



ENTERED
09/21/2020

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

In re: §
§ **Chapter 11**
§
CEC ENTERTAINMENT, INC., et al., § **Case No. 20-33163 (MI)**
§
Debtors.¹ § **(Jointly Administered)**
§

**ORDER (I) AUTHORIZING THE DEBTORS TO
ENTER INTO CERTAIN SETTLEMENT AGREEMENTS FOR THE
PURCHASE AND DESTRUCTION OF PRIZE TICKETS, (II) APPROVING THE
TERMS OF SUCH SETTLEMENTS AND AUTHORIZING THE DEBTORS
PERFORMANCE THEREUNDER, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of CEC Entertainment, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), for entry of an order pursuant to sections 105(a), and 363 of the Bankruptcy Code, and Bankruptcy Rules 2002 and 9019 (i) authorizing the Debtors to enter into certain settlement agreements for the purchase and destruction of Prize Tickets (the “**Settlements**”) by and among CEC Entertainment and each of Eastern Trading, Performance Food Group, and Supply Chain Engineering, (ii) approving the terms of the Settlements and authorizing the Debtors’ performance thereunder, including payment of the Eastern Trading Payment Price, the PFG Aggregate Payment Price, and the SCE Payment Price, and (iii) granting related relief, all

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are BHC Acquisition Corporation (0947); CEC Entertainment Concepts, L.P. (3011); CEC Entertainment Holdings, LLC (9147); CEC Entertainment, Inc. (5805); CEC Entertainment International, LLC (8177); CEC Entertainment Leasing Company (4517); CEC Leaseholder, LLC (N/A); CEC Leaseholder #2, LLC (N/A); Hospitality Distribution Incorporated (5502); Peter Piper Holdings, Inc. (6453); Peter Piper, Inc. (3407); Peter Piper Texas, LLC (6904); Peter Piper Mexico, LLC (1883); Queso Holdings, Inc. (1569); SB Hospitality Corporation (4736); SPT Distribution Company (8656); and Texas PP Beverage, Inc. (6895). The Debtors’ corporate headquarters and service address is 1707 Market Place Boulevard #200, Irving, TX 75063.

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

as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and as this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. § 1409; and this Court having found that the relief requested in the Motion is a reasonable exercise of the Debtors' business judgment and is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion, all responses and objection thereto, and having heard the statements and arguments in support of and opposed to the relief requested therein at a hearing before this Court (the "**Hearing**"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Debtors are authorized to enter into, perform, execute, and deliver all documents, and take all actions, necessary to immediately continue and fully implement the Settlements in accordance with the agreed terms and conditions set forth in the Motion, including payment of the Eastern Trading Payment Price, the PFG Aggregate Payment Price, and the SCE Payment Price, and the waiver of any potential avoidance or preference claims that the Debtors may hold against PFG.

2. Any and all claims that the Settlement Parties may have against the Debtors on account of the purchase and/or destruction of Prize Tickets (except for any retained Prize Tickets) will be deemed satisfied in full upon payment of the Eastern Trading Payment Price, the PFG Aggregate Payment Price, and the SCE Payment Price and the Debtors are authorized to

take all actions necessary to note such satisfaction on the claims register without further notice or approval of the Court.


3. Notice of the Motion is adequate under Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules.

4. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be immediately effective and enforceable upon its entry.

5. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Order.

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

Signed: September 21, 2020



Marvin Isgur
United States Bankruptcy Judge