

ENTERED

November 06, 2024

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

CONN’S, INC., *et al.*¹

Debtors.

Chapter 11

Case No. 24-33357 (ARP)

(Jointly Administered)

**STIPULATION AND AGREED ORDER BETWEEN
THE DEBTORS, E.C. BARTON & COMPANY, AND NCC GRANITE PROPCO, LLC
REGARDING THE SETTLEMENT OF ALL DISPUTES**

This stipulation and agreed order (this “Stipulation”) is made by and among Conn’s, Inc., and its debtor affiliates, as debtors and debtors in possession (collectively, the “Debtors”)² in the above-captioned chapter 11 cases, E.C. Barton & Company (“E.C. Barton”), and NCC Granite Propco, LLC (“NCC Granite,” and together with E.C. Barton, the “Parties”). The Parties hereby stipulate and agree as follows:

RECITALS

WHEREAS, on July 23, 2024, Conn’s, Inc., and its debtor affiliates, as debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (the “Court”).

WHEREAS, on July 26, 2024, Debtors filed the *Motion for Entry of (I) an Order (A) Approving Certain Bidding Procedures and the Form and Manner of Notice Thereof, (B) Scheduling an Auction and*

¹ The Debtors in these chapter 11 cases, together with the last four digits of each Debtor’s federal tax identification number, are: Conn’s, Inc. (2840), Conn Appliances, Inc. (0706), CAI Holding, LLC (2675), Conn Lending, LLC (9857), Conn Credit I, LP (0545), Conn Credit Corporation, Inc. (9273), CAI Credit Insurance Agency, Inc. (5846), New RTO, LLC (6400), W.S. Badcock LLC (2010), W.S. Badcock Credit LLC (5990), and W.S. Badcock Credit I LLC (6422). The Debtors’ service address is 2445 Technology Forest Blvd., Suite 800, The Woodlands, TX 77381.

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

a Hearing on the Approval of the Sale of All or Substantially All of the Debtors' Assets, (C) Establishing Certain Assumption and Assignment Procedures and Approving the Manner of Notice Thereof, and (D) Granting Related Relief; and (II) an Order (A) Authorizing the Sale of All or Substantially All of the Debtors' Assets Free and Clear of All Encumbrances, (B) Approving the Assumption and Assignment of the Assumed Contracts, and (C) Granting Related Relief (the "Motion") [Docket No. 121].

WHEREAS, on August 30, 2024, Debtors filed the *Notice of (I) Potentially Assumption and Assignment of Executory Contracts and Unexpired Leases and (II) Cure Amounts* [Docket No. 459].

WHEREAS, on October 16, 2024, Debtors filed the *Notice of Selection of Successful Bidders as to Certain Lease Transactions* [Docket No. 844].

WHEREAS, on October 17, 2024, Debtors filed the *Notice of Selection of Successful Bidders as to Certain Lease Transactions* [Docket No. 853].

WHEREAS, on October 25, 2024, counsel for NCC Granite filed an objection to the sale of the lease located at 5900 Rivers Avenue, North Charleston, South Carolina (the "Property") to E.C. Barton. NCC Granite is the landlord under the Lease Agreement dated June 4, 2015 with the Debtor W.S. Badcock, LLC for the Property. These objections concerned the notice given to NCC Granite as landlords prior to the auction of this lease, the use restriction on the lease, and the cure amount.

WHEREAS, on October 30, 2024 at 10 a.m. (prevailing Central Time), the hearing for the sale of these leases took place in this Court before the Honorable Alfredo R. Pérez (the "Hearing").

WHEREAS, at the Hearing, the Court expressed concern regarding the notice arguments with respect to the Property and continued the Hearing on the notice issue to November 7, 2024 at 10:00 a.m. (CT). Judge Pérez otherwise rejected the arguments regarding the use restriction and the cure amount but encouraged the Parties to further discuss the notice issue.

WHEREAS, the Parties have conferred and reached a resolution in global settlement of all

disputes, and the Parties are agreeing, for good and valuable consideration, the sufficiency of which is hereby acknowledged, to the terms set forth in this Stipulation and an agreed upon order approving the Stipulation.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED BY THE PARTIES, AND UPON APPROVAL BY THE COURT OF THIS STIPULATION, IT IS ORDERED AS FOLLOWS:

1. The recitals set forth above are incorporated herein by reference.

2. [REDACTED]

3. The Debtors shall file a Notice of Rejection of the lease as to this Property within two (2) business days upon entry of this Order approving this Stipulation. The effective date of surrender will be November 7. Pursuant to and as more fully set forth in the Court's *Order (I) Approving Procedures for Future Rejection of Additional Executory Contracts and Unexpired Leases, and (II) Granting Related Relief* (the "Rejection Procedures Order") [Docket No. 369], absent a timely objection, any such property of the Debtors remaining after the Rejection Date, as defined in the Rejection Procedures Order, shall be deemed abandoned without further notice or order of the Court, free and clear of all liens, claims, interests, or other encumbrances. Any property remaining at the Property shall be deemed abandoned, and NCC Granite is authorized, in its sole discretion and without further notice or order of this Court, to utilize and/or dispose of any abandoned property without notice or liability to any party, including the Debtors or third parties.

4. [REDACTED]

[REDACTED]

5. [REDACTED]

[REDACTED]

[REDACTED]

6. The hearing on the Motion that has been scheduled for November 7, 2024, at 10:00 a.m. (CT) shall be canceled.

7. Upon entry of the Order approving this Stipulation shall remain confidential and may only be disclosed to (i) the United States Trustee, (ii) the Official Committee for Unsecured Creditors, (iii) the lender under the Debtors' debtor-in-possession financing facility, (iv) NCC Granite's financial advisors, accountants, and lenders and (v) any other party for which the Court orders disclosure.

8. Each of the parties hereto represents and warrants it is duly authorized to enter into and be bound by this Stipulation.

9. This Stipulation may not be amended without the express written consent of the Parties hereto.

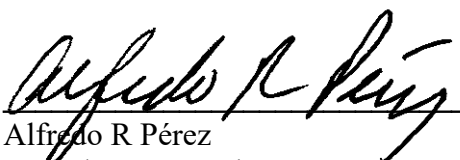
10. The effectiveness of this Stipulation is subject to the approval of the Court. If this Stipulation is not approved by the Court, this Stipulation shall be deemed null and void and shall not be referred to or used for any purpose by any party in these chapter 11 cases or otherwise.

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11. The Court retains jurisdiction with respect to all matters arising from or relating to the implementation, interpretation, and enforcement of this Stipulation.

THE FOREGOING STIPULATION IS HEREBY APPROVED AND SO ORDERED.

Signed: November 06, 2024


Alfredo R Pérez
United States Bankruptcy Judge

Dated: November 6, 2024
Houston, Texas

/s/ Jeri Leigh Miller

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Certificate of Service

I certify that on November 6, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Jeri Leigh Miller

Jeri Leigh Miller