

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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In re	Chapter 11
	:
CLAIRE'S STORES, INC., et al.,	Case No. 18-10584
	:
Debtors.¹	(Jointly Administered)
	:

VERIFIED STATEMENT OF WILLKIE FARR & GALLAGHER LLP AND MORRIS NICHOLS ARSHT & TUNNELL LLP PURSUANT TO BANKRUPTCY RULE 2019

In connection with the chapter 11 cases of the above-captioned debtors in possession (the “Debtors”), Willkie Farr & Gallagher LLP (“Willkie”) and Morris Nichols Arsh & Tunnell LLP (“Morris Nichols” and together with Willkie, “Counsel”) hereby submit this verified statement (the “Verified Statement”) pursuant to Rule 2019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) in connection with Counsel’s representation of the ad hoc first lien group (the “Ad Hoc First Lien Group”) as certified to Counsel by each member of the Ad Hoc First Lien Group. Each member of the Ad Hoc First Lien Group holds, or is the beneficial holder of (or investment advisor or manager to a beneficial holder of) a variety of economic interests relating to the Debtors (collectively, the “Group Holdings”).

1. Attached hereto as Exhibit A is a list of the names and addresses of each member of the Ad Hoc First Lien Group, as well as the amount of each members’ disclosable economic interests held as of the petition date (as certified to Counsel by each Member). The information

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are Claire’s Inc. (6919); Claire’s Stores, Inc. (0416); BMS Distributing Corp. (4117); CBI Distributing Corp. (5574); Claire’s Boutiques, Inc. (5307); Claire’s Canada Corp. (7936); Claire’s Puerto Rico Corp. (6113); and CSI Canada LLC (7936). The Debtors’ corporate headquarters and service address is 2400 West Central Road, Hoffman Estates, Illinois 60192.

contained in Exhibit A is based upon information provided by such members to Counsel and is subject to change.

2. In January 2018, the Ad Hoc First Lien Group retained Willkie to represent them in connection with the Debtors' restructuring. The Ad Hoc First Lien Group retained Morris Nichols in March 2018, prior to the Debtors' bankruptcy filing in Delaware.

3. As of the date hereof, Counsel represent only the Ad Hoc First Lien Group in connection with these chapter 11 cases. Each member of the Ad Hoc First Lien Group is aware of, and has consented to, Counsel's "group representation" of the Ad Hoc First Lien Group. No member of the Ad Hoc First Lien Group represents or purports to represent any other entities in connection with these chapter 11 cases.

4. Nothing contained in this Verified Statement or Exhibit A should be construed as a limitation upon, or waiver of, any rights of any Ad Hoc First Lien Group member under that certain Restructuring Support Agreement, dated as of March 19, 2018 (the "Restructuring Support Agreement"), by and among Debtors, the Ad Hoc First Lien Group members, and Apollo Management Holdings L.P., as manager and/or investment advisor of funds that are the owners and/or beneficial holders of interests in and claims against the Debtors. The information contained herein is intended only to comply with Bankruptcy Rule 2019 and not for any other purpose.

5. Upon information and informed belief after due inquiry, Counsel does not hold any claim against, or interest in, the Debtors or their estates, except for administrative expense claims for fees and expenses in connection with the Restructuring Support Agreement, and that certain letter agreement, dated as of January 16, 2018, by and between the Debtors and Willkie,

upon which the Debtors agreed to pay Willkie's reasonable fees and expenses in connection with its representation of the Ad Hoc First Lien Group.

6. Counsel reserve the right to amend or supplement this Verified Statement as necessary in accordance with Bankruptcy Rule 2019.

[Remainder of page intentionally left blank.]

Dated: March 20, 2018
Wilmington, Delaware

WILLKIE FARR & GALLAGHER LLP

By: /s/ Brian S. Lennon
7 Matthew A. Feldman (*pro hac vice*)
8 Brian S. Lennon (*pro hac vice*)
7 Daniel I. Forman (*pro hac vice*)

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Counsel to the Ad Hoc First Lien Group

EXHIBIT A**Members of the Ad Hoc First Lien Group¹**

Member	Address	Nature and Principal Amount of Holdings²
Elliott Management Corporation, on behalf of its affiliated entities	40 W 57th Street, New York, NY 10019	Claire's 2019 1L Notes: \$346,862,000.00 Claire's 2020 1L Notes: \$115,391,000.00 First Lien Term Loan: \$15,330,291.82 Claire's 2L Notes: \$17,655,000.00 Unsecured Notes: \$116,700,000.00
Monarch Alternative Capital LP, on behalf of certain of its advisory clients	553 Madison Avenue New York, NY 10022	Claire's 2019 1L Notes: \$221,565,000.00 Claire's 2020 1L Notes: \$37,610,000.00 First Lien Term Loan: \$139,937.00 Unsecured Notes: \$63,300,000.00 Existing ABL Revolver: \$19,565.217.39 Existing RCF: \$19,565.217.39
The Cincinnati High Yield Desk of JPMorgan Chase Bank, N.A., solely as trustee and investment manager of certain discretionary accounts, and The Cincinnati High Yield Desk of J.P. Morgan Investment Management, Inc., solely as investment manager of certain discretionary accounts	8044 Montgomery Road Suite 555, Cincinnati, OH 45236	Claire's 2019 1L Notes: \$52,073,000.00 Claire's 2020 1L Notes: \$30,034,000.00
The Indianapolis High Yield Desk of J.P. Morgan Investment Management Inc.	1 East Ohio Street, 14th Floor Indianapolis, IN 46204	Claire's 2019 1L Notes: \$61,388,000.00
Venor Capital Management LP	7 Times Sq. #4303, New York, NY 10036	Claire's 2019 1L Notes: \$61,509,000.00 First Lien Term Loan: \$3,448,999.45
Diameter Capital Partners LP on behalf of its affiliated entity	24 West 40th Street, 5th Floor New York, NY 10018	Claire's 2019 1L Notes: \$40,000,000.00 Claire's 2020 1L Notes: \$4,606,000.00

¹ To the best of Counsel's knowledge, the information included herein is accurate as of the petition date. The amounts set forth herein include principal only, and do not include other amounts that may be owing under the applicable documents such as accrued and unpaid interest or fees, costs and expenses.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Restructuring Support Agreement.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on March 20, 2018, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the District of Delaware.

WILLKIE FARR & GALLAGHER LLP

By: /s/ Brian S. Lennon

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