

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
Karmaloop, Inc., et al.,¹) Case No. 15-10635 (MFW)
)
Debtors.) (Jointly Administered)
)
) **Re: D.I. 81 & 165**

**CERTIFICATION OF COUNSEL REGARDING PROPOSED ORDER
ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION
OF BURNS & LEVINSON LLP AS COUNSEL FOR THE DEBTORS
AND DEBTORS IN POSSESSION *NUNC PRO TUNC* TO APRIL 27, 2015**

The undersigned certifies as follows:

1. On April 2, 2015, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned administered bankruptcy cases, by and through their proposed undersigned counsel, filed the Application of the Debtors for an Order Authorizing the Employment and Retention of Burns & Levinson LLP as Counsel for the Debtors and Debtors In Possession *Nunc Pro Tunc* (the “B&L Retention Application”) [D.I. 81].

2. On April 27, 2015, the United States Trustee (the “UST”) filed an Objection of the Acting United States Trustee to the Application of the Debtors for an Order Authorizing the Employment and Retention of Burns & Levinson LLP as Counsel for the Debtors and Debtors In Possession *Nunc Pro Tunc* (the “UST Objection”) [D.I. 165].

3. On April 30, 2015, the Court held a hearing on the B&L Retention Application and the UST Objection (the “Hearing”). Attached hereto as Exhibit 1 is the

¹ The Debtors and the last four digits of their respective federal taxpayer identification numbers are as follows: Karmaloop, Inc. - 3934; KarmaloopTV, Inc. – 8230. The Debtors’ address is 334 Boylston Street, Suite 500, Boston, MA 02116.

revised proposed order approving the B&L Retention Application (the “Revised Proposed Order”). The Revised Proposed Order encompasses the Court’s ruling at the Hearing and has been reviewed and approved by the UST. A blackline reflecting the revisions to the Revised Proposed Order is attached hereto as Exhibit 2. The undersigned respectfully submits that the Court may consider and enter the Revised Proposed Order at the Court’s earliest convenience, without further notice or hearing.

Dated: May 6, 2015

**WOMBLE CARLYLE SANDRIDGE
& RICE, LLP**

/s/ Ericka F. Johnson

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Counsel for the Debtors and Debtors-in-Possession

EXHIBIT 1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
Karmaloop, Inc., et al., ¹)	Case No. 15-10635 (MFW)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: D.I. 81 and _____

**ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION
OF BURNS & LEVINSON LLP AS COUNSEL FOR THE DEBTORS
AND DEBTORS IN POSSESSION PURSUANT TO 11 USC
SECTION 327(a) NUNC PRO TUNC TO APRIL 27, 2015**

Upon the application (the "Application")² of the above-captioned debtors and debtors in possession (the "Debtors") for entry of an order (this "Order") authorizing the Debtors to employ and retain Burns & Levinson LLP ("B&L") as counsel for the Debtors pursuant to 11 USC § 327(a), in connection with the Bankruptcy Cases nunc pro tunc to the Petition Date; and it appearing that this Court has jurisdiction over the Application pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these Bankruptcy Cases and the Application in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court being satisfied based on the representations made in the Application and in the Moskol Declaration and Supplemental Declaration that (a) B&L does not hold or represent any interest adverse to the Debtors' estates as of April 27, 2015, and (b) B&L is a "disinterested person" as defined in section 101(14) of the Bankruptcy Code and as required by section 327(a) of the Bankruptcy Code as of April 27, 2015;

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² Each capitalized term used but not otherwise defined herein shall have the meaning ascribed to such term in the Application.

and this Court having determined that the relief requested in the Application, as modified by this Order, is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Application has been given and that, except as otherwise ordered herein, no other or further notice is necessary; and after due deliberation thereon; and good and sufficient cause appearing therefor, and for the reasons stated on the record at the hearing on the Application on April 30, 2015, it is HEREBY ORDERED that:

1. The Application is GRANTED to the extent provided herein.

2. The Debtors are authorized to employ and retain B&L, pursuant to section 327(a) of the Bankruptcy Code, as their counsel for all matters in conducting these bankruptcy cases, in connection with its Chapter 11 case in accordance with the terms and conditions set forth in the Application, nunc pro tunc to April 27, 2015.

3. B&L is authorized to provide the Debtors with the professional services described in the Application. Specifically, but without limitation, B&L is authorized to render the following legal services:

- (a) advising the Debtors of their powers and duties as debtors in possession;
- (b) advising the Debtors on the conduct of these Bankruptcy Cases, including all of the legal and administrative requirements of operating in chapter 11;
- (c) advising the Debtors with respect to any plan of reorganization and any other matters relevant to the formulation and negotiation of a plan or plans of reorganization in these Bankruptcy Cases;
- (d) advising the Debtors with respect to, and assisting in the negotiation and documentation of financing agreements, debt and cash collateral orders and related transactions;
- (e) representing the Debtors in proceedings and hearings before the United States Bankruptcy Court for the District of Delaware;
- (f) preparing on behalf of the Debtors any necessary motions, applications,

answers, orders, pleadings, reports and other legal papers;

- (g) reviewing and analyzing the nature and validity of any liens asserted against the Debtors' property and advising the Debtors concerning the enforceability of such liens;
- (h) providing assistance, advice and representation concerning the Debtors' potential sale of substantially all of their assets, confirmation of any proposed plan and soliciting acceptances or responding to objections of such plan;
- (i) providing assistance, advice and representation concerning any investigation of the assets, liabilities and financial condition of the Debtors that may be required under local, state or federal law;
- (j) prosecuting and defending litigation matters and such other matters that might arise during these Bankruptcy Cases and/or assisting special counsel to provide those service within the confines of these Bankruptcy Cases;
- (k) providing counseling and representation with respect to assumption or rejection of executory contracts and leases, sales of assets and other bankruptcy-related matters arising from these Bankruptcy Cases;
- (l) rendering advice with respect to general corporate and litigation issues relating to these Bankruptcy Cases, including, but not limited to, intellectual property, corporate finance, labor, tax and commercial matters; and
- (m) performing and/or overseeing such other legal services as may be necessary and appropriate for the efficient and economical administration of these Bankruptcy Cases.

4. To the extent the Application is inconsistent with the terms of this Order, the terms of this Order shall govern.

5. B&L shall be compensated for fees and reimbursed for reasonable and necessary expenses and will file interim and final fee applications for allowance of its compensation and expenses in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Del. Bankr. L. Rules, the Fee Guidelines, and any further order of the Court for all professional services performed and expenses incurred on and after April 27, 2015.

6. B&L shall use its best efforts to avoid any duplication of services provided by any of the Debtors' other retained professionals in these Chapter 11 cases.

7. Notwithstanding anything in this order to the contrary, any payment to be made or any authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under the DIP Financing Documents.

8. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this order.

9. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

10. Notwithstanding any provision to the contrary in the Application, this Court shall retain jurisdiction to hear and to determine all matters arising from or related to the implementation of this order.

Dated: May __, 2015

The Honorable Mary F. Walrath
United States Bankruptcy Judge

EXHIBIT 2

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
Karmaloop, Inc., et al., ¹)	Case No. 15-10635 (MFW)
Debtors.)	(Jointly Administered)
)	Re: D.I. 81 and

**ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION
OF BURNS & LEVINSON LLP AS COUNSEL FOR THE DEBTORS
AND DEBTORS IN POSSESSION PURSUANT TO 11 NUNSC PRO TUNC
SECTION 327(a) NUNC PRO TUNC TO APRIL 27, 2015**

Upon the application (the “Application”)² of the above-captioned debtors and debtors in possession (the “Debtors”) for entry of an order (this “Order”) authorizing the Debtors to employ and retain Burns & Levinson LLP (“B&L”) as counsel for the Debtors pursuant to 11 USC § 327(a), in connection with the Bankruptcy Cases nunc pro tunc to the Petition Date; and it appearing that this Court has jurisdiction over the Application pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these Bankruptcy Cases and the Application in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court being satisfied based on the representations made in the Application and in the Moskol Declaration and Supplemental Declaration that (a) B&L does not hold or represent any interest adverse to the Debtors’ estates as of April 27, 2015, and (b) B&L is a “disinterested person”

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² Each capitalized term used but not otherwise defined herein shall have the meaning ascribed to such term in the Application.

as defined in section 101(14) of the Bankruptcy Code and as required by section 327(a) of the Bankruptcy Code as of April 27, 2015; and this Court having determined that the relief requested in ~~this~~ the Application, as modified by this Order, is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Application has been given and that, except as otherwise ordered herein, no other or further notice is necessary; and after due deliberation thereon; and good and sufficient cause appearing therefore, and for the reasons stated on the record at the hearing on the Application on April 30, 2015, it is HEREBY ORDERED that:

1. The Application is GRANTED to the extent provided herein.
2. The Debtors are authorized to employ and retain B&L, pursuant to section 327(a) of the Bankruptcy Code, as ~~its~~ their counsel for all matters in conducting these bankruptcy cases, in connection with its Chapter 11 case in accordance with the terms and conditions set forth in the Application, nunc pro tunc to the ~~Petition Date~~ April 27, 2015.
3. B&L is authorized to provide the Debtors with the professional services described in the Application. Specifically, but without limitation, B&L is authorized to render the following legal services:
 - (a) advising the Debtors of their powers and duties as debtors in possession;
 - (b) advising the Debtors on the conduct of these Bankruptcy Cases, including all of the legal and administrative requirements of operating in chapter 11;
 - (c) advising the Debtors with respect to any plan of reorganization and any other matters relevant to the formulation and negotiation of a plan or plans of reorganization in these Bankruptcy Cases;
 - (d) advising the Debtors with respect to, and assisting in the negotiation and documentation of financing agreements, debt and cash collateral orders and related transactions;
 - (e) representing the Debtors in proceedings and hearings before the United

States Bankruptcy Court for the District of Delaware;

- (f) preparing on behalf of the Debtors any necessary motions, applications, answers, orders, pleadings, reports and other legal papers;
- (g) reviewing and analyzing the nature and validity of any liens asserted against the Debtors' property and advising the Debtors concerning the enforceability of such liens;
- (h) providing assistance, advice and representation concerning the Debtors' potential sale of substantially all of their assets, confirmation of any proposed plan and soliciting acceptances or responding to objections of such plan;
- (i) providing assistance, advice and representation concerning any investigation of the assets, liabilities and financial condition of the Debtors that may be required under local, state or federal law;
- (j) prosecuting and defending litigation matters and such other matters that might arise during these Bankruptcy Cases and/or assisting special counsel to provide those service within the confines of these Bankruptcy Cases;
- (k) providing counseling and representation with respect to assumption or rejection of executory contracts and leases, sales of assets and other bankruptcy-related matters arising from these Bankruptcy Cases;
- (l) rendering advice with respect to general corporate and litigation issues relating to these Bankruptcy Cases, including, but not limited to, intellectual property, corporate finance, labor, tax and commercial matters; and
- a-(m) performing and/or overseeing such other legal services as may be necessary and appropriate for the efficient and economical administration of these Bankruptcy Cases.

4. To the extent the Application is inconsistent with the terms of this Order, the terms of this Order shall govern.

5. B&L shall be compensated for fees and reimbursed for reasonable and necessary expenses and will file interim and final fee applications for allowance of its compensation and expenses in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Del. Bankr. L. Rules, the Fee Guidelines, and any further order of

the Court for all professional services performed and expenses incurred on and after the
Petition Date April 27, 2015.

6. B&L shall use its best efforts to avoid any duplication of services provided by any of the Debtors' other retained professionals in these Chapter 11 cases.

7. Notwithstanding anything in this order to the contrary, any payment to be made or any authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under the DIP Financing Documents.

8. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this order.

9. The terms and conditions of this order shall be immediately effective and enforceable upon its entry.

10. Notwithstanding any provision to the contrary in the Application, this Court shall retain jurisdiction to hear and to determine all matters arising from or related to the implementation of this order.

Dated: ~~April 30~~ May __, 2015

The Honorable Mary F. Walrath
United States Bankruptcy Judge

Summary Report:	
Litéra® Change-Pro TDC 7.0.0.365 Document Comparison done on 5/6/2015 4:11:01 PM	
Style Name: Default Style	
Original DMS: iw://WORKSITEDMS/Womble/34124000/3	
Modified DMS: iw://WORKSITEDMS/Womble/34124000/7	
Changes:	
Add	19
Delete	11
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format Changes	0
Total Changes:	30