term of its engagement and will work cooperatively with such professionals to integrate any respective work conducted by the professionals on behalf of the Debtors. The services provided by Sierra will complement, and not duplicate, the services to be rendered by other professional retained in these Chapter 11 Cases.

Fee and Expense Structure

10. Sierra's decision to accept this engagement is conditioned upon its ability to be retained in accordance with its customary terms and conditions of employment, compensated for its services, and reimbursed for the out-of-pocket expenses it incurs in accordance with its customary billing practices, as set forth in the Engagement Letter (the "Fee and Expense Structure")

11. On May 1, 2024, Sierra implemented its customary yearly rate increase, increasing its rates from those disclosed in the Engagement Letter. Sierra's current standard hourly rates as of May 1, 2024, subject to periodic adjustments, are as follows:

<u>Title</u>	<u>Hourly Rate</u>
Partners	\$850/hr to \$1,300/hr
Managing Director	\$700/hr to \$775/hr
Senior Directors	\$615/hr to \$680/hr
Directors	\$470/hr to \$475/hr
Senior Associates	\$370/hr
Associates	\$295/hr

12. My current hourly rate and the hourly rates of Sierra Personnel presently working on this matter are as follows:

Interim Management

<u>Title</u>	<u>Function</u>	<u>Hourly Rate</u>	<u>Commitment Full or Part Time</u>
Jordan Meyers	CRO	\$775/hr	Full Time

Additional Temporary Staff

<u>Title</u>	<u>Function</u>	<u>Hourly Rate</u>	<u>Commitment Full or Part Time</u>
Carmine Bruno	Sierra Personnel	\$295/hr	Full Time

13. The standard billing rates reflect, among other things, geographical differentials, differences in experience levels within classifications, and differences between types of services. Sierra's hourly rates are adjusted periodically and may be increased by Sierra in accordance with its normal billing practices. Changes in applicable hourly rates will be noted on the invoices for the first time period in which the revised rates become effective.

14. To the extent Sierra uses the services of independent contractors (the "Contractors") in these Chapter 11 Cases, Sierra shall: (a) pass through the cost of such Contractors to the Debtors at the same rate that Sierra pays the Contractors; (b) seek reimbursement for actual costs only; (c) ensure that the Contractors are subject to the same conflict checks as required for Sierra; and (d) file with the Court such disclosures required by Bankruptcy Rule 2014.

15. In addition to compensation for services rendered by Sierra Personnel, Sierra will seek reimbursement for reasonable and necessary expenses incurred in connection with these Chapter 11 Cases, including, but not limited to, transportation costs, lodging, and meals.

16. Sierra will submit monthly invoices to the Debtors, and the Debtors request authority to pay, in the ordinary course of business, all reasonable amounts invoiced by Sierra for fees and expenses.

17. Upon approval of the requested relief, Sierra will not be employed as a professional under section 327 of the Bankruptcy Code, and it will not submit fee applications pursuant to sections 330 and 331 of the Bankruptcy Code. Sierra will, however, file with the Court reports of compensation earned and expenses incurred on a monthly basis (“Compensation Reports”). Sierra may from time to time add or remove staff and, as a result, Sierra will also file staffing reports that will reflect the names of all full- and part-time Sierra Personnel involved in these Chapter 11 Cases and each individual’s hourly billing rate (“Staffing Reports” and together with Compensation Reports, the “Staffing and Compensation Reports”).

18. Sierra will provide its Staffing and Compensation Reports to: (i) the Office of the United States Trustee for the District of New Jersey (the “U.S. Trustee”), (ii) counsel to the Debtors and (iii) counsel to any official committee in these Chapter 11 Cases, if appointed (the “Notice Parties”). The Notice Parties shall have fourteen days after the date each Compensation Report is served upon them to object, and the related compensation and expenses will be subject to Court review in the event an objection is filed.

19. Sierra received a retainer in the amount of \$100,000.00 from the Debtors (the “Retainer”). According to Sierra’s books and records, during the 90-day period prior to the Petition Date, the Debtors paid Sierra \$1,024,813.71 in aggregate for professional services performed and expenses incurred, including advanced payments and the Retainer.

20. Sierra is requesting that any balance of the Retainer constitute an evergreen retainer as security for post-petition services and expenses. An evergreen retainer is appropriate in these

Chapter 11 Cases because it reflects normal business terms in the marketplace and because Sierra and the Debtors are sophisticated business entities that have negotiated the Retainer at arm's length.

21. Due to the ordinary course and unavoidable reconciliation of fees and submission of expenses immediately prior, and subsequent to, the Petition Date, Sierra may have incurred fees and reimbursable expenses related to the prepetition period which remain unpaid. Approval is sought from the Court for Sierra to apply the Retainer and advanced payments to these unpaid amounts. Upon entry of an order approving the relief requested in the Application, Sierra will apply the Retainer and advanced payments to the unpaid amounts, and the Debtors will not owe Sierra any sums for prepetition services.

22. The Fee and Expense Structure is consistent with and typical of compensation arrangements entered into by Sierra and other comparable firms that render similar services under similar circumstances. Sierra believes that the Fee and Expenses Structure is reasonable, market-based, and designed to compensate Sierra fairly for its work and to cover fixed and routine overhead expenses.

Sierra's Disinterestedness

23. In connection with its proposed retention by the Debtors in these Chapter 11 Cases, Sierra undertook a process, the details of which are set forth in **Schedule 2**, to determine whether it had any conflicts or other relationships that might cause it not to be disinterested or to hold or represent an interest adverse to the Debtors' estates. Specifically, Sierra obtained from the Debtors and/or their representatives a potential parties in interest list in these Chapter 11 Cases (each party a "Party in Interest", and collectively the "Parties in Interest List"). The Parties in Interest List is

attached hereto as **Schedule 1**. A search was performed for connections to each Party in Interest as to Sierra. Results for connections to the Parties in Interest List are disclosed on **Schedule 2**.

24. Based on that review, Sierra represents that, to the best of its knowledge, Sierra knows of no fact or situation that would represent a conflict of interest, cause it not to be disinterested, or hold or represent an interest adverse to the Debtors' estates.

25. As part of a diverse business, Sierra is employed in numerous cases, proceedings and transactions involving many different professionals, including attorneys, investment banks and financial consultants, some of which may represent claimants and parties-in-interest in these Chapter 11 Cases. Further, Sierra has in the past, and may in the future, be represented by several attorneys and law firms that are active in bankruptcy cases, some of which may be involved in these proceedings. In addition, Sierra has in the past, and likely will in the future, be working with or against other professionals involved in these cases in matters unrelated to these cases. Based on our current knowledge of the professionals involved, and to the best of my knowledge, none of these business relationships constitute an interest materially adverse to the Debtors herein in matters upon which Sierra is to be employed, and none are in connection with this case.

26. To the best of my knowledge, other than as disclosed herein, no services have been provided to these parties that involve the rights in these Chapter 11 Cases, nor does Sierra's involvement in these cases compromise Sierra's ability to continue such services. Sierra may in the future provide services unrelated to the Debtors' cases for other creditors, equity security holders or parties in interest in these cases. To the extent that Sierra discovers additional relationships, it will file a supplemental disclosure with the Court as promptly as possible.

27. To the best of my knowledge, information, and belief, insofar as I have been able to ascertain after reasonable inquiry, none of the Sierra Personnel (a) have any connection with the

U.S. Trustee, or any employee in the Office of the U.S. Trustee; or (b) are related or connected to any United States Bankruptcy Judge for the District of New Jersey.

28. To the best of my knowledge, information, and belief, insofar as I have been able to ascertain after reasonable inquiry, Sierra has not been retained to assist any entity or person other than the Debtors on matters relating to, or in direct connection with, these Chapter 11 Cases. Sierra will continue to provide professional services to entities that may be creditors or equity security holders of the Debtors or other parties in interest in these Chapter 11 Cases, provided that such services do not relate to, or have any direct connection with, these Chapter 11 Cases or the Debtors.

29. In accordance with section 504 of the Bankruptcy Code and Bankruptcy Rule 2016, neither I nor Sierra has entered into any agreements, express or implied, with any other party in interest, including the Debtors, any creditor, or any attorney for such party in interest in these Chapter 11 Cases, (a) for the purpose of sharing or fixing fees or other compensation to be paid to any such party in interest or its attorneys for services rendered in connection therewith, (b) for payment of such compensation from the assets of the estates in excess of the compensation allowed by the Court pursuant to the applicable provisions of the Bankruptcy Code, or (c) for payment of compensation in connection with these Chapter 11 Cases other than in accordance with the applicable provisions of the Bankruptcy Code.

30. Sierra has entered into an agreement with the Debtors' proposed investment banker, Capstone Partners ("Capstone") which provides for fee sharing to the extent the sale process initiated by Sierra and continued by Capstone results in a successful sale to a purchaser initially identified and/or solicited by Sierra. The fee sharing will have no net effect on the Debtors' estates,

as the total fee amount is not altered by this arrangement and to the extent a fee is earned, Sierra will seek separate approval of that fee.

31. Accordingly, except as otherwise set forth herein, insofar as I have been able to determine, neither I, Sierra, nor any of the Sierra Personnel holds or represents any interest adverse to the Debtors or their estates, and Sierra is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, in that Sierra and the Sierra Personnel:

- (a) are not creditors, equity security holders, or insiders of the Debtors;
- (b) were not, within two years before the Petition Date, a director, officer or employee of the Debtors; and
- (c) do not have an interest materially adverse to the interest of the Debtors’ estate or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason.

32. If Sierra discovers additional information that requires disclosure, Sierra will promptly file a supplemental disclosure with the Court as required by Bankruptcy Rule 2014. Sierra reserves the right to supplement this Declaration in the event Sierra discovers any facts bearing on matters described in this Declaration regarding Sierra’s employment by the Debtors.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

DATED: May 29, 2024

By: /s/ Jordan Meyers
Name: Jordan Meyers
Title: Authorized Representative

Schedule 1

Parties in Interest List

Parties-in-Interest

Debtors

Sam Ash Music Corporation
Samson Technologies Corporation
Sam Ash Megastores, LLC
Sam Ash Nevada Megastores, LLC
Sam Ash Florida Megastores, LLC
Sam Ash New York Megastores, LLC
Sam Ash Illinois Megastores, LLC
Sam Ash New Jersey Megastores, LLC
Sam Ash Quikship Corporation
Sam Ash California Megastores, LLC
Sam Ash CT, LLC

Non-Debtor Affiliates

Sam Ash Properties Corporation
Samson Trading (Shenzeng Co. Ltd)

Related Parties

The 1997 Ash Family Trust
Marcia A. Abrams
The Estate of Paul Ash
Sam Ash
The 2012 David Ash Family Trust
The 2012 Richard Ash Family Trust
The 2012 Sam Ash Family Trust

Current Directors and Officers

David Ash
Richard Ash
Benjamin Ash
Robert Seith
Howie Mendelson
Barry Horowitz
Derek Ash
Jack Knight

Professionals

Reimer & Braunstein LLP

Cole Schotz PC

BDO USA LLP
SierraConstellation Partners

Capstone Capital Markets, LLC

Banks

JP Morgan Chase
Wells Fargo
Synchrony

Insurance

Chubb
Marsh & Mc Lennan Agency LLC
Cincinnati Insurance Company
Axis Insurance Company
CUMIS Specialty Insurance Company, Inc.
General Security Indemnity Company of Arizona
Palomar Excess and Surplus Insurance Company
Zurich American Insurance Company
Travelers Insurance Companies
Great American
Axis Insurance Company
ACE American Insurance Company
Travelers Property Casualty Company of America
Homesite Insurance
The Continental Insurance Company
Continental Casualty Company

Utilities

AT&T
AT&T GLOBAL NETWORK SERVICES
Verizon
LIPA
PSE&G
National Grid
Con Edison
FPL
Duke Energy
Altafiber
American Electric Power
AMEX
APS
AT & T Business Services
AT & T Interstate Private
AT & T Mobility

ATHENS SERVICES
BASIN HAULAGE
BEST WAY DISPOSAL
BPREP 333 W 34TH LLC
BROAD STREET FF, LLC (Included in CAM)
Cablevision Lightpath
Century Link
Citizens Energy Group
City Of Charlotte
City of Clearwater Utilities
City of Dallas
City of Margate
City of Raleigh
City Of San Diego
City of Westminster
City of White Plains
City of Winter Park
Clark County Water
Cobb County Water
Columbia Gas
Con Edison
CORPORATE SERVICES CONSULTANTS
CPS Energy
CR&R INCORPORATED
Dolphin Mall Associates
DOLPHIN MALL ASSOCIATES
Dominion East Ohio
Dominion Virginia Power
Duke Power
Engie Resources
FORD KARLIN PARTNERSHIP
FRANKLIN MILLS - CAM
Franklin Mills-Assoc Utility
Frontier California
Georgia Natural Gas
Georgia Power
GFL ENVIRONMENTAL
Granite Telecommunications
Greater Cincinnati Water
GROOT INC
Indianapolis Power & Light
JAMAICA ASH & RUBBISH CO., INC
JEA
Jersey Central Power & Light
Kapok Pavilion
KIMBLE RECYCLING & DISPOSAL

LA DWP
Las Vegas Valley Water District
LAWSON ENVIRONMENTAL SERVICES
LIBERTY ASHES & RUBBISH CO.
Long Island Industrial Group, LLC
Madison Utility District
MCUCS
Metro Water Service
Miami Dade Water & Sewer
Mitel Cloud Services
Morse Plaza
Nashville Electric Service
Nashville Gas
National Grid
Nevada Power
Ontario Mills L.P.- Utilities
Orlando Utilities Commission
Peco Energy
PSE&G
REGIONAL INDUSTRIES
REPUBLIC SERVICES
REPUBLIC SERVICES OF FLORIDA
Rowland Water District
RUMPKE OF OHIO
San Diego Gas & Electric
SCG
Skellig - Fuel Escalation
Southern California Edison
STAT Energy
SUBURBAN CARTING
The Illuminating Company
T-Mobile
United Illuminating
VALLEY VISTA SERVICES
Village of Buffalo Grove
Village of Lombard
Wald & Fisher
WALLACE REAL ESTATE (Included in CAM)
WASTE CONNECTIONS OF FLORIDA
WASTE CONNECTIONS OF NORTH CAROLINA
WASTE INDUSTRIES
WASTE MANAGEMENT
WASTE MANAGEMENT OF EL CAJON
WASTE MANAGEMENT OF FLORIDA
WASTE MANAGEMENT OF NEW JERSEY
WASTE PRO OF FLORIDA

WESTBURY PAPER STOCK

Windstream Holdings

WINTER BROS HAULING OF LI

WM CORPORATE SERVICES

Landlords

Armadillo Enterprises

ICER Properties

Wareco Enterprises, Inc.

Stiles

JSL Plaza Puente Hills, LLC

ROOKER

Fields-Realty

JBAD Limited Partnership

Steel OCR, LLC

RIPCO

Harbour Commercial Real Estate

Brookfield

Sam Ash Properties Corp.

Urban Edge

National Shopping Plazas, Inc.

Pine Tree

Bergen Springfield Associates, LLC

IMC Equity Group

Sovereign Property Management

Greens of Lyndhurst, Ltd. (Wald & Fisher Inc.)

The Stonehenge Company

Eden Plaza

Simon

Pompanette LLC.

A2Z Real Estate

Cutwater Capital

Magnolia Palms Daphne, LLC

Donald Rothenberg Family Limited Partnership

Taubman

Laurich Properties

RVG Management

NAI Bergman

Winbrook Management

Kimco

ACF Property Management

MIMCO

Ford Karlin Partnership

Iroquois Investment Company

10838 NCX, LLC

Ultimate Capital LLC
American Realty Group
The Martin Family Trust
Long Island Industrial Management LLC

Secured Creditors

Tiger Finance, LLC

Consultants

Gordon Brothers
Tiger Capital Group, LLC

Litigation Parties

Damien Duvalier
Alexandria Southgate
Daniel Bitton
Aisha McKinney
Rafael Santiago
Edward Knieriem
Susan Esparza

Major Suppliers, Vendors, and Other Parties

YAMAHA CORPORATION OF AMERICA
ROLAND CORP US
BOSCH SECURITY SYSTEMS INC
ALPHA THETA MUSIC AMERICAS INC
HOSHINO USA INC
FENDER MUSICAL INSTRUMENTS
GIBSON BRANDS INC.
FEDERAL EXPRESS
INMUSIC BRANDS INC
D'ADDARIO CO
WORLDWIDE EXPRESS
SHURE BROS INC
PRS GUITARS
THE ESP GUITAR CO.
LOUD AUDIO, LLC.
SENNHEISER ELEC CORP
YAMAHA GUITAR GROUP, NC.
CONN-SELMER, INC
GATOR CASES INC
HAL LEONARD PUBLISHING CORP.

QSC, LLC
DRUM WORKSHOP, INC.
CF MARTIN & CO INC
A & G REALTY PARTNERS LLC
KAWAI AMERICA CORP
HARMAN PROFESSIONAL INC
BRINK'S INCORPORATED
DUNLOP MFG INC
KORG USA INC
KING OF PRUSSIA CENTER, LLC
CORDOBA MUSIC GROUP INC
AMERICAN MUSIC & SOUND
HOWARD CORE COMPANY LLC
RHC HOLDING CORP DBA THE RAPCO
AVEDIS ZILDJIAN CO
TAYLOR-LISTUG, INC. DBA:TAYLOR
GOOGLE
KHS AMERICA INC
TMP, DIVISION OF JAM IND. USA
MEINL
SLJ REALTY LLC
SCHECTER GUITAR RESEARCH
ERNIE BALL
CHAUVET INC.
MAGENTO, INC.
PRAXIS MUSICAL INSTRUMENTS INC
CANNONBALL
AT&T INTERSTATE PRIVATE LINE S
BAD CAT AMPS
CASIO INC.
DAMAGE CONTROL ENGINEERING DBA
NEW SENSOR CORPORATION
AUDIO-TECHNICA
AMERICAN WAY MARKETING LLC
HOSA TECHNOLOGY INC
ALFRED PUB CO
MARSH USA INC.
XVIVE USA
WB MASON COMPANY
1998 AUGUSTUS PARTNERS LP
ROBERT HALF
ARTURIA CORP.
UNIVERSAL AUDIO, INC.
BPREP 333 W 34TH LLC
ALGOLIA, INC.
REMO INC

W.L. GORE ASSOCIATES
RAKUTEN MARKETING LLC
FISHMAN TRANSDUCERS
BOUTIQUE AMPS DISTRIBUTION
IK MULTIMEDIA US LLC
TRUETONE AKA VISUAL SOUND
BOSE CORPORATION
SEQUENTIAL, LLC.
FENDER MUSICAL INSTRUMENTS COR
ASSOCIATED PAPER & SUPPLY OF F
JACKSON LEWIS PC
EXTEND RECEIVABLES 7289
BUFFET CRAMPON USA,INC
NATIVE INSTRUMENTS NORTH AMERI
DANIEL SCHIOPUCIE
RODE MICROPHONES LLC
GALLIEN - KRUEGER
JHS PEDALS
KMC MUSIC AKA JAM IND USA, LLC
RADIAL ENGINEERING LTD
EVETS CORPORATION
EXERTIS ALMO
BEYER DYNAMIC INC.
GROUP ONE, LTD.
ALBERT URESTI/BEXAR CTY TAX CO
ASHUN SOUND MACHINES
PRO STAGE GEAR LLC
SEYMOUR DUNCAN PICKUP
MIMCO, LLC/AP GROWTH PROPERTIE
MISSION & FIELDS / 2 VISIONS
BIG BANG DISTRIBUTION
AT&T
AT&T GLOBAL NETWORK SERVICES
TEAC AMERICA, INC.
JOHN M CONNOLLY COINC
CITRUS FRESH CARPET CARE
PERRI'S LEATHERS LTD.
EARTHQUAKER DEVICES LLC
STAGE NINJA LLC
ENVIRO-MASTER OF ATLANTA
CYBERSOURCE CORPORATION
ANTHEM LIFE & DISABILITY INSUR
BEST BOXES PACKING SHIPPING LL
ODYSSEY INNOVATIVE DESIGN AKA
NEIL KJOS
10 TO 1 PUBLIC RELATIONS

DUKE ENERGY
K-PACK INC.
GFI MUSICAL PRODUCTS
ADAM HALL NORTH AMERICA, INC.
KYSER MUSICAL PRODUCTS
AURALEX ACOUSTICS INC.
SAGE NET LLC
EMD MUSIC
VURSOR
TRYCO OF INDIANA
MARK OF THE UNICORN
WALRUS PRODUCTIONS
NORTEK SECURITY & CONTROL, LLC
BERGANTINO AUDIO SYSTEMS, INC.
HBW HEATING & AIR CONDITIONING
ALLPARTS
DATA PRINT TECHNOLOGIES INC.
CITIGUARD INC.
STERLING INFOSYSTEMS, INC.
HOWARD PAVING & EXCAVATING CO.
BLUE YONDER, INC.
THE MCMINN EMPLOYMENT LAW FIRM
ROC -N- SOC
TECH SERVICES ELECTRIC LLC
AVALARA, INC.
WILMINGTON FIBRE
ACE PRODUCTS ENTERPRISES, INC.
PREMIER GRAPHICS, INC.
LINGK, INC.
KEELEY ELECTRONICS , INC.
PAISTE AMERICA, INC
DIVERSIFIED MECHANICAL SOLUTIO
ULINE
LEGACY
HAMMOND SUZUKI USA, INC.
ILIO ENTERPRISES LLC
SCHILKE MUSIC PROD
RAINBOW MAINTENANCE & CLEANING
S & H WEST COAST OF FLORIDA
CON EDISON OF NEW YORK, INC.
GIVEX USA CORPORATION
TELEFUNKEN USA
SKEPTICAL GUITARIST PUBL AKA B
ENVIRONMENTAL ENGINEERING, INC
MEL BAY PUBLICATIONS
HK SECURITY SERVICES, INC.

C. E. MECHANICAL, INC.
DAS COMPANIES
RUPERT NEVE DESIGNS LLC
NICHOLS PLUMBING & HEATING
MILLENNIA MEDIA
SHIFT4 CORPORATION
A&G BUILDING CORP.
AIR CONDITIONING BY JAY
HENRY REBMANN PLUMBING & HEATI
TRIPLE S
GOLD TONE INC
WASTE CONNECTIONS OF NEW YORK
YORKVILLE GROUP
RCF - USA INC
ST.LOUIS MUSIC AKA US BAND & O
CINTAS FAS LOCKBOX 636525
ACCELERATED SERVICES INC.
WALRUS AUDIO LLC
REVEREND GUITAR
TRAFFIC TECH, INC.
PAPER SYSTEMS INCORPORATED
PEAVEY ELECTRONICS CORPORATION
AVANTONE PRO LLC
IRISH MECHANICAL SERVICES, INC
UNITED ILLUMINATING
C.A. SEYDEL SOHNE GMDH GERMANY
COM ED
WM CORPORATE SERVICES, INC.
MUSIC NOMAD LLC
MARSHALL ELECTRONICS, INC.
SAFE AND SOUND ARMoured CAR
STEWART-MACDONALD
YELP, INC.
ACCU-NET LLC
WARM AUDIO LLC.
DELUCIA HOME IMPROVEMENT
ALL AMERICAN WASTE, LLC
R & L LAWN CARE, INC.
THE HILLER COMPANIES, LLC
BASIN HAULAGE, INC.
ALLIED SUPPLY CORP
MAYFAIR POWER SYSTEMS INC.
GLASSTECH SPECIALIST, INC.
TITAN HQ C/O COPPERFASTEN TECH
SYNTHAX
VIBES, LLC.

GLOBAL EQUIPMENT CO.
E&S SECURITY & LOCKSMITH, INC
WASTE MANAGEMENT
VERIZON
NEW GENERATION MECHANICAL LLC
MANATEE COUNTY UTILITIES DEPT.
PARADIGM MECHANICAL CORP.
SKB CORPORATION
GODIN GUITAR CO.
ATTENTIVE MOBILE INC.
SAN DIEGO GENERAL CONTRACTING
GROOT INC.
DR MUSIC
KALA BRAND MUSIC CO
EVERY THING AIR LLC
VATER'S PERCUSSION
KYOCERA DOCUMENT SOLUTIONS WES
PREFERRED ELECTRIC, LLC
E & O MARI, INC.
ADT COMMERCIAL LLC
J.L. SMITH & CO. INC.
TAMPA ELECTRIC
SABIAN, INC.
LIFE SAFETY ENGINEERED SYSTEMS
PIEDMONT NATURAL GAS
PMI
STAMPS.COM
AUDIX CORPORATION
MARSHALL AMPL USA DIV AKA US M
HIGHTEC HVAC, INC.
AMERICAN PLASTICS SUPPLY , MFG
P.O. MICHAEL BELL
SUBURBAN CARTING
YELLOW MATTER ENTERTAINMENT LL
CHARLOTTE TEMPERATURE CONTROLS
TREETWORKS CHIMES
WASTE INDUSTRIES, LLC
JODI HEAD
WASTE MANAGEMENT OF FLORIDA
LAWSON ENVIRONMENTAL SERVICES,
MUSIC MEDIC.COM
TOTAL FIRE CONTROL
LENNY LOWE ENTERPRISES, LLC
GEMEINHARDT MUSICAL INSTRUMENT
AIRECOM, INC.
BALCO INDUSTRIES INC.

FERREE'S TOOLS, INC.
VILLAGE OF BUFFALO GROVE
LR BAGGS CO.
NICOR GAS
MO AIR CONDITIONING LLC
MOODLE US LLC
COLUMBIA GAS
CR&R INCORPORATED
UNIVERSAL IFM
PERFECTION GROUP, INC.
PROFESSIONAL BUILDING SERVICES
VECTOR SECURITY, INC.
MUSIC MARKETING
ADVANCED MAINTENANCE SERVICE I
REGIONAL INDUSTRIES, LLC
CITIZENHAWK INC.
DAYSMART APPOINTMENTS
TITO'S GENERAL LANDSCAPING COR
JAMAICA ASH & RUBBISH REMOVAL
ORKIN PEST CONTROL
CROWN EQUIPMENT CORP.
FIRST FLASH JANITORIAL SERVICE
STAFFORD ASSOCIATES COMPUTER S
RUMPKE OF OHIO, INC.
GREENCARE BY OUTDOOR EXPRESSIO
GREENTOUCH ENTERPRISES, INC.
ORTOFON, INC.
PROTEC
THOMSON REUTERS
JBL BAGS
DEERING BANJOS
STRING SWING MFG.
GROVER/TROPHY MUSICAL PRODUCTS
TECH 21
LOOMIS ARMORED US, LLC
VOCOPRO
DANA B. GOODS
GEMINI CLEANING SERVICES
P.O. RICHARD GARCIA
P.O. NAYELY HERNANDEZ
P.O. AMER KAMAL
P.O. ERIC KIM
P.O. JOSE LOPEZ
P.O. BRANDON ROMAN
P.O. MAHDI SUEIDAN
CABLEVISION/OPTIMUM

GRIGNARD CO. LLC.
J.JOHNSON MUSIC PUB. AKA JULIE
PHOENIX POLICE DEPT.
GENERAL LAWN MAINTENANCE INC.
EXCELCIA MUSIC PUBLISHING, LLC
SWITCHCRAFT INC.
RHYTHM BAND INC.
HUMES & BERG MFG CO
DIMARZIO, INC.
UPGRADE SERVICES, LLC
CINTAS CORPORATION
JANI-KING OF PHILADELPHIA,INC.
ALCOR ELECTRIC INC.
MADISON SUBURBAN UTILITY DISTR
P.O. ANTHONY BASORA
ARMADILLO ENTERPRISES
BAM FRANCE
XSTATIC PRO, INC.
A-DIAMOND DELIVERY SERVICE, IN
GILBERT'S LAWN CARE
HONZ TECH, LLC.
ATMOS ENERGY CORP.
TOWNSHIP OF EDISON
JODY JAZZ INC
ALTERMAN, INC.
SAM ASH HOUSTON/PETTY CASH
NATIONAL GRID
VSC FIRE AND SECURITY, INC.
CARL FISCHER LLC
DAVID DYER
ICONNECTIVITY AKA IKINGDOM COR
ACCURATE PAPER RECYCLING,INC.
GRAPH TECH GUITAR LABS
CITY OF RALEIGH
WILLSCOT/MOBILE MINI
JAN-PRO CLEANING SYSTEMS
CITY OF INDIANAPOLIS
HILLSBOROUGH COUNTY FIRE MARSH
CAM IMPORTS
MOJOTONE
MEDICI MUSIC
PETERSON ELC MUSICAL
SPRATT MUSIC PUB
ARROW ENVIRONMENTAL SERVICES L
ALBERT ELOVITZ INC./AIM
SHER MUSIC

AIRGAS USA, LLC
PLANT IT EARTH
MITCH THE MILKMAN
TRICK PERCUSSION PROUCTS, INC.
ROLLS CORPORATION
DELKIN DEVICES
CITY OF PHILADELPHIA
ISOACOUSTICS INC
OSIAMO LLC
KELLER'S PEST CONTROL, INC.
CHARLES DUMONT & SON, INC.
INTERNATIONAL BUSINESS MACHINE
APOGEE ELECTRONICS
FISH WINDOW CLEANING
STEDMAN CORPORATION
S2E, INC. DBA MEE AUDIO
GHS CORP
LONG BEACH MUSIC CO.
GOLD LINE CONNECTOR
MISSION ENGINEERING, INC.
STATE OF NORTH CAROLINA-EPROC
NEKTAR TECHNOLOGY INC
AQUARIAN DRUMHEADS.COM
GIA PUBLICATIONS
TWO OLD HIPPIES LLC
THE MUSIC LINK CORPORATION
EARBYTE INC
ORANGE MUSIC ELECT CO INC DBA
MANLEY LABORATORIES, INC.
AVIOM, INC.
ADJ PRODUCTS LLC
FOCUSRITE GROUP US, INC.
WINBROOK MANAGEMENT, LLC

United States Bankruptcy Judges in the District of New Jersey

The Honorable Rosemary Gambardella
The Honorable John K. Sherwood
The Honorable Vincent F. Papalia
The Honorable Stacey L. Meisel
The Honorable Michael B. Kaplan
The Honorable Christine M. Gravelle
The Honorable Andrew B. Altenburg, Jr.
The Honorable Vincent F. Papalia
The Honorable John K. Sherwood
The Honorable Jerrold N. Poslusny, Jr.

Members of US Trustee's Office

Alfaro, Adela
Ardelean, Kirsten K.
Arendas, Francyne D.
Artis, Michael
Bielskie, Lauren
D'Auria, Peter J.
Gerardi, David
Green, Tia
Hildebrandt, Martha
Kern, Joseph C.
Kropiewnicki, Daniel C.
McGee, Maggie
Nikolinos, Alexandria
Oppelt, Tina L.
Ortiz-Ng, Angeliza
Schneider, Robert J. Jr.
Shaarawy, Adam
Sponder, Jeffrey
Steele, Fran B.
Stives, James
Vara, Andrew
Ziemer, William J.

Key BK Staff Members

Thomas C. Walsh
Lucy Veloz-Jimenez
Robert Heim
Sharon Moore
Charlene Richardson
Zelda Haywood
Maria Figueria
Juan Filgueiras
Mariela Primo
Ntorian Pappas
Nancy Figueroa
Bruce Jackson
Michael Gilmore
Diane Lipcsey
Rachel Stillwell
Michael Brown
Wendy Quiles
Kiya Martin
Sean Quigley

Margie McGettigan
Marie Flynn
Chris Fowler
Kathleen Ryan
Catherine McAuley
Heather Renye
Andrew Dickson

Taxing Authorities

Alabama Department of Revenue
Alaska Department of Revenue
Arizona Department of Revenue
Arkansas Department of Finance and Administration
California Department of Tax and Fee Administration
Colorado Department of Revenue
Connecticut Department of Revenue Services
State of Delaware - Division of Corporations
District of Columbia Office of Tax and Revenue
Florida Department of Revenue
Georgia Department of Revenue
State of Hawaii – Department of Taxation
Idaho State Tax Commission
Illinois Department of Revenue
Indiana Department of Revenue
Iowa Department of Revenue
Kansas Department of Revenue
Kentucky Department of Revenue
Louisiana Department of Revenue
Maine Revenue Services
Maryland Department of Revenue
Massachusetts Department of Revenue
Michigan Department of Treasury
Minnesota Department of Revenue
Mississippi Secretary of State
Missouri Department of Revenue
Montana Department of Revenue
Nebraska Department of Revenue
Nevada Department of Revenue
New Hampshire Department of Revenue Administration
New Jersey Division of Taxation
New Mexico Tax and Revenue Department
New York State Department of Taxation and Finance
North Carolina Department of Revenue
NYC Department of Finance
North Dakota Office of State Tax Commissioner

Ohio Department of Taxation
Oklahoma Tax Commission
Oregon Department of Revenue
Pennsylvania Department of Revenue
Rhode Island Division of Taxation
South Carolina Department of Revenue
South Dakota Department of Revenue
Tennessee Department of Revenue
Texas Comptroller
Utah State Tax Commission
Vermont Department of Taxes
Virginia Department of Taxation
Washington State Department of Revenue
West Virginia State Tax Department
Wisconsin Department of Revenue
Wyoming Department of Revenue
Puerto Rico Department of the Treasury
US Customs & Border Protection
Internal Revenue Service

Benefits Providers

Anthem HealthChoice Assurance, Inc.
Anthem Blue Cross
Anthem Life & Disability Insurance Company
OCA Benefit Services, LLC
LegalShield
IDShield
Spot Pet Insurance
Symetra Life Insurance Company

Contract Parties

BPREP 333 W 34th LLC
Iroquois Investment Company
North Freeway Partners, LLC
10838 NCX, LLC
National Shopping Plazas, Inc.
Steel OCR, LLC
Magnolia Palms Daphne, LLC
Sam Ash Properties Corp.
UE 2100 Route 38, LLC
Springdale Kemper Associates, Ltd.
1998 Augustus Partners, LP
Greater Orlando Aviation Authority
NMRD3 Limited
Caseleton Plaza Shopping Center, LLC
G Rack Fields, LLC

Kapok Pavilion I, Ltd
King of Pruss Center, LLC
Karen MM, LLC
Pines Plaza, LLC
Greens of Lyndhurst, Lts
Peppertree Plaza, LLC
Dolphin Mall Associates Limited Partnership
Wareco Enterprises, Inc
BAI Rivergate, LLC
JBAD Limited Partnership
Larry Scott Karlin and Debra Lisa Karlin Trustees of the Karlin Family Trust
Ontanio Mills II, LP
Lee Road Partners LP
AP Growth Properties, LP
JSL Plaza Puente Hills, LLC
Three Mac Properties, LLC
WRI/Raleigh LP
Broad Street FF, LLC
Pavilions North Shopping Center 18, LLC
Ultimate Capital LLC
Pamela Robinson
Bergen Springfield Associates, LP
Pompanette, LLC
An Tang Dao dba Eden Plaza
Skellig Realty, Inc.
Chrysler Capital
Benzel-Busch Motor Car Corp
Rallye BMW
Darcars of Englewood Inc
Porsche Audi Warrington
Tiger Finance LLC
Fiserv

Other

Katten Muchin Rosenman LLP
Jackson Lewis PC

Surety Bonds/Beneficiaries

Travelers Casualty and Surety Company of America
Platte River Insurance Company
U.S. Customs and Border Control
Town of North Hempstead
City of New York
Suffolk County
City of White Plains
City of New Haven

State of New Jersey
State of Georgia

Schedule 2

Disclosure List

- **Brookfield is the landlord for Sierra's Los Angeles headquarters. Sierra has subleased the space but remains on the lease as a tenant and sub-landlord, maintaining obligations to Brookfield.**