

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

In re:

TSAWD HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 16-10527 (MFW)

(Jointly Administered)

Hearing Date: October 31, 2017 at 10:30 a.m. (ET)

Obj. Deadline: October 24, 2017 at 4:00 p.m. (ET)

**DEBTORS' MOTION FOR ORDER (I) AUTHORIZING THE SALE OF A  
CLAIM OWNED BY THE DEBTORS, FREE AND CLEAR OF LIENS, CLAIMS,  
ENCUMBRANCES, AND OTHER INTERESTS; (II) APPROVING A  
RELATED ASSIGNMENT AND CLAIM AGREEMENT;  
AND (III) GRANTING RELATED RELIEF**

TSAWD Holdings, Inc. and its affiliated debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (collectively, the “Chapter 11 Cases”) hereby move this Court (this “Motion”) for entry of an order, substantially in the form annexed hereto as Exhibit A (the “Proposed Order”), pursuant to sections 105(a) and 363 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 6004-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), (i) authorizing the sale (the “Sale”) of a certain claim owned by the Debtors (the “Fresh & Easy Claim”) in *In re Fresh & Easy, LLC.*, Bankruptcy Case No. 15-12220 (Bankr. D. Del.) (BLS) (the “Fresh & Easy Bankruptcy Case”) on an “as is, where is”

<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: TSAWD Holdings, Inc. (9008); Slap Shot Holdings Corp. (8209); TSAWD, Inc. (2802); TSA Stores, Inc. (1120); TSA Gift Card, Inc. (1918); TSA Ponce, Inc. (4817); and TSA Caribe, Inc. (5664). The headquarters for the above-captioned Debtors is located at 2305 East Arapahoe Road, Suite 234, Centennial, Colorado 80122.

The Debtors were formerly known as: Sports Authority Holdings, Inc. (9008); Slap Shot Holdings Corp. (8209); The Sports Authority, Inc. (2802); TSA Stores, Inc. (1120); TSA Gift Card, Inc. (1918); TSA Ponce, Inc. (4817); and TSA Caribe, Inc. (5664).



basis, free and clear of any and all liens, claims, encumbrances, and other interests, to Bradford Capital Holdings, LP or its designee or permitted assignee (the “Purchaser”), pursuant to the terms and conditions of the Assignment of Claim Agreement, dated as of October 10, 2017 (as may be amended, supplemented, or otherwise modified from time to time, the “Assignment Agreement”), by and between the Debtors and the Purchaser, a copy of which is attached as Exhibit 1 to the Proposed Order, (ii) authorizing and approving the Assignment Agreement, and (iii) granting certain related relief. In support of this Motion, the Debtors submit the *Declaration of Douglas Garrett in Support of the Debtors’ Motion for Order (I) Authorizing the Sale of a Claim Owned by the Debtors, Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (II) Approving a Related Assignment and Claim Agreement; and (III) Granting Related Relief* (the “Garrett Declaration”), a copy of which is attached hereto as Exhibit B. In further support of this Motion, the Debtors respectfully represent as follows:

### **JURISDICTION AND VENUE**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334(b), and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b), and pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order by the Court in connection with this Motion 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. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are sections 105(a) and 363 of the Bankruptcy Code, Bankruptcy Rules 2002 and 6004, and Local Rule 6004-1.

## BACKGROUND

### A. General Background

3. On March 2, 2016 (the “Petition Date”), each of the Debtors commenced a voluntary case under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the “Court”). Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are continuing to manage their financial affairs as debtors in possession. No trustee has been appointed in the Chapter 11 Cases.

4. On March 10, 2016, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed the statutory committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Committee”).

5. Information regarding the Debtors’ history and business operations, capital structure and primary secured indebtedness, and the events leading up to the commencement of these Chapter 11 Cases is set forth in the *Declaration of Jeremy Aguilar in Support of the Debtors’ Chapter 11 Petitions and Requests for First Day Relief* [Docket No. 22], which was filed on the Petition Date.

### B. Description of the Fresh & Easy Claims

6. The Fresh & Easy Claim comprises the Debtors’ right, title, and interest in one general unsecured claim (Claim No. 960) held by the Debtors in the Fresh & Easy Bankruptcy Case, which is pending in the United States Bankruptcy Court for the District of Delaware. The Fresh & Easy Claim was reconciled by Fresh & Easy, LLC in the Fresh & Easy Bankruptcy Case, reduced to reflect an agreed-upon rejection damage claim in the amount of \$407,774.21, and subsequently allowed. As such, the Fresh & Easy Claim remains on the official claims register maintained in the Fresh & Easy Bankruptcy Case, and entitled to a distribution under the Fresh & Easy Plan (defined below).

7. Fresh & Easy LLC's plan of liquidation (the "Fresh & Easy Plan") was confirmed by the Court on April 27, 2017, and it is the Debtors' understanding that allowed claims will receive distributions in accordance therewith sometime in the next calendar year.

8. As demonstrated in the Fresh & Easy Plan, the related disclosure statement and at hearings thereon, it is currently anticipated that Class 4 General Unsecured Claims, as classified in the Fresh & Easy Plan, will receive between 14% and 26% on allowed claims, contingent, in part, on the claim objection process. Given the recent claim objection deadline extension, the possibility that the new deadline will be further extended, and the uncertainty surrounding the estimated recovery for general unsecured claims such as the Fresh & Easy Claim held by TSA Stores, Inc., the Debtors entertained interest in such claim to buttress collection efforts in these Chapter 11 Cases in an efficient and prudent manner.

**C. The Debtors' Marketing Efforts and the Sale Process**

9. The Debtors engaged with the Purchaser because they knew the Purchaser participated in the claims buying industry and, in an effort to gauge the market's interest in the Fresh & Easy Claim, the Debtors invited an offer from the Purchaser for such claim. After multiple rounds of negotiations, the Debtors determined that the Purchase Price appropriately reflects the risks involved in purchasing the Fresh & Easy Claim and the timing restrictions which are out of the Debtors' control.

10. The Debtors believe that the Purchase Price represents a fair and reasonable offer for the Fresh & Easy Claim, and a sale of the Fresh & Easy Claim to the Purchaser will provide the Debtors with maximum value for the Fresh & Easy Claim, for the benefit of the Debtors' estates and creditors. The Debtors believe that the Sale provides material value for their estates, especially given the uncertainty regarding the distribution timing on account of the Fresh & Easy Claim, the ongoing reconciliation and objection process in the Fresh & Easy Bankruptcy Case,

and the Debtors' overall interest in limiting time and money spent pursuing a return on the Fresh & Easy Claim. The Debtors and their advisors do not believe that any further marketing of the Fresh & Easy Claim would generate additional value for the Debtors' estates in excess of the Purchase Price, especially in consideration of the additional costs that the Debtors would incur if the Fresh & Easy Claim was further marketed. As set forth below and in the Garrett Declaration, given the anticipated recovery on account of the Fresh & Easy Claim, the Debtors and their advisors do not believe that an auction is appropriate under the circumstances.

**D. Summary of the Assignment Agreement<sup>2</sup>**

11. Pursuant to the terms and conditions of the Assignment Agreement, and subject to the Court's approval, the Debtors propose to sell the Fresh & Easy Claim on an "as is, where is basis" free and clear of all liens, claims, encumbrances and other interests. The Debtors and the Purchaser negotiated the terms of the Sale and the Assignment Agreement at arms' length and in good faith. The material terms and conditions of the Assignment Agreement are as follows:

|   |  |
|---|--|
| <u>Legal Description of the Fresh &amp; Easy Claims</u> | The Purchaser agrees to buy and the Debtors agree to sell the following:<br><br>Claim No. 960, a general unsecured claim, in <i>In re Fresh &amp; Easy, LLC</i> , Bankruptcy Case No. 15-12220 (Bankr. D. Del.) (BLS). |
| <u>Purchase Price</u>                                   | \$77,477.10  |
| <u>Effective Date</u>                                   | The Assignment Agreement becomes effective (the " <u>Effective Date</u> ") on the date an order approving the Sale is entered in the Chapter 11 Cases.   |
| <u>Relief from Bankruptcy Rule 6004(h)</u>              | The Proposed Order provides that the provisions of Bankruptcy Rule 6004(h) shall be waived.  |

<sup>2</sup> This summary of the Assignment Agreement is provided for the Court's convenience only. To the extent this summary differs in any way from the terms and conditions of the Assignment Agreement, the actual terms of the Assignment Agreement shall control.

|                            |   |
|----------------------------|---|
|                            |   |
| <u>Sale Free and Clear</u> | The Proposed Order provides that the Fresh & Easy Claim shall be transferred to the Purchaser free and clear of all liens, claims, encumbrances, and interests of any kind or nature to the fullest extent permitted by section 363 of the Bankruptcy Code. |

### **RELIEF REQUESTED**

12. By this Motion, the Debtors, pursuant to sections 105(a) and 363 of Bankruptcy Code, Bankruptcy Rules 2002 and 6004, and Local Rule 6004-1, request that the Court enter an order, substantially in the form of the Proposed Order, (a) authorizing the Sale in accordance with the Assignment Agreement, (b) authorizing and approving the Assignment Agreement, and (c) granting related relief.

### **BASIS FOR RELIEF REQUESTED**

13. For the reasons explained in detail below, the Debtors believe that the approval of the Sale of the Fresh & Easy Claim to the Purchaser pursuant to the terms and conditions in the Assignment Agreement is appropriate and in the best interest of the Debtors, their estates, and creditors.

14. Section 363(b)(1) of the Bankruptcy Code provides: “The trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Section 105(a) of the Bankruptcy Code provides: “The Court may 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). In pertinent part, Bankruptcy Rule 6004 states that “all sales not in the ordinary course of business may be by private sale or by public auction.” Fed. R. Bankr. P. 6004(f)(1). With respect to the notice required in connection with a sale, Bankruptcy Rule 2002(c)(1) states, in pertinent part, that,

[T]he notice of a proposed use, sale, or lease of property . . . shall include the time and place of any public sale, the terms and conditions of any private sale and the time fixed for filing objections. The notice of a proposed use, sale, or lease of property, including real estate, is sufficient if it generally describes the property.

Fed. R. Bankr. P. 2002(c)(1).

15. To approve the use, sale, or lease of property out of the ordinary course of business, the Court must find some articulated business justification for the proposed action. See In re Abbotts Dairies of Pa. Inc., 788 F.2d 143, 145-47 (3d Cir. 1986) (implicitly adopting the articulated business justification and good faith tests of Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.), 722 F.2d 1063, 1070 (2d Cir. 1983)); see also In re Del. & Hudson Ry. Co., 124 B.R. 169, 175-76 (D. Del. 1991) (concluding that the Third Circuit has adopted a “sound business purpose” test in In re Abbotts Dairies).

16. Generally, courts have applied four factors in determining whether a sale of a debtor’s assets should be approved: (a) whether a sound business reason exists for the proposed transaction; (b) whether fair and reasonable consideration is provided; (c) whether the transaction has been proposed and negotiated in good faith; and (d) whether adequate and reasonable notice is provided. See In re Lionel, 722 F.2d at 1071 (setting forth the “sound business purpose” test); In re Abbotts Dairies, 788 F.2d at 145-57 (implicitly adopting the articulated business justification test and adding the “good faith” requirement); In re Del. & Hudson Ry., 124 B.R. at 176 (“Once a court is satisfied that there is a sound business reason or an emergency justifying the pre-confirmation sale, the court must also determine that the trustee has provided the interested parties with adequate and reasonable notice, that the sale price is fair and reasonable and that the purchaser is proceeding in good faith.”).

17. This fundamental analysis does not change if the proposed sale is private, rather than public. See, e.g., In re Ancor Exploration Co., 30 B.R. 802, 808 (Bankr. N.D. Okla. 1983) (“[T]he bankruptcy court should have wide latitude in approving even a private sale of all or substantially all of the estate assets not in the ordinary course of business under § 363(b).”). The bankruptcy court “has ample discretion to administer the estate, including authority to conduct public or private sales of estate property.” In re WPRV-TV, Inc., 143 B.R. 315, 319 (D.P.R. 1991), vacated on other grounds, 165 B.R. 1 (D.P.R. 1992); accord, In re Canyon Partnership, 55 B.R. 520, 524 (Bankr. S.D. Cal. 1985). Here, the sale and transfer of the Fresh & Easy Claim to the Purchaser, pursuant to terms of the Assignment Agreement, meet these requirements and should be approved.

**E. The Sale Reflects an Exercise of the Debtors’ Sound Business Judgment**

18. Sound business justifications support the Sale of the Fresh & Easy Claim to the Purchaser. As described in the Garrett Declaration, the Debtors considered all alternatives for monetizing the Fresh & Easy Claim, and the Purchaser was selected following multiple rounds of negotiation regarding the Purchase Price and the terms of the Assignment Agreement. The Debtors and their advisors believe that additional marketing would not generate any additional material value to the Debtors’ estates in excess of the Purchase Price on account of the Fresh & Easy Claim, particularly in light of the additional costs that the Debtors would incur seeking alternative buyers and the relatively small upside value the Fresh & Easy Claim holds to such a would-be buyer. Additionally, at this time, there is no certainty regarding the scope of the Debtors’ recovery on the Fresh & Easy Claim and the timing of distributions remains unclear given the posture of the Fresh & Easy Bankruptcy Case and recent actions by the Liquidating Trustee. Therefore, based on their informed business judgment, the Debtors believe that the Sale



is in the best interests of their estates and creditors, and represents the best opportunity to monetize the Fresh & Easy Claim at this time in exchange for meaningful value.

19. Further, the Debtors submit that there is more than ample business justification to sell the Fresh & Easy Claim to the Purchaser through a private transaction rather than conducting a public sale or second auction process. Given the anticipated recovery on account of the Fresh & Easy Claim, the Debtors and their advisors do not believe that an auction is appropriate under the circumstances. Given the value which the estates will realize if the Assignment Agreement is consummated, the Debtors believe that proceeding as proposed is in the best interest of their estates and creditors.

**A. The Purchase Price is Fair and Reasonable**

20. The Debtors believe that the Purchase Price is fair and reasonable. The Purchase Price is the result of multiple rounds of negotiation with the Purchaser and appropriate due diligence regarding the Fresh & Easy Bankruptcy Case, estimated recoveries in that matter, and the timeline associated therewith. The Debtors have carefully considered and analyzed the Purchaser's offer as set forth in the Assignment Agreement and have concluded that a sale of the Fresh & Easy Claim pursuant to the Assignment Agreement will generate maximum value for the Fresh & Easy Claim at this time, given that there is no certainty about when the Debtors will receive additional distributions on account of the Fresh & Easy Claim and the amount of such potential distributions. Accordingly, the Debtors believe that the Purchase Price provides fair and reasonable value for the Fresh & Easy Claim at this time.

**B. The Sale is Proposed in Good Faith**

21. The Debtors submit that the Sale of the Fresh & Easy Claim contemplated herein and as agreed to in the Assignment Agreement has been proposed in good faith. The

Assignment Agreement was the product of good faith, arm's length negotiations between the

Debtors, on the one hand, and the Purchaser, on the other, and was negotiated with the active involvement of the Debtors' management. The Debtors believe and submit that the Sale is not the product of collusion or bad faith. Further, no evidence suggests that the Assignment Agreement is anything but the product of arm's length negotiations between the Debtors and the Purchaser.

**C. Adequate and Reasonable Notice of the Sale Has Been Provided**

22. The Debtors are providing adequate notice of the Sale to all parties in interest, as required by section 363(b) of the Bankruptcy Code and Bankruptcy Rule 2002. *See* 11 U.S.C. § 363(b) (“The trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate . . . .”); Fed. R. Bankr. P. 2002(c)(1) (notice must contain “the time and place of any public sale . . . and the time fixed for filing objections”); *see also In re Del. & Hudson Ry.*, 124 B.R. at 180 (the disclosures necessary in a sale notice need only include the terms of the sale and the reasons why such a sale is in the best interests of the estate and do not need to include the functional equivalent of a disclosure statement).

**D. The Sale Should Be Free and Clear of Liens, Claims, and Interests**

23. In accordance with section 363(f) of the Bankruptcy Code, a debtor in possession may sell property under section 363(b) “free and clear of any interest in such property of an entity other than the estate” if any one of the following conditions is satisfied: (a) such a sale is permitted under applicable non-bankruptcy law; (b) the party asserting such a lien, claim, or interest consents to such sale; (c) the interest is a lien and the purchase price for the property is greater than the aggregate amount of all liens on the property; (d) the interest is the subject of a bona fide dispute; or (e) the party asserting the lien, claim, or interest could be compelled, in a legal or equitable proceeding, to accept a money satisfaction for such interest. 11

U.S.C. § 363(f).

24. The Debtors have previewed the terms of the Sale and the Assignment Agreement with their prepetition and postpetition lenders, and believe that they do not object to the terms of the Sale. Furthermore, bankruptcy courts have held that they have the equitable power to authorize sales free and clear of interests that are not specifically covered by section 363(f). See, e.g., In re Trans World Airlines, Inc., 2001 WL 1820325, at \*3, 6 (Bankr. D. Del. Mar. 27, 2001); Volvo White Truck Corp. v. Chambersburg Beverage, Inc. (In re White Motor Credit Corp.), 75 B.R. 944, 948 (Bankr. N.D. Ohio 1987). The Debtors, therefore, believe that they satisfy at least subsections (b) and (e) of section 363(f) of the Bankruptcy Code.

**E. The Purchaser Should Be Entitled to the Protections of 11 U.S.C. § 363(m)**

25. The Debtors additionally request that the Court find that the Purchaser is entitled to the protections provided by section 363(m) of the Bankruptcy Code in connection with the Sale. Section 363(m) of the Bankruptcy Code provides, in pertinent part:

The reversal or modification on appeal of an authorization under subsection (b) . . . of this section of a sale . . . of property does not affect the validity of a sale . . . under such authorization to an entity that purchased . . . such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale . . . were stayed pending appeal.

11 U.S.C. § 363(m).

26. Section 363(m) of the Bankruptcy Code protects a purchaser of assets pursuant to section 363 from the risk of losing its interest in the purchased assets if the order allowing the sale is reversed on appeal. Although the Bankruptcy Code does not define “good faith purchaser,” the Third Circuit, construing section 363(m), has stated that “the phrase encompasses one who purchases in ‘good faith’ and for ‘value.’” In re Abbotts Dairies, 788 F.2d at 147. To establish the lack of good faith, a party’s conduct in connection with the sale must usually constitute “fraud, collusion between the purchaser and other bidders or the trustee or an attempt

to take grossly unfair advantage of other bidders.” Id. (citing In re Rock Indus. Mach. Corp., 572 F.2d 1195, 1198 (7th Cir. 1978)); see also In re Bedford Springs Hotel, Inc., 99 B.R. 302, 305 (Bankr. W.D. Pa. 1989); In re Perona Bros., Inc., 186 B.R. 833, 839 (D.N.J. 1995). Given the absence of a bright-line test for good faith, this determination is made based on the facts of each case, concentrating on the “integrity of [an actor’s] conduct during the sale proceedings.” In re Pisces Leasing Corp., 66 B.R. 671, 673 (E.D.N.Y. 1986) (quoting In re Rock Indus., 572 F.2d at 1198).

27. As required by section 363(m) of the Bankruptcy Code, both the Debtors and the Purchaser have acted in good faith in negotiating the Sale of the Fresh & Easy Claim and the Assignment Agreement. There is no evidence of fraud or collusion in the terms and conditions of the Assignment Agreement. To the contrary, as previously discussed, the Sale is the culmination of a fulsome marketing process and multiple rounds of meaningful negotiations between the Purchaser and the Debtors’ management. The Purchaser is not an insider of the Debtors as such term is defined in section 101(31) of the Bankruptcy Code, and all negotiations have been conducted at arm’s length and in good faith. Under the circumstances, the Debtors submit that the Purchaser should be afforded the benefits and protections that section 363(m) provides to a good faith purchaser.

#### **REQUEST FOR WAIVER OF STAY**

28. Bankruptcy Rule 6004(h) provides, in relevant part, that an “order authorizing the use, sale, or lease of property . . . is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” The Debtors request that the order approving the Sale be effective immediately by providing for the waiver of the 14-day stay period under Bankruptcy Rule 6004(h).

29. The purpose of Bankruptcy Rule 6004(h) is to provide sufficient time for an objecting party to appeal before an order can be implemented. See Advisory Committee Notes to Fed. R. Bankr. P. 6004(h). Although Bankruptcy Rule 6004(h) and the Advisory Committee Notes are silent as to when a court should “order otherwise” and eliminate or reduce the stay period, Collier on Bankruptcy suggests that the 14-day stay period should be eliminated to allow a sale or other transaction to close immediately “where there has been no objection to the procedure.” 10 Alan N. Resnick & Henry J. Sommer, Collier on Bankruptcy ¶ 6004.11 (16th ed.). Furthermore, Collier on Bankruptcy provides that if an objection is filed and overruled, and the objecting party informs the court of its intent to appeal, the stay may be reduced to the amount of time actually necessary to file such appeal. Id.

30. Promptly closing the Sale is of critical importance to the Purchaser and to the Debtors in their efforts to maximize and monetize the value of the Fresh & Easy Claim. Accordingly, the Debtors request that the Court waive the 14-day stay period under Bankruptcy Rule 6004(h).

### NOTICE

31. The Debtors have provided notice of this Motion to: (a) the U.S. Trustee; (b) Pachulski Stang Ziehl & Jones LLP, 919 North Market St., 17th Floor, Wilmington, DE 19801 (attn: Bradford J. Sandler and Colin Robinson), counsel for the Committee; (c) Riemer & Braunstein LLP (attn: Donald Rothman) as counsel for (i) Bank of America, N.A., in its capacity as Administrative Agent and Collateral Agent under the Second Amended and Restated Credit Agreement, dated as of May 17, 2012, and (ii) certain DIP Lenders under the Debtors’ postpetition financing facility; (d) Brown Rudnick LLP (attn: Robert Stark and Bennett Silverberg) as counsel for (i) Wilmington Savings Fund Society, FSB as Administrative Agent and Collateral Agent under the Amended and Restated Credit Agreement, dated as of May 3,

2006 and amended and restated as of November 16, 2010 and (ii) certain Term Lenders under the Amended and Restated Credit Agreement, dated as of May 3, 2006 and amended and restated as of November 16, 2010; (e) Choate, Hall & Stewart LLP (attn: Kevin Simard) as counsel for (i) Wells Fargo Bank, National Association, in its capacity as FILO Agent under the Second Amendment to Second Amended and Restated Credit Agreement, dated as of November 3, 2015, and (ii) certain DIP Lenders under the Debtors' postpetition financing facility; (f) O'Melveny & Meyers LLP (attn: John Rapisardi) as counsel for certain holders of 11.5% Senior Subordinated Notes Due February 19, 2018 under the Securities Purchase Agreement, dated as of May 3, 2006; (g) all holders of 11.5% Senior Subordinated Notes Due February 19, 2018 under the Securities Purchase Agreement, dated as of May 3, 2006; and (h) all parties that have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Debtors submit that no other or further notice is necessary.

*[Remainder of Page Intentionally Left Blank]*

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: October 10, 2017  
Wilmington, Delaware

/s/ Andrew L. Magaziner  
Michael R. Nestor (No. 3526)  
Kenneth J. Enos (No. 4544)  
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*Counsel to the Debtors and  
Debtors in Possession*

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

In re:

TSAWD HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 16-10527 (MFW)

(Jointly Administered)

**Hearing Date: October 31, 2017 at 10:30 a.m. (ET)**

**Obj. Deadline: October 24, 2017 at 4:00 p.m. (ET)**

**NOTICE OF MOTION**

TO: (A) THE U.S. TRUSTEE; (B) PACHULSKI STANG ZIEHL & JONES LLP (ATTN.: ROBERT J. FEINSTEIN) AS PROPOSED COUNSEL FOR THE COMMITTEE; (C) RIEMER & BRAUNSTEIN LLP (ATTN.: DONALD ROTHMAN) AS COUNSEL FOR (I) BANK OF AMERICA, N.A., IN ITS CAPACITY AS ADMINISTRATIVE AGENT AND COLLATERAL AGENT UNDER THE SECOND AMENDED AND RESTATED CREDIT AGREEMENT, DATED AS OF MAY 17, 2012, AND (II) CERTAIN DIP LENDERS UNDER THE DEBTORS' PROPOSED POSTPETITION FINANCING FACILITY; (D) BROWN RUDNICK LLP (ATTN.: ROBERT STARK AND BENNETT SILVERBERG) AS COUNSEL FOR (I) WILMINGTON SAVINGS FUND SOCIETY, FSB AS ADMINISTRATIVE AGENT AND COLLATERAL AGENT UNDER THE AMENDED AND RESTATED CREDIT AGREEMENT, DATED AS OF MAY 3, 2006, AND AMENDED AND RESTATED AS OF NOVEMBER 16, 2010, AND (II) CERTAIN TERM LENDERS UNDER THE AMENDED AND RESTATED CREDIT AGREEMENT, DATED AS OF MAY 3, 2006, AND AMENDED AND RESTATED AS OF NOVEMBER 16, 2010; (E) CHOATE, HALL & STEWART LLP (ATTN.: KEVIN SIMARD) AS COUNSEL FOR (I) WELLS FARGO BANK, NATIONAL ASSOCIATION, IN ITS CAPACITY AS FILO AGENT UNDER THE SECOND AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT, DATED AS OF NOVEMBER 3, 2015, AND (II) CERTAIN DIP LENDERS UNDER THE DEBTORS' PROPOSED POSTPETITION FINANCING FACILITY; (F) O'MELVENY & MEYERS LLP (ATTN.: JOHN RAPISARDI) AS COUNSEL FOR CERTAIN HOLDERS OF 11.5% SENIOR SUBORDINATED NOTES DUE FEBRUARY 19, 2018 UNDER THE SECURITIES PURCHASE AGREEMENT, DATED AS OF MAY 3, 2006; (G) ALL

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<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: TSAWD Holdings, Inc. (9008); Slap Shot Holdings Corp. (8209); TSAWD, Inc. (2802); TSA Stores, Inc. (1120); TSA Gift Card, Inc. (1918); TSA Ponce, Inc. (4817); and TSA Caribe, Inc. (5664). The headquarters for the above-captioned Debtors is located at 2305 East Arapahoe Road, Suite 234, Centennial, Colorado 80122.

The Debtors were formerly known as: Sports Authority Holdings, Inc. (9008); Slap Shot Holdings Corp. (8209); The Sports Authority, Inc. (2802); TSA Stores, Inc. (1120); TSA Gift Card, Inc. (1918); TSA Ponce, Inc. (4817); and TSA Caribe, Inc. (5664).



HOLDERS OF 11.5% SENIOR SUBORDINATED NOTES DUE FEBRUARY 19, 2018 UNDER THE SECURITIES PURCHASE AGREEMENT, DATED AS OF MAY 3, 2006; AND (H) ALL PARTIES THAT HAVE FILED A NOTICE OF APPEARANCE AND REQUEST FOR SERVICE OF PAPERS PURSUANT TO BANKRUPTCY RULE 2002.

PLEASE TAKE NOTICE that TSAWD Holdings, Inc. and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) have filed the attached **Debtors’ Motion for Order (I) Authorizing the Sale of a Claim Owned by the Debtors, Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (II) Approving a Related Assignment and Claim Agreement; and (III) Granting Related Relief** (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”).

PLEASE TAKE FURTHER NOTICE that any objections to the relief requested in the Motion must be filed on or before **October 24, 2017 at 4:00 p.m. (ET)** (the “Objection Deadline”) with the United States Bankruptcy Court for the District of Delaware, 3rd Floor, 824 N. Market Street, Wilmington, Delaware 19801. At the same time, you must serve a copy of any objection upon the undersigned counsel to the Debtors so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE THAT A HEARING TO CONSIDER THE MOTION WILL BE HELD ON **OCTOBER 31, 2017 AT 10:30 A.M. (ET)** BEFORE THE HONORABLE MARY F. WALRATH, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 5<sup>TH</sup> FLOOR, COURTROOM #4, WILMINGTON, DELAWARE 19801.

**PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR A HEARING.**

*[Signature Page Follows]*

Dated: October 10, 2017  
Wilmington, Delaware

/s/ Andrew L. Magaziner  
Michael R. Nestor (No. 3526)  
Kenneth J. Enos (No. 4544)  
Andrew L. Magaziner (No. 5426)  
YOUNG CONAWAY STARGATT & TAYLOR, LLP  
Rodney Square  
1000 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 571-6600  
Facsimile: (302) 571-1253  
mnestor@ycst.com  
kenos@ycst.com  
amagaziner@ycst.com

-and-

Robert A. Klyman (CA No. 142723)  
Matthew J. Williams (NY No. 3019106)  
Sabina Jacobs (CA No. 274829)  
GIBSON, DUNN & CRUTCHER LLP  
333 South Grand Avenue  
Los Angeles, CA 90071-1512  
Telephone: (213) 229-7000  
Facsimile: (213) 229-7520  
rklyman@gibsondunn.com  
mjwilliams@gibsondunn.com  
sjacobs@gibsondunn.com

*Counsel to the Debtors and  
Debtors in Possession*

**EXHIBIT A**

**PROPOSED ORDER**

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

In re:

TSAWD HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 16-10527 (MFW)

(Jointly Administered)

Ref. Docket No. \_\_\_\_\_

**ORDER, PURSUANT TO SECTIONS 105 AND 363 OF THE BANKRUPTCY  
CODE, (I) AUTHORIZING THE SALE OF CERTAIN CLAIMS OWNED BY THE  
DEBTORS, FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND  
OTHER INTERESTS; (II) APPROVING A RELATED ASSIGNMENT AND  
CLAIM AGREEMENT; AND (III) GRANTING RELATED RELIEF**

Upon the *Debtors' Motion for Order (I) Authorizing the Sale of Certain Claims Owned by the Debtors, Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (II) Approving a Related Assignment and Claim Agreement; and (III) Granting Related Relief* (the "Motion")<sup>2</sup> filed by the above-captioned debtors' and debtors-in-possessions' (the "Debtors"); and the Debtors having determined that the highest or otherwise best offer for the Fresh & Easy Claim was made by the Purchaser as part of the Sale pursuant to the terms and conditions in the Assignment and Claim Agreement attached hereto as Exhibit I (the "Assignment Agreement"); and the Court having considered: (i) the Motion and any objections thereto; (ii) the

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<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: TSAWD Holdings, Inc. (9008); Slap Shot Holdings Corp. (8209); TSAWD, Inc. (2802); TSA Stores, Inc. (1120); TSA Gift Card, Inc. (1918); TSA Ponce, Inc. (4817); and TSA Caribe, Inc. (5664). The headquarters for the above-captioned Debtors is located at 2305 East Arapahoe Road, Suite 234, Centennial, Colorado 80122.

The Debtors were formerly known as: Sports Authority Holdings, Inc. (9008); Slap Shot Holdings Corp. (8209); The Sports Authority, Inc. (2802); TSA Stores, Inc. (1120); TSA Gift Card, Inc. (1918); TSA Ponce, Inc. (4817); and TSA Caribe, Inc. (5664).

<sup>2</sup> All capitalized terms used and not defined herein shall have the meanings ascribed to them in the Motion.

Sale of the Fresh & Easy Claim by the Debtors to the Purchaser pursuant to the Assignment Agreement; (iii) the full record in these Chapter 11 Cases; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest, and that reasonable and adequate notice of the Motion, the Sale contemplated by the Assignment Agreement, and this Order has been provided to all entities required to be served in accordance with the Bankruptcy Code and the Bankruptcy Rules; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

**FOUND, CONCLUDED AND DETERMINED THAT:**

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent that any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. The Fresh & Easy Claim constitutes property of the Debtors' estates and title thereto is vested in the Debtors' estates within the meaning of section 541(a) of the Bankruptcy Code. The Court has jurisdiction over the Motion and over the property of the Debtors, including, without limitation, the Fresh & Easy Claim to be sold, transferred, and conveyed pursuant to the Assignment Agreement, and the Sale contemplated by the Assignment Agreement pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012.

C. The Debtors sufficiently marketed the Fresh & Easy Claim. The private sale process, together with the Motion and the sale timeline implemented in connection therewith, afforded a full, fair, and reasonable opportunity for any entity to make a higher or otherwise better offer to purchase the Fresh & Easy Claim.

D. The Debtors' determination that the Assignment Agreement constitutes the highest or otherwise best offer for the Fresh & Easy Claim constitutes a valid and sound exercise of the Debtors' business judgment. The Assignment Agreement and the Sale contemplated thereby represent a fair and reasonable offer to purchase the Fresh & Easy Claim under the circumstances.

E. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the Sale of the Fresh & Easy Claim outside the ordinary course of business. Such business reasons include, without limitation, the following: (i) the Assignment Agreement constitutes the highest or otherwise best offer for the Fresh & Easy Claim; and (ii) the Assignment Agreement will present the best opportunity to realize meaningful value of the Fresh & Easy Claim in the near term. Approval of the Motion and the Assignment Agreement and the consummation of the Sale contemplated thereby are in the best interests of the Debtors, their estates, their creditors, and other parties in interest. Therefore, the Debtors have articulated good and sufficient reasons for the Court to grant the relief requested in the Motion.

F. The Purchaser is purchasing the Fresh & Easy Claim in good faith and is a good faith buyer within the meaning of section 363(m) of the Bankruptcy Code, is entitled to the full protections of that provision, and has proceeded in good faith in all respects in connection with this proceeding in that, *inter alia*: (i) the Purchaser recognized that the Debtors were free to deal with any other entity interested in acquiring the Fresh & Easy Claim; (ii) all payments to be made by the Purchaser and other agreements or arrangements entered into by the Purchaser in connection with the Sale have been disclosed; (iii) the Purchaser has not violated section 363(n) of the Bankruptcy Code by any action or inaction; and (iv) the negotiation and execution of the

Assignment Agreement and the Sale contemplated thereby was at arm's length and in good faith.

G. The Debtors and the Purchaser have not engaged in any conduct that would permit the Assignment Agreement or the Sale contemplated thereby to be avoided under section 363(n) of the Bankruptcy Code.

H. The consideration provided by the Purchaser pursuant to the Assignment Agreement is fair and adequate and constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

I. The transfer of the Fresh & Easy Claim to the Purchaser will be, as of the Closing Date, a legal, valid, and effective transfer of such asset, and vests or will vest the Purchaser with all right, title, and interest of the Debtors to the Fresh & Easy Claim free and clear of all Interests or Claims (as defined below) accruing, arising, or relating thereto any time prior to the Closing Date; provided that, any such Interests or Claims encumbering all or any portion of the Fresh & Easy Claim that are the subject of the Assignment Agreement shall attach to the proceeds to be received by the Debtors in the same order, priority, and validity that such Interests or Claims had in the Fresh & Easy Claim or the proceeds thereof as of the Petition Date or pursuant to any order of the Bankruptcy Court entered in the Debtors' Chapter 11 Cases.

J. The Debtors may sell the Fresh & Easy Claim free and clear of all Interests or Claims against the Debtors, their estates, or against the Fresh & Easy Claim themselves because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Interests or Claims against the Debtors, their estates, or the Fresh & Easy Claim who did not object, or who withdrew their objections, to the Sale or the Motion are deemed to have consented thereto pursuant to section 363(f)(2) of the Bankruptcy

Code. Those holders of such Interests or Claims who did object fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code and are adequately protected by having their Interests or Claims, if any, in each instance against the Debtors, their estates, or the Fresh & Easy Claim, attach to the proceeds of the Sale attributable to the Fresh & Easy Claim in which such creditor alleges an interest, in the same order of priority, with the same validity, force, and effect that such creditor had prior to the Sale, and subject to any claims and defenses the Debtors and their estates may possess with respect thereto.

K. If the Sale were not free and clear of all Interests or Claims, or if the Purchaser would, or in the future could, be liable for any of the Interests or Claims, the Purchaser would not have entered into the Assignment Agreement and would not consummate the Sale, thus adversely affecting the Debtors, their estates, and their creditors.

L. The consummation of the Sale is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 105(a), 363(b), 363(f), and 363(m) of the Bankruptcy Code, and all of the applicable requirements of such sections have been complied with in respect of the Sale.

**NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. The relief requested in the Motion is granted and approved as set forth in this Order, and the Sale contemplated thereby and by the Assignment Agreement is approved as set forth herein.

2. Pursuant to section 363(b) of the Bankruptcy Code, the Debtors are authorized and empowered to take any and all actions necessary or appropriate to (a) consummate the Sale pursuant to and in accordance with the terms and conditions of the Assignment Agreement, (b) close the Sale as contemplated in the Assignment Agreement and this Order, (c) transfer and assign all right, title, and interest (including, without limitation, common law rights) to all



property, licenses, and rights to be conveyed in accordance with the terms and conditions of the Assignment Agreement, and (d) execute and deliver, perform under, consummate, implement, and close fully the Assignment Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Assignment Agreement and the Sale, including, without limitation, any ancillary documents, or as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by the Assignment Agreement and such ancillary documents.

3. The Debtors are authorized and empowered to take all actions necessary or appropriate to implement the relief granted herein.

4. This Order shall be binding in all respects upon the Debtors, their estates, all creditors, all holders of equity interests in the Debtors, all holders of any Interests or Claims (whether known or unknown) against any Debtor, any holders of Interests or Claims against or on the Fresh & Easy Claim, all counterparties to any executory contract or unexpired lease of the Debtors, the Purchaser and all successors and assigns of the Purchaser, and any trustees, examiners, or other fiduciaries under any section of the Bankruptcy Code, if any, subsequently appointed in the Bankruptcy Case or upon a conversion to chapter 7 under the Bankruptcy Code of the Bankruptcy Case.

5. Pursuant to sections 105(a), 363(b), and 363(f) of the Bankruptcy Code, upon the Effective Date and pursuant to the Assignment Agreement, the Fresh & Easy Claim shall be transferred to the Purchaser free and clear of all interests, including, without limitation, mortgages, restrictions, hypothecations, charges, indentures, loan agreements, instruments, collective bargaining agreements, leases, licenses, options, deeds of trust, security interests, other interests, conditional sale or other title retention agreements, pledges, liens (including, without

limitation, mechanics', materialmens' and other consensual and non-consensual liens, and statutory liens), judgments, demands, encumbrances, rights of first refusal, offsets, contracts, recoupment, rights of recovery, claims for reimbursement, contribution, indemnity, exoneration, products liability, alter-ego, environmental, or tax, decrees of any court or foreign or domestic governmental entity, or charges of any kind or nature, if any, including, without limitation, any restriction on the use, voting, transfer, receipt of income, or other exercise of any attributes of ownership, debts arising in any way in connection with any agreements, acts, or failures to act, including, without limitation, any pension liabilities, retiree medical benefit liabilities, liabilities related to the Employee Retirement Income Security Act, liabilities related to the Internal Revenue Code, or any other liability relating to Debtors' current and former employees, including, without limitation, any withdrawal liabilities, of the Debtors or any of the Debtors' predecessors or Affiliates, claims (as that term is defined in the Bankruptcy Code), whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of the Bankruptcy Case, and whether imposed by agreement, understanding, law, equity, or otherwise, including, without limitation, claims otherwise arising under doctrines of successor liability (collectively, the "Interests or Claims"), with all such Interests or Claims to attach after the Closing Date to the proceeds of the Sale in the order of their priority, with the same validity, force, and effect which they now have as against the Fresh & Easy Claim, subject to any claims and defenses the Debtors may possess with respect thereto.

6. Except as set forth in the Assignment Agreement or this Order, the Purchaser is purchasing the Fresh & Easy Claim on an “as is, where is” basis.

7. To the extent applicable, the automatic stay pursuant to section 362 of the Bankruptcy Code is hereby lifted with respect to the Debtors to the extent necessary, without further order of the Court (a) to allow the Purchaser to give the Debtors any notice provided for in the Assignment Agreement and (b) to allow the Purchaser to take any and all actions permitted by the Assignment Agreement in accordance with the terms and conditions thereof, including, without limitation, effectuating the Sale.

8. The Sale contemplated by the Assignment Agreement is undertaken by the Purchaser without collusion and in good faith, as that term is defined in section 363(m) of the Bankruptcy Code and, accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale (including, without limitation, the transfer of the Fresh & Easy Claim free and clear of all Interests or Claims), unless such authorization and consummation of such Sale are duly stayed pending such appeal. The Purchaser is a good faith buyer within the meaning of section 363(m) of the Bankruptcy Code and, as such, are entitled to the full protections of section 363(m) of the Bankruptcy Code. As a good faith buyer of the Fresh & Easy Claim, the Purchaser has not colluded with any of the other bidders, potential bidders, or any other entities interested in the Fresh & Easy Claim and, therefore, neither the Debtors nor any successor in interest to the Debtors’ estates nor any other party in interest shall be entitled to bring an action against the Purchaser or any of its Affiliates, and the Sale of the Fresh & Easy Claim may not be avoided, pursuant to section 363(n) of the Bankruptcy Code.

9. Notwithstanding Bankruptcy Rules 6004(h), 6006(d), 7062, and 9014, this Order shall be effective immediately upon entry, and the Debtors and the Purchaser are authorized to close the Sale immediately upon entry of this Order. The Assignment Agreement shall be deemed effective immediately upon entry of this Order.

10. The Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Order and the Assignment Agreement, all amendments thereto, any waivers and consents thereunder, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Sale or the Assignment Agreement.

Dated: \_\_\_\_\_, 2017  
Wilmington, Delaware

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MARY F. WALRATH  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT I**

**ASSIGNMENT AGREEMENT**



## ASSIGNMENT OF CLAIM AGREEMENT

TSA Stores, Inc., with offices at 2305 East Arapahoe Road, Suite 234, Centennial, Colorado 80122 (with its successors and assigns, "Assignor"), for receipt of good and valuable consideration hereby absolutely and unconditionally transfers and grants unto Bradford Capital Holdings, LP, (with its successors and assigns, "Assignee"), all right, title and interest in and to the claim (including without limitation, all "claims" as defined in Bankruptcy Code §101(5)), suits, causes of action against the Debtor, its affiliates, any guarantor or other third party, the Proof of Claim (as defined below), all invoices, contracts, and other agreements or documents, to the extent related thereto, and all cash, securities, instruments and other proceeds paid or issued in respect thereof, (the "Transferred Rights") of (the "Claim"), in the outstanding principal amount of not less than \$407,774.21 (the "Claim Amount") against Fresh & Easy, LLC (the "Debtor"), the debtor-in-possession in the chapter 11 case, case no. 15-12220 (the "Case"), in the United States Bankruptcy Court for the Delaware (the "Bankruptcy Court").

1. Assignment; Payment of Price. In consideration of the mutual covenants and agreements in, and subject to the terms and conditions of, this Assignment of Claim (this "Assignment"), Assignor irrevocably sells, transfers, assigns, grants, and conveys the Claim to Assignee with effect on and after the date (the "Effective Date") on which the Assignor receives a purchase price of \$77,477.10 (the "Purchase Price") from Assignee. Assignee shall pay the Purchase Price within five (5) business days following Assignor obtaining authority from the Bankruptcy Court in its chapter 11 case, assigned Case No. 16-10527 (MFW) (the "TSA Bankruptcy Case"), to sell and transfer the Claim to Assignee. Assignee further consents to Assignor disclosing the proposed purchase price for the Claim in the appropriate pleading filed in the TSA Bankruptcy Case.

2. Representations and Warranties. Assignor represents and warrants to Assignee that: (a) no consent, approval, filing, corporate or other action is required in connection with the execution, delivery and performance of this Assignment, other than obtaining Bankruptcy Court authority to do so in the TSA Bankruptcy Case; (b) this Assignment has been duly authorized, executed and delivered by Assignor and Assignor has the requisite power and authority to execute, deliver and perform this Assignment and the transactions contemplated by this Assignment, subject to Bankruptcy Court approval in the TSA Bankruptcy Case, are not in contravention of any law, order, regulation or agreement by which Assignor is bound; (c) this Assignment constitutes the valid, legal and binding agreement of Assignor, enforceable against Assignor in accordance with its terms; (d) no payment or other distribution has been received (including, without limitation, by benefit of setoff) by Assignor, or by any third party on behalf of Assignor, in full or partial satisfaction of, or in connection with the Claim; (e) Assignor owns, has, and is hereby selling to Assignee good and sole legal and beneficial title to the Claim free and clear of any and all liens, security interests, encumbrances or claims of any kind and no portion of the Claim has been sold, assigned or pledged to in whole or in part; (f) the Claim is a valid, liquidated and non-contingent claim against the Debtor in the amount of not less than the Claim Amount; (g) no objection to the Claim, as it presently remains on the Debtor's official claim register, has been filed or threatened; (h) the Claim is not, to the best of Assignor's knowledge, subject to any defense, claim or right of setoff, reduction, impairment, avoidance, disallowance, subordination or preference action (whether or not under Section 547 of the Bankruptcy Code), in whole or in part; (i) Assignor is not and has never been an "insider" of the Debtor within the meaning of Section 101(31) of the Bankruptcy Code, and is not a member of any official or unofficial committee in the Case; (j) Assignor does not hold any property of or owe any funds or property to the Debtor; (k) Assignor has not engaged in any acts, conduct or omissions that might result in Assignee receiving proportionately less payments or distributions in respect of the Claim or less favorable treatment than any other creditors holding claims of the same class as the Claim; (l) Assignor has no liability or obligation related to or in connection with the Claim or the Case; (m) if a proof of claim in respect of the Claim has been filed by Assignor, such proof of claim has been duly and timely filed by Assignor, in the amount of \$426,095.80.

4. Indemnity. Assignor further agrees to reimburse Assignee for all losses, costs and expenses, including reasonable legal fees (whether before or at the trial or appellate levels) incurred by Assignee as a result of, in connection with, or related to any (a) Assignor's breach of this Assignment, including without limitation any misrepresentation by Assignor, and/or (b) litigation arising out of or in connection with this Assignment or in order to enforce any provision of this Assignment.

5. Distributions. Assignor agrees that if Assignor receives any distributions or notices with respect to the Claim, Assignor shall accept the same as Assignee's agent and shall hold the same in trust for the sole benefit of Assignee, and shall deliver to Assignee in the same form received (free of any withholding, set-off, claim or deduction of any kind), within two business days in the case of cash and/or notices and within five business days in the case of securities, in good deliverable form, with the endorsement of Assignor when necessary.

6. Transferability. The terms of this Assignment shall be binding upon, and shall inure to the benefit of Assignor, Assignee and their respective successors and assigns. If for any reason the assignment of the Transferred Rights is invalidated, voided, nullified, or otherwise challenged, this agreement shall be deemed to grant Assignee an undivided 100% interest in all of the Transferred Rights. The parties to this agreement hereto acknowledge and agree that none of the Parties hereto intend, nor should such protective participation be deemed, to in any way derogate the absolute assignment of the



Transferred Rights by Assignor to Assignee. Assignor hereby acknowledges that Assignee may at any time re-assign the Claim, and all rights, title and interest of Assignee in and to this Assignment. All representations and warranties made herein shall survive the execution and delivery of this Assignment and any such re-assignment.

7. Power of Attorney; Acts. Assignor irrevocably appoints Assignee as its true and lawful attorney and authorizes Assignee to act in Assignor's stead, to demand, sue for, compromise and recover all amounts as now are, or may hereafter become, due and payable on account of the Claim. Assignor grants Assignee full authority to do all things necessary to enforce the Claim and its rights thereunder. Assignor agrees that the powers granted in this paragraph are discretionary in nature and that Assignee may exercise or decline to exercise such powers at Assignee's sole option. Assignee shall have no obligation to prove or defend the Claim.

8. Governing Law; Counterparts. This Assignment shall be governed by and construed in accordance with the laws of the State of New York. Any action arising under or relating to this Assignment may be brought in any State or Federal court located in the State of New York, and Assignor consents to and confers personal jurisdiction over Assignor by such court or courts and agrees that service of process may be upon Assignor by mailing a copy of said process to Assignor at the address set forth in this Assignment, and in any action hereunder the Assignor and Assignee each waive the right to demand a trial by jury.

CONSENT AND WAIVER

Assignor hereby acknowledges and consents to all of the terms set forth in this Assignment and hereby waives its right to raise any objections thereto and its right to receive notice pursuant to Rule 3001 of the Rule of Bankruptcy Procedure. Assignor consents to the substitution of Assignee for Assignor for all purposes in the Case. The Evidence of Transfer of Claim attached to this Assignment and incorporated herein by reference may be filed by Assignee with the Bankruptcy Court in the Case as evidence of the transfer.

IN WITNESS WHEREOF, the undersigned has duly executed this Assignment by its duly authorized representative dated as of the \_\_\_ day of \_\_\_\_\_ 2017.

TSA Stores, Inc.

Bradford Capital Holdings, LP  
By: Bradford Capital GP, LLC, its General Partner

By: \_\_\_\_\_  
Name:  
Title:

By:  \_\_\_\_\_  
Name: Brian Brager  
Title: Managing Member

EVIDENCE OF TRANSFER OF CLAIM

TO: United States Bankruptcy Court  
Delaware  
Attention: Clerk

AND TO: Fresh & Easy, LLC ("Debtor")  
Case No. 15-12220

Proof of Claim # 960  
Schedule #: 220012750

TSA Stores, Inc., its successors and assigns ("Assignor"), for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, does hereby unconditionally and irrevocably sell, transfer and assign unto:

Bradford Capital Holdings, LP  
Attention: Brian L. Brager  
PO Box 4353  
Clifton, NJ 07012

its successors and assigns ("Assignee"), all rights, title and interest, claims and causes of action in and to, or arising under or in connection with, its claim (as such term is defined in Section 101(5) of the U.S. bankruptcy Code), in and to the claim of Assignor, including all rights of stoppage in transit, replevin and reclamation, (the "Claim") against the Debtor in the Bankruptcy Court, or any other court with jurisdiction over the bankruptcy proceedings of the Debtor.

Assignor hereby waives any objection to the transfer of the Claim to Assignee on the books and records of the Debtor and the Bankruptcy Court, and hereby waives to the fullest extent permitted by law any notice or right to a hearing as may be imposed by Rule 3001 of the Federal Rules of Bankruptcy Procedures, the Bankruptcy Code, applicable local bankruptcy rules or applicable law. Assignor acknowledges, understands and agrees, and hereby stipulates that an order of the Bankruptcy Court may be entered without further notice to Assignor transferring to Assignee the Claim and recognizing the Assignee as the sole owner and holder of the Claim.

You are hereby directed to make all future payments and distributions, and to give all notices and other communications, in respect of the Claim to Assignee.

IN WITNESS WHEREOF, each of the undersigned has executed this Evidence of Transfer by its duly authorized representative dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

TSA Stores, Inc.

Bradford Capital Holdings, LP  
By: Bradford Capital GP, LLC, its General Partner

By: \_\_\_\_\_  
Name:  
Title:

By:   
Name: Brian Brager  
Title: Managing Member



United States Bankruptcy Court  
Delaware

In re:

Chapter 11

Fresh & Easy, LLC

Case No. 15-12220

NOTICE OF CREDITOR'S CHANGE OF ADDRESS

PLEASE TAKE NOTICE that TSA Stores, Inc., a creditor in the cases of the above-captioned debtors ("Debtors"), has changed his/her/its address and directs the Debtors and counsel for the Debtors (including the claims and distribution agent appointed in these cases) to change its address for the purposes of administering its claims (as listed on the Debtors' schedules and claims register) and hereby requests that service of any pleadings, notices, correspondence, ballots and distributions relating to such claim be sent to the New Address set forth below, effect as of the date hereof.

Former Address

TSA Stores, Inc.  
1050 W. Hampden Avenue  
Englewood, CO 80110

New Address

TSA Stores, Inc.  
c/o Bradford Capital Holdings, LP  
PO Box 4353  
Clifton, NJ 07012

I declare that the foregoing is true and correct.

Authorized Signatory for:

TSA Stores, Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**  
**DECLARATION**

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

In re:

TSAWD HOLDINGS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 16-10527 (MFW)

(Jointly Administered)

**DECLARATION OF DOUGLAS GARRETT IN SUPPORT OF DEBTORS' MOTION  
FOR ORDER (I) AUTHORIZING THE SALE OF A CLAIM OWNED BY THE  
DEBTORS, FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND  
OTHER INTERESTS; (II) APPROVING A RELATED ASSIGNMENT AND CLAIM  
AGREEMENT; AND (III) GRANTING RELATED RELIEF**

I, Douglas Garrett, under penalty of perjury, declare as follows:

1. I am Chairman of the Wind-Down Committee currently overseeing the wind down of the operations of the above-captioned debtors and debtors in possession (collectively, the "Debtors"). I submit this declaration (this "Declaration") in support of the *Debtors' Motion for Order (I) Authorizing the Sale of a Claim Owned by the Debtors, Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (II) Approving a Related Assignment and Claim Agreement; and (III) Granting Related Relief* (the "Sale Motion"), filed contemporaneously herewith.

2. In my role as Chairman of the Wind-Down Committee, I am charged with conducting due diligence regarding the Debtors' remaining assets and working with the Debtors' other management personnel and retained advisors to solicit maximum interest therein and,

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<sup>1</sup> The Debtors and the last four digits of their respective taxpayer identification numbers are as follows: TSAWD Holdings, Inc. (9008); Slap Shot Holdings Corp. (8209); TSAWD, Inc. (2802); TSA Stores, Inc. (1120); TSA Gift Card, Inc. (1918); TSA Ponce, Inc. (4817); and TSA Caribe, Inc. (5664). The headquarters for the above-captioned Debtors is located at 2305 East Arapahoe Road, Suite 234, Centennial, Colorado 80122.

The Debtors were formerly known as: Sports Authority Holdings, Inc. (9008); Slap Shot Holdings Corp. (8209); The Sports Authority, Inc. (2802); TSA Stores, Inc. (1120); TSA Gift Card, Inc. (1918); TSA Ponce, Inc. (4817); and TSA Caribe, Inc. (5664).

ultimately, secure the highest and best offer for the benefit of the Debtors' estates, creditors and other interested parties. Among the Debtors' remaining assets is the Debtors' general unsecured claim, assigned Claim No. 960, in *In re Fresh & Easy LLC*, Bankruptcy Case No. 15-12220 (Bankr. D. Del.) (BLS) (the "Fresh & Easy Bankruptcy Case"), in the amount of \$407,774.21 (the "Fresh & Easy Claim"). A plan of liquidation has been confirmed in the Fresh & Easy Bankruptcy Case and, as of the date hereof, it is currently anticipated that allowed general unsecured claims in the Fresh & Easy Bankruptcy Case will receive a recovery between approximately 14% and 26% on account of such claims. It is my understanding that the trustee for the liquidating trust overseeing distributions in the Fresh & Easy Bankruptcy Case has recently obtained an extended deadline by which it must object to claims, and a distribution on the Fresh & Easy Claim will only occur once the ongoing reconciliation and objection process in the Fresh & Easy Bankruptcy Case has run its course.

3. Given the contemplated timeline for distributions in the Fresh & Easy Bankruptcy Case and the present posture of these Chapter 11 Cases, I determined that it was in the estates' best interest to entertain interest in the Fresh & Easy Claim from industry-known claims traders. I, personally, or other Debtors' representatives at my direction, engaged in correspondence with Bradford Capital Holdings, LP (the "Purchaser") regarding the proposed terms of an assignment agreement with respect to the Fresh & Easy Claim. After multiple rounds of negotiations regarding the purchase price and the terms of a proposed assignment agreement, the Debtors obtained a final purchase price for the Fresh & Easy Claim, in the amount of \$77,477.10 (the "Purchase Price"), on the favorable terms memorialized in the Assignment Agreement.

4. I believe that the Purchase Price represents a fair and reasonable offer for the Fresh & Easy Claim, and a sale of the Fresh & Easy Claim to the Purchaser will provide the Debtors with maximum value for the Fresh & Easy Claim, for the benefit of the Debtors' estates and creditors. Moreover, the sale of the Fresh & Easy Claim will allow the Debtors to realize meaningful value for such claim in the near term, upon approval of the Court, and will expedite and augment recoveries in these cases without further delay or associated costs. The Purchase Price falls within the range of estimated recovery for allowed general unsecured claims in the Fresh & Easy Bankruptcy Case and, by selling the Fresh & Easy Claim at this time, the Debtors will eliminate any further potential exposure that may arise during the ongoing reconciliation process in the Fresh & Easy Bankruptcy Case.

5. The proposed sale of the Fresh & Easy Claim to the Purchaser was not controlled by any agreement between the Debtors and the Purchaser, or any other third parties interested in the available asset. There was no collusion between the Purchaser and the Debtors or any other potential interested parties. The Debtors and the Purchaser conducted due diligence and, as appropriate, negotiated the terms of the proposed sale of the Fresh & Easy Claim at arms' length and in good faith.

6. I do not believe that any further marketing of the Fresh & Easy Claim would generate additional meaningful value for the Debtors' estates in excess of the Purchase Price, or allow the Debtors to realize a meaningful recovery from the Fresh & Easy Claim on an expedited basis, and the proposed sale of the Fresh & Easy Claim to the Purchaser is, therefore, in the best interest of the Debtors, their estates, and their creditors. Furthermore, I believe that additional marketing and/or an auction process would not yield a price high enough to offset the costs the Debtors would incur in pursuing other potential buyers.

This Declaration is submitted under penalty of perjury this 10th day of October, 2017.

/s/ Douglas Garrett  
Douglas Garrett  
Chairman of the Wind-Down Committee