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*Co-Counsel for Debtors in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

In re:	)	Chapter 11
GYMBOREE GROUP, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 19-30258 (KLP)
Debtors.	)	(Jointly Administered)
	)	

**ORDER APPROVING OMNIBUS RELIEF IN AID OF ADMINISTRATION OF POST-SALE RESIDUAL ESTATES, INCLUDING STREAMLINED CLAIMS SETTLEMENT PROCEDURES AND REMAINING EMPLOYEE SEVERANCE PLAN**

Upon the motion (the "Motion")<sup>2</sup> of the above-captioned debtors in possession for entry of an order approving omnibus relief in aid of administration of post-sale residual estates,

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are Gymboree Group, Inc. (6587); Gymboree Intermediate Corporation (1473); Gymboree Holding Corporation (0315); Gymboree Wholesale, Inc. (6588); Gym-Mark, Inc. (6459); Gymboree Operations, Inc. (6463); Gymboree Distribution, Inc. (8669); Gymboree Manufacturing, Inc. (6464); Gymboree Retail Stores, LLC (6461); Gym-Card, LLC (5720); and Gymboree Island, LLC (1215). The Debtors' service address is 71 Stevenson Street, Suite 2200, San Francisco, California 94105.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

including streamlined claims settlement procedures and the Remaining Employee Severance Program, all as more fully set forth in the Motion; and upon the Foster Declaration filed in support of the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated July 10, 1984; and this Court having authority to enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that notice of the Motion is appropriate under the circumstances and that no other or further notice need be provided; and upon the record of the hearing held before this Court; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and after due deliberation and sufficient cause appearing therefor, **it is HEREBY ORDERED THAT:**

1. The Motion is granted as set forth herein.
2. The Claim Settlement Procedures are approved in their entirety, and the Debtors are authorized, but not required, to take all actions necessary to negotiate with any claimant asserting an Administrative Claim and to seek an agreement settling any and all Administrative Claims, including any 503(b)(9) Claims; provided that the Debtors will file electronic notice giving 7 days' notice of any proposed settlement of an Administrative Claim asserted in excess of \$750,000 and will give notice of all settlements to the Office of the United States Trustee.
3. The Debtors shall work in good faith with the Official Committee of Unsecured Creditors in reconciling the 503(b)(9) Claims on an expedited basis.
4. The Administrative Claims Bar Date shall be August 24, 2019 at 5:00 p.m. prevailing Eastern Time.

5. The Remaining Employee Severance Program is approved as modified in the following paragraph, and the Debtors are authorized, but not directed, to take all actions necessary to adopt and implement the Remaining Employee Severance Program on the terms set forth in the Motion, as amended by the following paragraph, including by making payments that become due pursuant to the terms of the Remaining Employee Severance Program as described in the Motion without further notice.

6. The Remaining Employee Severance Plan will be modified for the Insider Participants as follows: the severance payment referenced in the Motion and schedule attached thereto for each Insider Participant shall be that participant's "Full Severance Amount". If an Insider Participant is terminated without "cause" or resigns for "good reason" after entry of this Order but prior to the date any Debtor files a chapter 11 plan with the Court, such Insider Participant will be entitled to a payment of 50% of his/her Full Severance Amount. If an Insider Participant is terminated without "cause" or resigns for "good reason" after the date the Debtor files a chapter 11 plan with the Court but prior to confirmation of such plan, he/she will be entitled to a payment of 75% of their Full Severance Amount. If an Insider Participant is terminated without "cause" or resigns for "good reason" after confirmation of a Debtor's plan, he/she will be entitled to a payment of 100% of the Full Severance Amount. Notwithstanding the foregoing, if an Insider Participant is terminated without "cause" or resigns for "good reason" after the Debtors, the Committee, and the DIP Lender reach an agreement with respect to the treatment of section 503(b)(9) claims, he/she will be entitled to a payment of 100% of his/her Full Severance Amount. For the avoidance of doubt, "good reason" with respect to the Insider Participants means either (1) a reduction in salary or (ii) moving the employee's principal place of business more than fifty miles from its current location.

7. The amounts earned and payable under the Remaining Employee Severance Program shall have administrative expense priority under sections 503(a) and 507(a)(2) of the Bankruptcy Code.

8. The Clerk of the United States Bankruptcy Court for the Eastern District of Virginia and other relevant parties are authorized to take whatever actions are necessary to update the ECF filing system and their respective records to reflect the changes of the Debtors' respective corporate names as set forth in **Schedule 1** attached hereto, including the insertion of a docket entry in each Debtor's chapter 11 case as follows:

“An Order has been entered in this case directing that the caption of this case be changed in accordance with the corporate name change of [*Current Debtor Name* ] to [*New Debtor Name* ].”

9. The caption for each Debtor's chapter 11 case shall be changed to reflect the “New Debtor Name” listed on Schedule 1, and the caption for the jointly administered case shall hereinafter read as follows:

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

In re:	)	Chapter 11
GEMSTONE SOLUTIONS GROUP, INC., <i>et al.</i> <sup>1</sup>	)	Case No. 19-30258 (KLP)
Debtors.	)	(Jointly Administered)

<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Gemstone Solutions Group, Inc. f/k/a Gymboree Group, Inc. (6587); Gemstone Solutions Intermediate Corporation f/k/a Gymboree Intermediate Corporation (1473); Gemstone Solutions Holding Corporation f/k/a Gymboree Holding Corporation (0315); Gemstone Solutions Wholesale, Inc. f/k/a Gymboree Wholesale, Inc. (6588); Gemstone Solutions Mark, Inc. f/k/a Gym-Mark, Inc. (6459); Gemstone Solutions Operations, Inc. f/k/a Gymboree Operations, Inc. (6463); Gemstone Solutions Distribution, Inc. f/k/a Gymboree Distribution, Inc. (8669); Gemstone Solutions Manufacturing, Inc. f/k/a Gymboree Manufacturing, Inc. (6464); Gemstone Solutions RS, LLC f/k/a Gymboree Retail Stores, LLC (6461); Gemstone Solutions Card, LLC f/k/a Gym-Card, LLC (5720); and Gemstone

Solutions PR, LLC f/k/a Gymboree Island, LLC (1215). The Debtors' service address is 71 Stevenson Street, Suite 2200, San Francisco, California 94105.

10. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).
11. The requirement under Local Rule 9013-1(G) to file a memorandum of law in connection with the Motion is waived.
12. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) are satisfied by such notice.
13. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this order are immediately effective and enforceable upon its entry.
14. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.
15. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order

Dated: Aug 8 2019  
Richmond, Virginia

/s/ Keith L. Phillips  
UNITED STATES BANKRUPTCY JUDGE

Entered on Docket: Aug 9 2019

WE ASK FOR THIS:

/s/ Michael A. Condyles

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Peter J. Barrett, Esq. (VA 46179)

Jeremy S. Williams, Esq. (VA 77469)

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**CERTIFICATION OF ENDORSEMENT**  
**UNDER LOCAL BANKRUPTCY RULE 9022-1(C)**

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Michael A. Condyles

**SCHEDULE 1**

Case No.	Current Debtor Name	New Debtor Name
19-30248	Gym-Card, LLC	Gemstone Solutions Card, LLC
19-30249	Gymboree Retail Stores, LLC	Gemstone Solutions RS, LLC
19-30250	Gymboree Distribution, Inc.	Gemstone Solutions Distribution, Inc.
19-30251	Gymboree Island, LLC	Gemstone Solutions PR, LLC
19-30252	Gymboree Intermediate Corporation	Gemstone Solutions Intermediate Corporation
19-30253	Gymboree Wholesale, Inc.	Gemstone Solutions Wholesale, Inc.
19-30254	Gym-Mark, Inc.	Gemstone Solutions Mark, Inc.
19-30255	Gymboree Operations, Inc.	Gemstone Solutions Operations, Inc.
19-30256	Gymboree Manufacturing, Inc.	Gemstone Solutions Manufacturing, Inc.
19-30257	Gymboree Holding Corporation	Gemstone Solutions Holding Corporation
19-30258	Gymboree Group, Inc.	Gemstone Solutions Group, Inc.