

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	
)	Chapter 11
FOREVER 21, INC., <i>et al.</i> , ¹)	
)	Case No. 19-12122 (KG)
)	
Debtors.)	(Joint Administration Requested)
)	

**DEBTORS’ MOTION SEEKING ENTRY OF AN
ORDER (I) AUTHORIZING THE DEBTORS TO ENTER INTO
THE CONSULTING AGREEMENT, (II) APPROVING PROCEDURES
FOR STORE CLOSING SALES, AND (III) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”)² respectfully state as follows in support of this motion (this “Motion”):

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”): (a) authorizing the Debtors to enter into that certain consulting agreement dated as of September 30, 2019 (the “Consulting Agreement”) by and between Forever 21, Inc. and the contractual joint venture comprised of Gordon Brothers Retail Partners, LLC and Hilco Merchant Resources, LLC (the “Consultant”), a copy of which is attached as Annex 1 to

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Forever 21, Inc. (4795); Alameda Holdings, LLC (2379); Forever 21 International Holdings, Inc. (4904); Forever 21 Logistics, LLC (1956); Forever 21 Real Estate Holdings, LLC (4224); Forever 21 Retail, Inc. (7150); Innovative Brand Partners, LLC (7248); and Riley Rose, LLC (6928). The location of the Debtors’ service address is: 3880 N. Mission Road, Los Angeles, California 90031.

² A detailed description of the Debtors and their business, and the facts and circumstances supporting the Debtors’ chapter 11 cases, are set forth in greater detail in the *Declaration of Jonathan Goulding, Chief Restructuring Officer of Forever 21, Inc., in Support of Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”), filed contemporaneously with the Debtors’ voluntary petitions for relief filed under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), on September 29, 2019 (the “Petition Date”). Capitalized terms used but not otherwise defined in this Motion shall have the meanings given to them in the First Day Declaration.

Exhibit A; (b) authorizing, but not directing, the Debtors to close the stores listed on Annex 2 to **Exhibit A** (collectively, the “Designated Closing Stores”), in accordance with the terms of the store closing procedures attached as Annex 3 to **Exhibit A** (the “Store Closing Procedures”), and any sales provided for therein to be free and clear of all liens, claims, and encumbrances (the “Sales”); (c) authorizing the Debtors to close additional stores at a later date or dates (collectively, the “Supplemental Closing Stores,” if any, and, together with the Designated Closing Stores, the “Closing Stores”), in accordance with the terms of the Store Closing Procedures; and (d) granting related relief. *As of the Petition Date, the Debtors do not anticipate closing all of the Designated Closing Stores or any Supplemental Closing Stores.* To the extent the Debtors determine in their business judgment that it is in the best interests of their estates to close stores in addition to the Closing Stores, they shall close such stores in accordance with the terms of the Order and the Store Closing Procedures. In addition, the Debtors request that the Court schedule a hearing within approximately 30 days after the commencement of these chapter 11 cases to consider entry of the Order.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction over this matter 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 February 29, 2012. The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), to the entry of an 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

orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are sections 105, 363, 365, and 554 of the Bankruptcy Code, Bankruptcy Rules 2002, 6003, and 6004, and Local Rule 9013-1(m).

Background

5. The Debtors are a specialty fashion retailer of women's and men's apparel and accessories. As of the Petition Date, the Debtors operate 549 stores across the United States, and 251 stores are operated internationally by non-Debtor affiliates. Of the 251 international stores, 181 are owned and operated exclusively by the non-Debtor affiliates, 54 are franchises, and 16 are operated as joint ventures. The Debtors also maintain a substantial online presence, with their e-commerce platform accounting for approximately 16 percent of all sales. In addition to the 534 stores operated under the Forever 21 brand, the Debtors formed a beauty and wellness brand, Riley Rose, in 2017, which operates 15 stores in the United States.

6. On the Petition Date, each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors have also filed a motion requesting joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). The Debtors are operating their business and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases and no official committees have been appointed or designated.

The Store Closings

7. As of the Petition Date, the Debtors operate 549 retail stores in 45 states, Guam, and Puerto Rico. Like many retailers, the Debtors have struggled to support their outsized store footprint as consumers increasingly purchase clothing and other goods online. However, in contrast to other retailers who sought chapter 11 relief to facilitate nationwide store closures to the detriment of their landlords, the Debtors expect to be able to solicit the postpetition support of their landlords in order to craft a consensual solution to an industrywide problem. The Store Closing Procedures are a necessary tool for the Debtors to reinvigorate their strong underlying business and allow for a reorganized business unburdened by under-performing operations.

8. In deciding which stores to shed, the Debtors' management team and advisors conducted an extensive store-by-store performance analysis of all existing stores to evaluate, among other factors, historical and recent store profitability, historical and recent sales trends, occupancy costs, the geographic market in which each store is located, the mall in which each store is located, the potential to negotiate rent reductions with the applicable landlords, and specific operational circumstances related to each store's performance (the "Performance Evaluation").

9. After conducting the Performance Evaluation, the Debtors' management team and advisors determined it may be appropriate to close and wind down or conduct other similarly themed sales ("Store Closings") for up to 178 underperforming brick-and-mortar store locations. Pursuant to the Order, the Debtors seek to commence the Sales for the Designated Closing Stores no later than October 31, 2019 and expect such Sales and Store Closings to be completed and the properties vacated by December 31, 2019. To the extent the Debtors determine to close any Supplemental Closing Stores, such related Sales may continue into 2020. While the expected total proceeds from the Sales will depend on the number of Designated Closing Stores that are

ultimately closed, Debtors estimate that the total inventory cost in these store locations is approximately \$80 million as of the Petition Date.

10. For the avoidance of doubt, the Debtors do not anticipate closing all 178 store locations listed on Annex 2. As the Debtors negotiate rent concessions and other operational improvements with the applicable landlords, the Debtors expect that it will be in the Debtors' best interest not to conduct Store Closings at certain locations. If the Debtors determine to keep such store locations open, the Debtors will remove these store locations from Annex 2 and file an amended Annex 2 prior to the Court's hearing on this Motion.

11. Concurrently, the Debtors, with the assistance of RCS Real Estate Advisors and Alvarez & Marsal North America, LLC, the Debtors' restructuring advisor, began lease modification negotiations with the Debtors' landlords for certain rent concessions and cure cost reductions with respect to certain leases associated with the Designated Closing Stores (the "Lease Negotiations"), with the goal of improving the financial performance of the Debtors' remaining store base. These Lease Negotiations are ongoing, and the Debtors' ability to negotiate more favorable lease terms and rent reductions will drive the determination of whether or not to close additional stores. Where the Debtors are unable to obtain sufficient relief in the Lease Negotiations concerning stores that are on the cusp of failing to meet certain performance standards, such stores will close as part of the Store Closings (which may begin simultaneously or on a rolling basis, depending on the relative timing the various Lease Negotiations conclude).

12. The Debtors selected and engaged the Consultant to (a) assist the Debtors in their preparation for and management of the myriad steps required to effectuate the Store Closings in an orderly and efficient manner; (b) advise and assist the Debtors in their sale of their store inventory, together with certain inventory located in the Debtors' distribution centers that the

Debtors will transfer to the Closing Stores (collectively, the “Merchandise”), certain furniture, fixtures, and equipment located at the Closing Stores (the “FF&E”), and, subject to the Debtors’ consent, the “Additional Consultant Goods” (together with the FF&E and the Merchandise, the “Store Closure Assets”); and (c) advise and assist the Debtors in their preparation of the stores for turnover to the applicable landlords on the terms set forth in the Consulting Agreement. Based on the Consultant’s excellent reputation and experience in conducting store closings on an expedited timeline, the Debtors’ management, in consultation with the Debtors’ advisors, determined that retaining the Consultant to assist with the Store Closings and Sales provided the best and most effective path forward.

13. The Store Closings are a critical component of the Debtors’ go-forward business plan, and entry into the Consulting Agreement will allow the Debtors to conduct the Sales and Store Closings in an efficient, controlled manner that is integral to maximizing value for the Debtors’ estates. The relief requested in this Motion will permit the Debtors to commence the Sales and Store Closings in a timely manner and will establish fair and uniform store closing procedures to assist the Debtors and their creditors through the Debtors’ transition to a smaller, more profitable enterprise.

I. The Consulting Agreement.

14. Pursuant to the Consulting Agreement and subject to the Court’s approval, the Consultant will serve as the exclusive consultant to the Debtors in connection with the Sales. Entering into the Consulting Agreement will allow the Debtors to utilize the logistical capabilities, experience, and resources of the Consultant in performing large-scale liquidations in a format that

allows the Debtors to retain control over the sale process. A summary of the salient terms of the Consulting Agreement is set forth below.³

TERM	CONSULTING AGREEMENT
Services Provided by Consultant	<p><u>Pre-Sale Services</u> In order to assist the Debtors in preparing the Stores for the Sale, and allocating inventory from its distribution centers to the Closing Locations, during the period between the date of execution of the Consulting Agreement and the Sale Commencement Date, the Consultant shall consult with the Debtors with respect to the merchandising of the Closing Locations and other matters in preparation for the Sale (the “Pre-Sale Services”), including providing merchandising to maximize gross margin and minimize sales deterioration. <i>Consulting Agreement, Section 2.2(xii).</i></p> <p><u>Consulting Services During the Sale Term.</u> During the Sale Term, the Consultant shall provide the following services to the Debtors: to the conduct of the Sale: (i) provide qualified Supervisors to supervise and assist the Debtors in the conduct of the Sale. To the extent that the Debtors exercise the Removed Store Election and/or the Additional Closing Location Election, the number of Supervisors provided by the Consultant shall adjust upwards or downwards, as the case may be, as mutually agreed by the Debtors and the Consultant; (ii) provide the Debtors with such oversight, supervision and guidance with respect to the conduct of the Sale and the liquidation and disposal of the Merchandise and FF&E from the Closing Locations as may be required to maximize Gross Sales; (iv) recommend and implement appropriate point of purchase, point of sale and external advertising to effectively sell the Merchandise during the Sale Term, consistent with the theme of the Sale and the Sale Guidelines, it being understood that the Sale will be advertised as a “Total Inventory Blowout”, “Store Closing”, “Everything Must Go,” “Everything on Sale” or similar handles throughout the term of the Sale; (v) advise the Debtors as to discounting of Merchandise, appropriate staffing levels for the Closing Locations, and appropriate deferred compensation and incentive programs for Store Employees; (vi) oversee the display of Merchandise in the Closing Locations; (vii) assist the Debtors in the formulation and implementation of a loss prevention security program designed to protect the Merchandise from theft or other shortages; (viii) assist the Debtors with accounting functions for the Closing Locations, including evaluation of sales of Merchandise by category, sales reporting and monitoring of expenses, in each case using the Debtors’ infrastructure; (ix) recommend and implement the transfer and balancing of Merchandise between and among the Closing Locations to maximize results during the Sale; (x) participate in weekly calls with representatives of the Debtors and Lender Agent; and (xi) provide such other related services deemed necessary or prudent by the Debtors (in consultation with Lender Agent) and as mutually agreed by the Consultant under the circumstances giving rise to the Sale. <i>Consulting Agreement, Sections 2.2(i) through Section 2.2(xi).</i></p>
Term of Sale	<p>The Sale shall commence at the Closing Locations on or about the first business day after entry of the Order, but in no event later than October 31, 2019 (the “<u>Sale Commencement Date</u>”), other than with respect to Additional Designated Closing Locations, in which case as to each such location, the Sale Commencement shall be the date set forth in the Additional Sale Supplement for such location. The Sale at the Closing Location shall conclude not later than December 31, 2019 (the “<u>Sale Termination Date</u>”), except with</p>

³ The following summary chart is for the convenience of the Court and parties in interest. To the extent there is any conflict between this summary and the Consulting Agreement, the Consulting Agreement shall govern in all respects.

TERM	CONSULTING AGREEMENT
	respect to the Additional Designated Closing Locations, in which as the Sale shall terminate no later than the last date in the calendar month in which the sixtieth (60 th) day following the applicable Sale Commencement date for such Additional Designated Closing Location; <i>provided</i> , that the Debtors and the Consultant can mutually agree on an earlier Sale Termination Date. <i>Consulting Agreement, Section 1, Definitions.</i>
Closing Locations	Annexed to the Consulting Agreement as Exhibit A is a list of 178 Stores that the Debtors' have earmarked for Closure; <i>provided however</i> , the Debtors reserved the right (i) to designate, prior to October 25, 2019 (or such other date as the Debtors and the Consultant mutually agree) of the 178 Stores to be excluded from the Sale; and (ii) at any time during the Sale Term, designated additional stores for closure upon filing and service of one or more Additional Store Supplements; <i>provided however</i> , the aggregate number of Closing Locations, including any Additional Designated Closing Locations, shall not exceed 276 unless the Consultant consents. <i>Consulting Agreement, Sections 6.1 and 6.2.</i>
Merchandise Included in the Sale	All Merchandise located in the Closing Stores (including any inventory located in any Supplemental Closing Stores once identified), together with any additional clearance or other Debtor owned inventory that the Debtors, following consultation with the Consultant in connection with the Pre-Sale Services being provided by Consultant, elect to transfer to the Closing Stores and include in the Sale.
Compensation for Consultant and Special Purpose Payment	<p>Pre-Sale Services Fee. The Debtors shall pay Consultant a fee equal to \$20,000 per week ("<u>Pre-Sale Fee</u>") from execution of the Consulting Agreement through the Sale Commencement Date, which fee shall be due and payable on Wednesday for the week prior. In addition to the Pre-Sale Fee, the Debtors shall reimburse Consultant for any expenses to be incurred in connection with the Pre-Sale Services in accordance with the budget attached to the Consulting Agreement as <u>Exhibit C</u> (the "<u>Pre-Sale Budget</u>") up to the aggregate amount set forth therein, which expenses shall be reimbursed to Consultant in addition to any Consultant Incurred Expenses and the Budget. Promptly following the execution of the Agreement, the Company shall obtain Bankruptcy Court approval to fund, and shall thereafter promptly fund, to Consultant \$75,000 (the "<u>Special Purpose Payment</u>") which shall be held by Consultant until the Final Settlement (defined below). The Debtors shall not be entitled to apply the Special Purpose Payment to, or otherwise offset any portion of the Special Purpose Payment against, any weekly reimbursement, payment of fees, or other amount owing to Consultant under the Consulting Agreement prior to the Final Settlement. Without limiting any of Consultant's other rights, Consultant may apply the Special Purpose Payment to any unpaid obligation owing by the Debtors to Consultant under the Consulting Agreement. Any portion of the Special Purpose Payment not used to pay amounts contemplated by the Consulting Agreement shall be returned to the Debtors within three days following the Final Settlement. <i>Consulting Agreement, Section 3.2(c).</i></p> <p>Base Consulting Fee. In consideration of Consultant's provision of the Services provided for under the Consulting Agreement, the Debtors shall pay to Consultant, from Gross Sales, a consulting fee in an amount equal to one and one-half percent (1.50%) of the Gross Sales at all of the Closing Locations (including any Additional Designated Closing Location(s) following exercise of the Additional Store Election (each as defined below)) (the "<u>Base Consulting Fee</u>"). <i>Consulting Agreement, Section 3.2(a).</i></p> <p>Discretionary Fee Enhancement. In consideration of Consultant achieving results that are satisfactory to the Debtors, Consultant may, at its option, request that the Debtors approve an enhancement of the Base Consulting Fee in an amount up to one-half percent (0.50%) of the Gross Sales at all of the Closing Locations based on overall performance and</p>

TERM	CONSULTING AGREEMENT
	<p>performance in transitioning customers to the Debtors' ongoing stores and on-line platform, which enhancement shall be subject to the exclusive discretion of the Debtors, following consultation with the Lender Agent. <i>Consulting Agreement, Section 3.2(a).</i></p> <p><u>FF&E Disposition Fee</u>. In addition to the consulting Services provided for herein with respect to the sale of Merchandise, with respect to furniture, fixtures and equipment owned by the Debtors and located at the Closing Locations (collectively, the "<u>FF&E</u>"), Consultant shall sell the FF&E in the Closing Locations for the Debtors' benefit. Consultant shall advertise in the context of advertising for the Sale that items of FF&E at Closing Locations are available for sale, and shall contact and solicit known purchasers and dealers of furniture and trade fixtures. In consideration of providing such services, Consultant shall retain 15.0% of the gross receipts (net only of applicable sales taxes) from all sales or other dispositions of FF&E (the "<u>FF&E Fee</u>"). In addition, the Debtors shall reimburse Consultant for Consultant's reasonable and documented out-of-pocket expenses incurred in connection with the sale or other disposition of the FF&E pursuant to a budget established by mutual agreement of the Debtors, the Consultant and the Lender Agent (the "<u>FF&E Budget</u>"). <i>Consulting Agreement, Section 3.3(a).</i></p>
Payment of Consultant's Fees	<p>With regard to the payment of all fees and expense reimbursements due to the Consultant (collectively, the "Consultant's Fees and Expenses"), the Consulting Agreement requires that the Order, shall provide that, among other things, (A) the payment of all Consultant Fees and Expenses: (i) is approved without further order of the Court; (ii) shall be free and clear of all liens, claims and encumbrances, (iii) shall be made on a weekly basis without further order of the Bankruptcy Court and otherwise in accordance with the Consulting Agreement; and (B) the Consultant's Fees and Expenses will be protected on terms and conditions reasonably acceptable to each of the Consultant, the agent under the Debtors' proposed debtor in possession ABL financing facility, and the agent under the Debtors' proposed debtor in possession term loan facility. <i>Consulting Agreement, Section 10.8.</i></p>
Consultant's Insurance Obligations	<p>The Debtors shall maintain throughout the Sale Term, (i) insurance with respect to the Merchandise at the Closing Locations and any storage facility in amounts and on such terms and conditions as are consistent with the Debtors' ordinary course operations and (ii) casualty and liability insurance policies (including, but not limited to, product liability, comprehensive public liability insurance and auto liability insurance) covering injuries to persons and property in or in connection with the operation of the Closing Locations, and shall cause Consultant to be listed as an additional insured with respect to all such policies, and as loss payee for the property insurance. The Debtors shall be responsible for the payment of all deductibles, self-insurance and other amounts payable in connection with any claim asserted under such policies, except for any claims arising directly from the negligence or willful misconduct of Consultant, or its employees, representatives, agents or Supervisors. <i>Consulting Agreement, Section 10.1.</i></p>
Agent's Insurance Obligations	<p>Consultant shall maintain, throughout the Sale Term, liability insurance policies (including, but not limited to, comprehensive general liability and auto liability insurance) covering injuries to persons and property in or in connection with Consultant's provision of Services at the Closing Locations, and shall cause the Debtors to be named an additional insured with respect to such policies. <i>Consulting Agreement, Section 10.2.</i></p> <p>Notwithstanding any other provision of the Consulting Agreement, the Debtors and the Consultant agree that the Debtors shall bear all responsibility for liability claims (product liability and otherwise) of customers, employees and other persons arising from events occurring at the Closing Locations before, during and after the Sale Term, except to the extent any such claim arises from the negligence, willful misconduct, or unlawful acts of</p>

TERM	CONSULTING AGREEMENT
	the Consultant or any Supervisor engaged by Consultant under the terms of the Consulting Agreement. <i>Consulting Agreement, Section 10.2.</i>
Indemnification by Agent	The Consultant shall indemnify and hold the Debtors and its affiliates, and their respective officers, directors, employees, agents, lenders and independent contractors (collectively, the “ <u>Debtors Indemnified Parties</u> ”), harmless from and against all claims, demands, penalties, losses, liability or damage, including, without limitation, reasonable attorneys’ fees and expenses, directly or indirectly asserted against, resulting from, or related to: (i) Consultant’s material breach or material failure of or failure to comply with any of its agreements, covenants, representations or warranties contained herein or in any written agreement entered into in connection herewith; (ii) any harassment or any other unlawful, tortious or otherwise actionable treatment of any employees or agents of the Debtors (including, without limitation, any Store Employees) by Consultant or any of Consultant’s representatives (including, without limitation, any Supervisor); (iii) any claims by any party engaged by Consultant as an employee or independent contractor (including, without limitation, any Supervisor) arising out of such employment or engagement; except where due to the negligence or willful misconduct of the Debtors or the Debtors Indemnified Parties or from a breach of the terms hereof by the Debtors; and (iv) the negligence or willful misconduct of Consultant or any of its officers, directors, employees, agents or representatives, or any Supervisor. <i>Consulting Agreement, Section 8.2.</i>
Indemnification by Merchant	The Debtors shall indemnify and hold the Consultant and its affiliates, and their respective officers, directors, employees, agents and independent contractors (collectively, “ <u>Consultant Indemnified Parties</u> ”), harmless from and against all claims, demands, penalties, losses, liability or damage, including, without limitation, reasonable attorneys’ fees and expenses, directly or indirectly asserted against, resulting from, or related to: (i) the Debtors’ material breach or material failure of or failure to comply with any of its agreements, covenants, representations or warranties contained herein or in any written agreement entered into in connection herewith; (ii) any failure of the Debtors to pay to its employees any wages, salaries or benefits due to such employees during the Sale Term; (iii) any consumer warranty or products liability claims relating to any Merchandise; (iv) any liability or other claims asserted by customers, any of the Debtors’ employees, or any other person against any Consultant Indemnified Party (including, without limitation, claims by employees arising under collective bargaining agreements, worker's compensation or under the WARN Act); except where due to the negligence or willful misconduct of Consultant or from a breach of the terms hereof by Consultant; (v) any harassment or any other unlawful, tortious or otherwise actionable treatment of any employees, agents, or representatives of Consultant (including, without limitation, any Supervisors) by the Debtors or any of the Debtors’ employees, agents, or representatives (including, without limitation, any the Debtors employees); and (vi) the negligence or willful misconduct of the Debtors or any of its officers, directors, employees, agents or representatives. <i>Consulting Agreement, Section 10.7.</i>
Miscellaneous	Subject to prior consent of the Debtors’, Consultant shall have the right to syndicate and partner with additional entities to serve as “Consultant” under the Consulting Agreement and as to any similar agreements, including with respect to Company’s Canadian affiliate. <i>Consulting Agreement, Section 10.8.</i>

II. The Store Closing Procedures.

15. The Debtors seek approval of streamlined procedures (*i.e.*, the Store Closing Procedures) to sell the Store Closure Assets, in each case free and clear of liens, claims, and encumbrances. The Debtors also seek approval of the Store Closing Procedures to provide newspapers and other advertising media in which the Sales may be advertised with comfort that the Debtors are conducting the Sales in compliance with applicable law and with the Court's approval. The Debtors seek approval of the Store Closing Procedures in light of the need to commence the Sales and Store Closings associated with the Designated Closing Stores during the approaching traditionally high-volume season.

16. The Debtors have determined, in the exercise of their business judgment and in consultation with their advisors, that the Store Closing Procedures will provide the best, most efficient, and most organized means of selling the Store Closure Assets to maximize their value to the estates. The Debtors estimate that the Designated Closing Stores will take until approximately December 31, 2019, and, depending on the number of Supplemental Closing Stores (if any), the Store Closings may continue into 2020.

III. Liquidation Sale Laws and Dispute Resolution Procedures.

17. Certain states in which the Debtors operate stores have or may have licensing or other requirements governing the conduct of store closing, liquidation, or other inventory clearance sales, including, without limitation, state and local laws, statutes, rules, regulations, and ordinances (the "Liquidation Sale Laws"). Liquidation Sale Laws may establish licensing, permitting, or bonding requirements, waiting periods, time limits, and bulk sale restrictions and augmentation limitations that would otherwise apply to the Store Closings. Such requirements likely would hamper the Debtors' ability to maximize value in selling their inventory. Subject to the Court's approval, the Debtors intend to conduct the Store Closings in accordance with the Store Closing

Procedures and, to the extent such procedures conflict with the Liquidation Sale Laws, the Store Closing Procedures shall control.

18. To facilitate the orderly resolution of any disputes between the Debtors and any Governmental Units (as defined in section 101(27) of the Bankruptcy Code) arising due to the Store Closing Procedures and the alleged applicability of any Liquidation Sale Laws, the Debtors respectfully request that the Court authorize the Debtors to implement the following dispute resolution procedures (the “Dispute Resolution Procedures”), on a final basis:

- a. Provided that the Sales are conducted in accordance with the terms of the Order and the Store Closing Procedures, and in light of the provisions in the laws of many Governmental Units (as defined in the Bankruptcy Code) that exempt court-ordered sales from their provisions, the Debtors and the Consultant will be presumed to be in compliance with any Liquidation Sale Laws and are authorized to conduct the Sales in accordance with the terms of the Order and the Store Closing Procedures without the necessity of further showing compliance with any such Liquidation Sale Laws.
- b. Within five (5) business days after entry of the Order, the Debtors will serve by email, facsimile, or first-class mail, copies of the Order, the Consulting Agreement, and the Store Closing Procedures on the following: (i) the landlords for the Closing Stores; (ii) the Attorney General’s office for each state in which the Sales are being held; (iii) the county consumer protection agency or similar agency for each county in which the Sales are being held; and (iv) the division of consumer protection for each state in which the Sales are being held (collectively, the “Dispute Notice Parties”).
- c. With respect to any Supplemental Closing Stores, within five (5) business days after filing any list of Supplemental Closing Stores (each, a “Supplemental Closing Store List”) with the Court, the Debtors will serve by email, facsimile, or first-class mail, copies of the Order, the Consulting Agreement, the Store Closing Procedures, and the Supplemental Closing Store List on the Dispute Notice Parties.
- d. To the extent that there is a dispute arising from or relating to the Sales, the Order, the Consulting Agreement, or the Store Closing Procedures, which dispute relates to any Liquidation Sale Laws (a “Reserved Dispute”), the Court shall retain exclusive jurisdiction to resolve the Reserved Dispute. Any time within ten days following entry of the Order or service of any Supplemental Closing Store List, as applicable, any Governmental Unit may assert that a Reserved Dispute exists by sending a notice (the “Dispute Notice”) explaining the nature of the dispute to: (i) the Debtors, 3880 N.

Mission Road, Los Angeles, California 90031, Attn: Scott Hampton (scott.hampton@Forever21.com); (ii) proposed counsel to the Debtors, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn: Joshua A. Sussberg, P.C. (jsussberg@kirkland.com) and Aparna Yenamandra (aparna.yenamandra@kirkland.com) and Kirkland & Ellis LLP, 300 North LaSalle Street, Chicago, Illinois 60654, Attn: Anup Sathy, P.C. (asathy@kirkland.com); (iii) proposed co-counsel to the Debtors, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, Delaware 19899-8705 (Courier 19801), Attn: Laura Davis Jones (ljones@pszjlaw.com), James E. O'Neill (jo'neill@pszjlaw.com), and Timothy P. Cairns (tcairns@pszjlaw.com); (iv) proposed special counsel to the Debtors, Montgomery McCracken Walker & Rhoads, 437 Madison Avenue, New York, NY 10022, Attn: Maura I. Russell; (v) co-counsel to the Consultant, Riemer & Braunstein LLP, Times Square Tower, Seven Times Square, Suite 2506, New York, New York 10036, Attn: Steven E. Fox (sfox@riemerlaw.com); (vi) co-counsel to the Consultant, Pepper Hamilton, LLP, Hercules Plaza, Suite 5100, 1313 N. Market Street, P.O. Box 1709, Wilmington, Delaware 19899-1709, Attn: Douglas Herrmann (herrmand@pepperlaw.com); (vii) the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Juliet M. Sarkessian (juliet.m.sarkessian@usdoj.gov); (viii) counsel to any statutory committee appointed in these chapter 11 cases; (iv) counsel to the administrative agent under the Debtors' prepetition revolving credit facility and the Debtors' proposed debtor in possession ABL financing facility, Morgan, Lewis & Bockius LLP, One Federal Street, Boston, Massachusetts 02110, Attn: Julia Frost-Davies (julia.frost-davies@morganlewis.com) and Christopher L. Carter (christopher.carter@morganlewis.com) and Richards, Layton & Finger, PA, One Rodney Square, 920 North King St., Wilmington, Delaware 19801, Attn: Mark D. Collins (collins@rlf.com); and (x) counsel to the administrative agent under the Debtors' proposed debtor in possession term loan facility, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn: Adam C. Harris (adam.harris@srz.com), Frederic L. Ragucci (frederic.ragucci@srz.com), and Marc B. Friess (marc.friess@srz.com). If the Debtors, the Consultant, and the Governmental Unit are unable to resolve the Reserved Dispute within 15 days after service of the Dispute Notice, the Governmental Unit may file a motion with the Court requesting that the Court resolve the Reserved Dispute (a "Dispute Resolution Motion").

- e. In the event that a Dispute Resolution Motion is filed, nothing in the Order shall preclude the Debtors, a landlord, or any other interested party from asserting (i) that the provisions of any Liquidation Sale Laws are preempted by the Bankruptcy Code, or (ii) that neither the terms of the Order nor the conduct of the Debtors pursuant to the Order violates such Liquidation Sale Laws. Filing a Dispute Resolution Motion as set forth herein shall not be deemed to affect the finality of the Order or to limit or interfere with the

Debtors' or the Consultant's ability to conduct or to continue to conduct the Sales pursuant to the Order, absent further order of the Court. Upon the entry of the Order, the Court grants authority for the Debtors and the Consultant to conduct the Sales pursuant to the terms of the Order, the Consulting Agreement, and/or the Store Closing Procedures and to take all actions reasonably related thereto or arising in connection therewith. The Governmental Unit will be entitled to assert any jurisdictional, procedural, or substantive arguments it wishes with respect to the requirements of its Liquidation Sale Laws or the lack of any preemption of such Liquidation Sale Laws by the Bankruptcy Code. Nothing in the Order will constitute a ruling with respect to any issues to be raised in any Dispute Resolution Motion.

- f. If, at any time, a dispute arises between the Debtors and/or the Consultant and a Governmental Unit as to whether a particular law is a Liquidation Sale Law, and subject to any provisions contained in the Order related to the Liquidation Sale Laws, then any party to that dispute may utilize the provisions of subparagraphs (d) and (e) above by serving a notice to the other party and proceeding thereunder in accordance with those subparagraphs. Any determination with respect to whether a particular law is a Liquidation Sale Law shall be made *de novo*.

IV. Fast Pay Laws.

19. Many states in which the Debtors operate have laws and regulations that require the Debtors to pay an employee substantially contemporaneously with his or her termination (the "Fast Pay Laws" and, together with the Liquidation Sale Laws, the "Applicable State Laws"). These laws often require payment to occur immediately or within a period of only a few days from the date such employee is terminated.

20. The nature of the Store Closings contemplated by this Motion will result in a substantial number of employees being terminated at or near the end of the Store Closings. To be clear, the Debtors intend to pay their terminated employees as expeditiously as possible, under normal payment procedures, and pursuant to applicable Court order.⁴ However, the Debtors'

⁴ The Debtors are seeking such relief pursuant to the *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing, but Not Directing, the Debtors to (A) Pay Prepetition Employee Wages, Salaries, Other Compensation, and Reimbursable Employee Expenses and (B) Continue Employee Benefits Programs and (II) Granting Related Relief*, filed contemporaneously herewith.

payroll systems will simply be unable to process the payroll information associated with these terminations in a manner that will be compliant with the Fast Pay Laws. Under ordinary circumstances, the Debtors' payroll department is able to coordinate delivery of final checks to coincide with an employee's final day of work where required by state law. This process requires the Debtors' payroll department to calculate individual termination payments, prepare each termination payment check, obtain authorization for each such check, and then prepare each such check for mailing. Given the number of employees who will likely be terminated in connection with the Store Closings, this process easily could take several days, making compliance with the Fast Pay Laws burdensome to the Debtors' estates, if not impossible.

V. Lease Restrictions.

21. The Debtors also respectfully request a waiver of any contractual restrictions that could otherwise inhibit or prevent the Debtors from maximizing value for creditors through the Store Closings and Sales. In certain cases, the contemplated Store Closings and Sales may be inconsistent with certain provisions of leases, subleases, or other documents with respect to the premises in which the Debtors operate, including, without limitation, reciprocal easement agreements, agreements containing covenants, conditions, and restrictions (including, without limitation, "go dark" provisions and landlord recapture rights), or other similar documents or provisions. Such restrictions would also hamper the Debtors' ability to maximize value in selling their inventory.

22. The Debtors also request that no entity, including, without limitation, utilities, landlords, shopping center managers and personnel, creditors, and all persons acting for or on their behalf shall interfere with or otherwise impede the conduct of the Store Closings, the Sales, or institute any action against the Debtors in any court (other than this Court) or before any administrative body that in any way directly or indirectly interferes with, obstructs, or otherwise

impedes the conduct of the Store Closings, the Sales, or the advertising and promotion (including through the posting of signs) of the Sales.

Basis for Relief

I. The Court Should Authorize the Debtors' Entry into the Consulting Agreement.

23. The Debtors seek to enter into the Consulting Agreements pursuant to section 363(b)(1) of the Bankruptcy Code, which provides that a debtor, “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). Although section 363(b) does not specify a standard for determining when it is appropriate for a court to authorize the use, sale, or lease of property of the estate, courts have required that such use, sale, or lease be based upon the sound business judgment of the debtor. *See, e.g., Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (citation omitted); *In re Abbotts Dairies, Inc.*, 788 F.2d 143, 147–48 (3d Cir. 1986) (implicitly adopting the “sound business judgment” test of *Lionel Corp.*, and requiring good faith); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1070–71 (2d Cir. 1983); *In re Del. & Hudson Ry., Co.*, 124 B.R. 169, 175–76 (D. Del. 1991) (concluding that the Third Circuit adopted the “sound business judgment” test in the *Abbotts Dairies* decision).

24. “The business judgment rule ‘is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interest of the company.’” *In re Integrated Res., Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)). Specifically, to determine whether the business judgment standard is met, a court need only “examine whether a reasonable business person would make a similar decision under similar circumstances.” *In re Exide Techs.*, 340 B.R. 222, 239 (Bankr. D. Del. 2006), *vacated on other grounds* 607 F.3d 957 (3d Cir. 2010); *see also In re Curlew Valley Assocs.*, 14 B.R. 506, 513–14

(Bankr. D. Utah 1981) (noting that courts should not second guess a debtor's business decision when that decision involves "a business judgment made in good faith, upon a reasonable basis, and within the scope of [the debtor's] authority under the [Bankruptcy] Code").

25. Here, the Debtors have exercised their sound business judgment in determining to enter into the Consulting Agreement. In consultation with its advisors, the Debtors have determined that continuing to operate the Closing Stores, without the concessions the Debtors are attempting to obtain through the Lease Negotiations, the Closing Stores are a burden to these estates, and the Store Closure Assets should be liquidated for the benefit of the Debtors' estates and their creditors. Prior to the Petition Date, the Debtors retained the services of Montgomery McCracken Walker & Rhoads LLP ("MMW&R"). MMW&R reached out to seven (7) of the national liquidation firms, to solicit proposals from such firms to serve as a consultant to the Debtors in connection with the Debtors conduct of the Sales. With the consent of the Debtors, certain of the liquidation firms formed contractual joint ventures, and the process culminated in the Debtors receiving three (3) proposals. Ultimately, after reviewing the proposals and consulting with their advisors, the Debtors selected the Consultant, and the terms set forth in the Consulting Agreement as providing the best alternative for the conduct of the Store Closings and Sales. The terms of the Consulting Agreement are the result of a reasonable due diligence and solicitation process, are the product of arm's-length bargaining, and in the Debtors' business judgment provide the Debtors with the necessary flexibility to effectuate the Store Closings and Sales, while at the same time pursue the Lease Negotiations.

26. The Consultant has extensive expertise in conducting liquidation sales and can provide the Debtors with the requisite guidance and assistance in the implementation of the Store Closings and Sales in an efficient and cost effective manner. While the Debtors will retain control

and all decision making authority with respect to the Closing Stores, the Sales, and the Debtors' employees at the Closing Stores, approval of the Consulting Consulting Agreement will enable the Debtors to utilize the skills and resources of the Consultant to effectively and efficiently conduct the Store Closing and Sales for the benefit of all stakeholders. Given the potential number of Closing Stores and overall impact of the Lease Negotiations on the Designated Closing Stores list, the terms of the Consulting Agreement accommodate and satisfy the Debtors' need to be fluid and flexible as the Lease Negotiations unfold.

II. The Debtors Have a Valid Business Justification for the Sales.

27. Section 363(b)(1) of the Bankruptcy Code, which governs asset sales outside of a debtor's ordinary course of business, provides that "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). When selling assets outside of the ordinary course of business, a debtor must articulate a valid business justification to obtain court approval. *See, e.g., Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (citation omitted); *In re Abbotts Dairies, Inc.*, 788 F.2d 143, 147–48 (3d Cir. 1986) (implicitly adopting the "sound business judgment" test of *Lionel Corp.*, and requiring good faith); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1070–71 (2d Cir. 1983); *In re Del. & Hudson Ry., Co.*, 124 B.R. 169, 175–76 (D. Del. 1991) (concluding that the Third Circuit adopted the "sound business judgment" test in the *Abbotts Dairies* decision). When a debtor demonstrates a valid business justification for a decision, a strong presumption arises "that in making [the] business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company." *Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.)*, 147 B.R. 650, 656 (S.D.N.Y. 1990) (holding that

the Delaware business judgment rule has “vitality by analogy” in Chapter 11, especially where the debtor is a Delaware corporation) (quotations omitted).

28. Store closing or liquidation sales are a routine occurrence in chapter 11 cases involving retail debtors. *See, e.g., In re Ames Dept. Stores*, 136 B.R. 357, 359 (Bankr. S.D.N.Y. 1992) (noting that liquidation sales are an important part of “overriding federal policy requiring [a] Debtor to maximize estate assets”). As such, bankruptcy courts in this jurisdiction have approved similar store closing sales. *See, e.g., In re Avenue Stores, LLC*, No. 19-11842 (LSS) (Bankr. D. Del. Sept. 13, 2019); *In re Charming Charlie Holdings, Inc.*, No. 19-11534 (CSS) (Bankr. D. Del. August 14, 2019); *In re Z Gallerie, LLC*, No. 19-10488 (LSS) (Bankr. D. Del. Apr. 9, 2019); *In re Heritage Home Group, LLC*, No. 18-11736 (KG) (Bankr. D. Del. Sept. 28, 2018); *In re Charming Charlie Holdings Inc.*, No. 17-12906 (CSS) (Bankr. D. Del. Jan. 10, 2018); *In re Coldwater Creek*, No. 14-10867 (BLS) (Bankr. D. Del. May 7, 2014).⁵

29. Sufficient business justification exists to approve the proposed Sales under section 363(b)(1). The Debtors, with the assistance of their advisors, have determined that the Sales represent the best alternative to maximize recoveries to the Debtors’ estates with respect to the Store Closure Assets and provide the Debtors with much-needed liquidity while optimizing their remaining fleet of Stores. There are meaningful amounts of Merchandise, in the aggregate, that will be monetized most efficiently and quickly through an orderly process conducted in consultation with an experienced liquidation firm. Further, delay in commencing the Sales would diminish the recovery tied to monetization of the Store Closure Assets for several important reasons. Many of the Closing Stores fail to generate positive cash flow and therefore are a

⁵ Because of the voluminous nature of the orders cited herein, such orders have not been attached to this Motion. Copies of these orders are available upon request to the Debtors’ proposed counsel.

significant drain on liquidity. As such, the Debtors will realize an immediate benefit in terms of financial liquidity upon the sale of the Store Closure Assets and the termination of operations at the Closing Stores. Further, uninterrupted and orderly Sales will allow the Debtors to timely reject leases associated with the Closing Stores and, therefore, avoid the accrual of unnecessary administrative expenses for rent and related costs.⁶

III. The Court Should Approve the Sale of the Store Closure Assets Free and Clear of all Liens, Encumbrances, and Other Interests Under Bankruptcy Code Section 363(f) of the Bankruptcy Code.

30. The Debtors request approval to sell the Store Closure Assets on a final “as is” basis, free and clear of any and all liens, claims, and encumbrances in accordance with section 363(f) of the Bankruptcy Code. A debtor in possession may sell property under sections 363(b) and 363(f) of the Bankruptcy Code “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) applicable non-bankruptcy law permits sale of such property free and clear of such interest; (b) such entity consents; (c) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property; (d) such interest is in *bona fide* dispute; or (e) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest. 11 U.S.C. § 363(f); *see also Citicorp Homeowners Servs., Inc. v. Elliot (In re Elliot)*, 94 B.R. 343, 345 (E.D. Pa. 1988) (noting that since section 363(f) is written in the disjunctive, the court may approve a sale free and clear if any one subsection is met). Moreover, the Third Circuit has indicated that a debtor possesses broad authority to sell assets free and clear of liens. *See In re TWA Inc.*, 322 F.3d 283, 289 (3d Cir. 2003).

⁶ Contemporaneously herewith, the Debtors filed the *Debtors’ Omnibus Motion Seeking Entry of an Order (I) Authorizing (A) The Rejection of Certain Unexpired Leases and (B) the Abandonment of Certain Personal Property, Each Effective Nunc Pro Tunc to the Petition Date and (II) Granting Related Relief.*

31. Although the term “any interest” is not defined in the Bankruptcy Code, the Third Circuit has noted that the trend in modern cases is toward “a broader interpretation which includes other obligations that may flow from ownership of the property.” *Folger Adam Sec., Inc. v. DeMatteis/MacGregor, JV*, 209 F.3d 252, 258–59 (3d Cir. 2000). As the Fourth Circuit held in *In re Leckie Smokeless Coal Co.*, the scope of section 363(f) is not limited to *in rem* interests in a debtor’s assets. 99 F.3d 573, 581–82 (4th Cir. 1996) (cited with approval by the Third Circuit in *Folger Adam*). Thus, a debtor can sell its assets under section 363(f) “free and clear of successor liability that otherwise would have arisen under federal statute.” *Folger Adam*, 209 F.3d at 258.

32. With respect to any other party asserting a lien, claim, or encumbrance against the Store Closure Assets, the Debtors anticipate that they will be able to satisfy one or more of the conditions set forth in section 363(f). In connection with the sale of the Store Closure Assets, the Debtors propose that any liens, claims, and encumbrances asserted against the Store Closure Assets be transferred to and attach to the amounts earned by the Debtors under the Sales with the same force, effect, and priority as such liens currently have on the Store Closure Assets.

IV. The Court Should Waive Compliance with Applicable State Laws and Approve the Dispute Resolution Procedures.

33. The Debtors’ ability to conduct the Sales in accordance with the Store Closing Procedures and without strict compliance with all Applicable State Laws is critical to the Sales’ success. Although the Debtors intend to comply with state and local health and safety laws and consumer protection laws in conducting the Sales, many Liquidation Sale Laws require special and cumbersome licenses, waiting periods, time limits, and other procedures for store closing, liquidation, or similar sales. Additionally, compliance with Fast Pay Laws would require the Debtors to pay terminated employees within a timeframe that would be detrimental to the conduct of these chapter 11 cases, if not impossible.

34. To eliminate the time, delay, and expense associated with the administrative procedures necessary to comply with the Applicable State Laws, the Debtors propose the Store Closing Procedures as a way to streamline the administrative burdens on their estates while still adequately protecting the broad and varied interests of both landlords and applicable governmental agencies charged with enforcing any Liquidation Sale Laws that may apply to the Store Closings. As such, the Debtors believe the Store Closing Procedures mitigate any concerns that their landlords or governmental agencies may raise with respect to the Store Closings and, therefore, the requested relief is in compliance with any applicable Liquidation Sale Laws.

35. The Debtors submit that there is strong support for granting them the authority to not comply with the Liquidation Sale Laws. **First**, it is generally accepted that many state statutes and regulations provide that, if a liquidation or bankruptcy sale is court-authorized, a company need not comply with the Liquidation Sale Laws. *See, e.g.*, Ark. Code Ann. § 4-74-103 (exempting from the provisions of the chapter sales pursuant to any court order); Fla. Stat. Ann. 559.25(2) (same); Ga. Code Ann. § 10-1-393(b)(24)(C)(iv) (same); 815 ILCS 350/3 (same); La. Rev. Stat. Ann. § 51:43(1) (same); N.Y. Gen. Bus. Law § 584(a) (same); Or. Rev. Stat. Ann. § 646A.100(2)(b) (“‘Going out of business sale’ does not include a sale conducted by a bankruptcy trustee.”); Tex. Bus. & Com. Code Ann. § 17.91(3) (exempting from subchapter sales conducted pursuant to court order). **Second**, pursuant to section 105(a) of the Bankruptcy Code, the Court has the authority to permit the Store Closings to proceed notwithstanding contrary Applicable State Laws as it is essential to the continued operation of the Debtors’ business. **Third**, this Court will be able to supervise the Store Closings because the Debtors and their assets are subject to this Court’s exclusive jurisdiction. *See* 28 U.S.C. § 1334. As such, creditors and the public interest

are adequately protected by notice of this Motion and the ongoing jurisdiction and supervision of the Court.

36. Further, bankruptcy courts have consistently recognized, with limited exception, that federal bankruptcy law preempts state and local laws that contravene the underlying policies of the Bankruptcy Code. *See Belculfine v. Aloe (In re Shenango Group, Inc.)*, 186 B.R. 623, 628 (Bankr. W.D. Pa. 1995) (“Trustees and debtors-in-possession have unique fiduciary and legal obligations pursuant to the bankruptcy code. . . . [A] state statute [] cannot place burdens on [a debtor] where the result would contradict the priorities established by the federal bankruptcy code.”), *aff’d*, 112 F.3d 633 (3d Cir. 1997).

37. Courts in some jurisdictions have found that preemption of state law is not appropriate if the laws deal with public health and safety. *See Baker & Drake, Inc. v. Pub. Serv. Comm’n of Nev. (In re Baker & Drake, Inc.)*, 35 F.3d 1348, 1353–54 (9th Cir. 1994) (holding that Bankruptcy Code did not preempt state law prohibiting taxicab leasing that was promulgated in part as public safety measure). However, preemption is appropriate where, as is the case here, the only state laws involved concern economic regulation rather than the protection of public health and safety. *See In re Baker & Drake, Inc.*, 35 F.3d at 1353 (finding that “federal bankruptcy preemption is more likely . . . where a state statute is concerned with economic regulation rather than with protecting the public health and safety”).

38. Under the circumstances of these chapter 11 cases, enforcing the strict requirements of the Liquidation Sale Laws would undermine the fundamental purpose of section 363(b) of the Bankruptcy Code by placing constraints on the Debtors’ ability to maximize estate assets for the benefit of creditors. Accordingly, authorizing the Sales without the delays and burdens associated with obtaining various state and local licenses, observing state and local waiting periods or time

limits, and/or satisfying any additional requirements with respect to advertising and similar items is necessary and appropriate. The Debtors do not seek a general waiver of all state and local law requirements, but only those that apply specifically to retail liquidation sales. Indeed, the requested waiver is narrowly tailored to facilitate the successful consummation of the Sales. Moreover, the Debtors will comply with applicable state and local public health and safety laws, and applicable tax, labor, employment, environmental, and consumer protection laws, including consumer laws regulating deceptive practices and false advertising. Finally, the Dispute Resolution Procedures provide an ordered means for resolving any disputes arising between the Debtors and/or the Consultant and any Governmental Units with respect to the applicability of any Liquidation Sale Laws and should therefore be approved.

39. Further, this Court has recognized that the Bankruptcy Code preempts certain state laws and have granted relief similar to that requested herein. *See, e.g., In re Z Gallerie, LLC*, No. 19-10488 (LSS) (Bank. D. Del. Apr. 9, 2019) (ordering that “[n]either the Debtors nor any of their officers, employees, or agents shall be required to obtain the approval of any third party, including, without limitation, any Governmental Unit”); *In re Charming Charlie Holdings Inc.*, No. 17-12906 (CSS) (Bankr. D. Del. Jan. 10, 2018) (authorizing debtors to conduct store closing sales under the terms of the order and holding that “no further approval, license, or permit of any Governmental Unit shall be required”); *In re Coldwater Creek*, No. 14-10867 (BLS) (Bankr. D. Del. May 7, 2014) (stating that debtors were authorized to conduct store closing sales under the terms of the order “without the necessity of further showing compliance” with liquidation laws); *In re Boscov’s*, No. 08-11637 (KG) (Bankr. D. Del. Aug. 15, 2008) (ordering that “[g]overnmental units shall not fine, assess or otherwise penalize Debtors or Consultant (or any of the landlords of the Closing Stores) for conducting or advertising the Sales in a manner inconsistent with Liquidation

Sales Laws, provided that the Sales are conducted and advertised in compliance with this Order”); *In re Goody’s Family Clothing, Inc.*, No. 08-11133 (CSS) (Bankr. D. Del. June 13, 2008) (ordering that the “Store Closing Sales at the Closing Stores shall be conducted by the Debtors and the Store Closing Consultant without the necessity of compliance with any federal, state or local statute or ordinance, lease provision or licensing requirement affecting store closing, ‘going out of business’, liquidation or auction sales, or affecting advertising, including signs, banners, and posting of signage, other than Safety Laws and General Laws”).

40. Courts in this jurisdiction have also granted similar relief from Fast Pay Laws in other bankruptcy cases under similar circumstances. *See, e.g., In re Z Gallerie, LLC*, No. 19-10488 (LSS) (Bankr. D. Del. Mar. 15, 2018) (granting relief from federal, state, or local laws including any “fast pay laws” in connection with store closing sales); *In re Charming Charlie Holdings, Inc.*, No. 17-12906 (CSS) (Bankr. D. Del. Dec. 13, 2017) (same); *In re Golfsmith Int’l Holdings, Inc.*, No. 16-12033 (Bankr. D. Del. Oct. 13, 2016) (same); *In re Vestis Retail Grp, LLC*, No. 16-10971 (LSS) (Bankr. D. Del. May 16, 2016) (same); *In re Hancock Fabrics*, No. 16-10296 (BLS) (Bankr. D. Del. Feb. 25, 2016) (same).

V. The Court Should Waive Compliance with any Restriction in the Leases.

41. Certain of the Debtors’ leases governing the premises of the stores subject to any Sales may contain provisions purporting to restrict or prohibit the Debtors from conducting store closing, liquidation, or similar sales. Such provisions have been held to be unenforceable in chapter 11 cases as they constitute an impermissible restraint on a debtor’s ability to properly administer its reorganization case and maximize the value of its assets under section 363 of the Bankruptcy Code. *See Ames Dep’t Stores*, 136 B.R. at 359 (deciding that enforcement of such lease restrictions would “contravene overriding federal policy requiring debtor to maximize estate assets. . . .”); *In re R. H. Macv and Co., Inc.*, 170 B.R. 69, 73–74 (Bankr. S.D.N.Y. 1994) (holding

that the lessor could not recover damages for breach of a covenant to remain open throughout the lease term, because the debtor had a duty to maximize the value to the estate and the debtor fulfilled this obligation by holding a store closing sale and closing the store); *In re Tobago Bay Trading Co.*, 112 B.R. 463, 467–68 (Bankr. N.D. Ga. 1990) (finding that a debtor’s efforts to reorganize would be significantly impaired to the detriment of creditors if lease provisions prohibiting a debtor from liquidating its inventory were enforced); *In re Lisbon Shops, Inc.*, 24 B.R. 693, 695 (Bankr. E.D. Mo. 1982) (holding restrictive lease provision unenforceable in chapter 11 case where debtor sought to conduct a liquidation sale).

42. This Court has held that restrictive lease provisions affecting store liquidation sales in chapter 11 cases are unenforceable. *See, e.g., In re Z Gallerie, LLC*, No. 19-10488 (LSS) (Bankr. D. Del. Mar. 15, 2018) (ordering that store closing sales be conducted without the further need for compliance with, among other things, lease provisions); *In re Charming Charlie Holdings, Inc.*, No. 17-12906 (CSS) (Bankr. D. Del. Dec. 13, 2017) (same); *In re Coldwater Creek*, No. 14-10867 (BLS) (Bankr. D. Del. May 7, 2014) (same); *In re Boscov’s*, No. 08-11637 (KG) (Bankr. D. Del. Aug. 15, 2008) (same); *In re Goody’s Family Clothing, Inc.*, No. 08-11133 (CSS) (Bankr. D. Del. June 13, 2008) (same).

43. Thus, to the extent that such provisions or restrictions exist in any of the leases of the stores subject to the Store Closings, the Debtors request that the Court authorize the Debtors and or the Consultant to conduct the Sales and Store Closings without reference to any such restrictive provisions or interference by any landlords or other persons affected, directly or indirectly, by the Sales.

VI. The Court Should Approve the Abandonment of Certain Property in Connection with any Liquidation Sales.

44. After notice and a hearing, a debtor “may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate.” 11 U.S.C. § 554(a); *see also Hanover Ins. Co. v. Tyco Indus., Inc.*, 500 F.2d 654, 657 (3d Cir. 1974) (stating that a trustee “may abandon his claim to any asset, including a cause of action, he deems less valuable than the cost of asserting that claim”).

45. The Debtors are seeking to sell all FF&E remaining in the Closing Stores. However, the Debtors may determine that the costs associated with holding or selling certain property or FF&E exceeds the proceeds that will be realized upon its sale or that such property is not sellable at all. In such event, the property would be of inconsequential value and benefit to the estates and/or may be burdensome to retain.

46. To maximize the value of the Debtors’ assets and to minimize the costs to the estates, the Debtors respectfully request authority to abandon any of their remaining FF&E or other property located at any of the Closing Stores without incurring liability to any person or entity. The Debtors further request that the landlord of each Closing Store with any abandoned FF&E or other property be authorized to dispose of such property without liability to any third parties.

47. Notwithstanding the foregoing, the Debtors will utilize all commercially reasonable efforts to remove or cause to be removed any confidential or personal identifying information (which means information that, alone or in conjunction with other information, identifies an individual, including, but not limited to, an individual’s name, social security number, date of birth, government-issued identification number, account number, and credit or debit card number) in any of the Debtors’ hardware, software, computers, or cash registers or similar equipment that are to be sold or abandoned.

VII. The Court Should Approve the Procedures Relating to the Supplemental Closing Stores.

48. The Debtors request that the Store Closing Procedures and the Order apply to any Supplemental Closing Stores. To provide landlords and other parties in interest with information regarding the ultimate disposition of the Closing Stores, to the extent that the Debtors seek to conduct the Sales at any Supplemental Closing Store, the Debtors will file a Supplemental Closing Store List with the Court and serve a notice of their intent to conduct the Sales at the Supplemental Closing Stores on the applicable landlords (the “Supplemental Closing Store Landlords”) and interested parties, including the (a) the U.S. Trustee for the District of Delaware; (b) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (c) counsel to the DIP ABL Agent and the Prepetition ABL Agent; (d) counsel to the DIP Term Loan Agent; (e) co-counsel to the Consultant; (f) the United States Attorney’s Office for the District of Delaware; (g) the Internal Revenue Service; (h) the state attorneys general for all states in which the Debtors conduct business; (i) counsel to certain majority equity holders for Debtor Forever 21, Inc.; (j) Dispute Notice Parties; and (k) any party that requests service pursuant to Bankruptcy Rule 2002 by email (to the extent available to the Debtors) or overnight mail. With respect to Supplemental Closing Store Landlords, the Debtors will mail such notice to the notice address set forth in the lease for such Supplemental Closing Store (or, if none, at the last known address available to the Debtors) and to their counsel, if known.

49. The Debtors propose that the Supplemental Closing Store Landlords (each of whom will have already been served with this Motion and the Order) and any interested parties have seven days after service of the applicable Supplemental Closing Store List to object to the application of the Order to their Stores. If no timely objections are filed with respect to the application of the Order to an Additional Closing Store, then the Debtors should be authorized,

pursuant to sections 105(a) and 363(b) and (f) of the Bankruptcy Code, to proceed with conducting the Sales at the Additional Closing Store in accordance with the Order, the Store Closing Procedures, and the Consulting Agreement. If any objections are filed with respect to the application of the Order to an Additional Closing Store, and such objections are not resolved, the objections and the application of the Order to the Supplemental Closing Store will be considered by the Court at the next regularly scheduled omnibus hearing, subject to the rights of any party to seek relief on an emergency basis on shortened notice, to the extent necessary so that the Debtors can move promptly to maximize value and minimize expenses for the benefit of their creditors and stakeholders. *See In re Charming Charlie Holdings, Inc.*, No. 17-12906 (CSS) (Bankr. D. Del. Jan. 13, 2017) (approving procedures on an interim basis); *In re rue21, inc.*, No. 17-22045 (Bankr. W.D. Pa. May 18, 2017) (approving similar procedures for supplemental stores on an interim basis); *In re APP Winddown, LLC (f/k/a American Apparel, LLC)*, No. 16-12551 (Bankr. D. Del. Dec. 19, 2016) (approving similar procedures for supplemental stores on a final basis); *In re Golfsmith Int'l Holdings, Inc.*, No. 16-12033 (LSS) (Bankr. D. Del. Oct. 13, 2016) (same); *In re Orchard Supply Hardware Stores Corp.*, No. 13-11565 (CSS) (Bankr. D. Del. June 28, 2013) (same).

VIII. The Court Should Find that Any Sale of the Store Closure Assets Does Not Require the Appointment of a Consumer Privacy Ombudsman.

50. Section 363(b)(1) of the Bankruptcy Code provides that a debtor may not sell or release personally identifiable information about individuals unless such sale or lease is consistent with its policies or upon appointment of a consumer privacy ombudsman pursuant to section 332 of the Bankruptcy Code. The Debtors will not be selling or releasing personally identifiable information in the course of the Sales, although the Debtors request that the Consultant will be

authorized to distribute emails and promotional materials to the Debtors' customers. Therefore, appointment of a consumer privacy ombudsman is unnecessary.

The Requirements of Bankruptcy Rule 6003 Are Satisfied

51. Bankruptcy Rule 6003 empowers a court to grant relief within the first 21 days after the Petition Date "to the extent that relief is necessary to avoid immediate and irreparable harm." Fed. R. Bankr. P 6003. For the reasons discussed above, authorizing the Debtors to enter into the Consulting Agreement, approving store closing or similar themed sales in accordance with the Store Closing Procedures, and granting the other relief requested herein is integral to the Debtors' ability to transition their operations into these chapter 11 cases smoothly. Failure to receive such authorization and other relief during the first 21 days of these chapter 11 cases would severely disrupt the Debtors' operations at this critical juncture. For the reasons discussed herein, the relief requested is necessary in order for the Debtors to operate their business in the ordinary course, preserve the going concern value of the Debtors' operations and, maximize the value of their estates for the benefit of all stakeholders. Accordingly, the Debtors submit that they have satisfied the "immediate and irreparable harm" standard of Bankruptcy Rule 6003 to support granting the relief requested herein.

Reservation of Rights

52. Nothing contained in this Motion or any actions taken by the Debtors pursuant to relief granted in the Order is intended or shall be construed as: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Motion or any order granting the relief requested by this Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to

section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party in interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this Motion are valid and the Debtors and all other parties in interest expressly reserve their rights to contest the extent, validity, or perfection, or to seek avoidance of all such liens. If the Court grants the relief sought herein, any payment made pursuant to the Court's Order is not intended and should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's right to subsequently dispute such claim.

Waiver of Bankruptcy Rule 6004(a) and 6004(h)

53. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

Notice

54. The Debtors will provide notice of this Motion to: (a) the U.S. Trustee for the District of Delaware; (b) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (c) the administrative agent under the Debtors' prepetition revolving credit facility and the Debtors' proposed debtor in possession ABL financing facility and counsel thereto; (d) the administrative agent under the Debtors' proposed debtor in possession term loan facility and counsel thereto; (e) counsel to certain of the Debtors' landlords; (f) the United States Attorney's Office for the District of Delaware; (g) the Internal Revenue Service; (h) the state attorneys general for all states in which the Debtors conduct business; (i) counsel to certain majority equity holders for Debtor Forever 21, Inc.; (j) the landlords of the Closing Stores; and

(k) any party that requests service pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

No Prior Request

55. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, the Debtors respectfully request entry of the Order, substantially in the forms attached hereto as **Exhibit A**, (a) granting the relief requested herein and (b) granting such other relief as is just and proper.

Dated: October 1, 2019
Wilmington, Delaware

/s/ Laura Davis Jones

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Proposed Co-Counsel for the Debtors and Debtors in Possession

Exhibit A

Proposed Order

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

In re:)	
)	Chapter 11
FOREVER 21, INC., <i>et al.</i> , ¹)	Case No. 19-12122 (KG)
)	
Debtors.)	(Joint Administration Requested)
)	
)	Re: Docket No. _____

**ORDER (I) AUTHORIZING THE DEBTORS TO ENTER INTO
THE CONSULTING AGREEMENT, (II) APPROVING PROCEDURES
FOR STORE CLOSING SALES, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”) (a) authorizing the Debtors to enter into the Consulting Agreement, attached hereto as **Annex 1**, (b) authorizing and approving the Store Closing Procedures, attached hereto as **Annex 3**, with such sales to be free and clear of all liens, claims and encumbrances, (c) authorizing the Debtors to conduct the Store Closings, and (d) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration and the Store Closing Declaration; and this Court having jurisdiction over this matter 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 February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter an Order consistent with Article III of the United States Constitution; and this Court

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Forever 21, Inc. (4795); Alameda Holdings, LLC (2379); Forever 21 International Holdings, Inc. (4904); Forever 21 Logistics, LLC (1956); Forever 21 Real Estate Holdings, LLC (4224); Forever 21 Retail, Inc. (7150); Innovative Brand Partners, LLC (7248); and Riley Rose, LLC (6928). The location of the Debtors’ service address is: 3880 N. Mission Road, Los Angeles, California 90031.

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

having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided, as set forth herein; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY FOUND AND DETERMINED THAT:³

1. The Debtors have advanced sound business reasons for seeking to enter into the Consulting Agreement and adopt the Store Closing Procedures as set forth in the Motion and at the Hearing and entering into the Consulting Agreement is a reasonable exercise of the Debtors' business judgment and in the best interests of the Debtors and their estates.

2. The conduct of the Sales in accordance with the Store Closing Procedures will provide an efficient means for the Debtors to dispose of the Store Closure Assets.

3. The Consulting Agreement was negotiated, proposed, and entered into by the Consultant and the Debtors without collusion, in good faith, and from arm's-length bargaining positions.

4. Entry into the Consulting Agreement is a sound exercise of the Debtors' business judgment.

³ Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact where appropriate. *See* Fed. R. Bankr. P. 7052.

5. The relief set forth herein is necessary to avoid immediate and irreparable harm to the Debtors and their estates, and the Debtors have demonstrated good, sufficient, and sound business purposes and justifications for the relief approved herein.

6. The Store Closings and Sales are in the best interest of the Debtors' estates.

7. The Debtors have represented that they are neither selling nor leasing personally identifiable information pursuant to the Motion, although the Consultant will be authorized to distribute emails and promotional materials to the Debtors' customers.

8. The Consultant submitted a declaration identifying the Consultant's connections to certain creditors and parties in interest in these cases [Docket No. ____].

9. The entry of this Order is in the best interests of the Debtors and their estates, creditors, and interest holders and all other parties in interest herein; and now therefore

IT IS HEREBY ORDERED THAT:

10. The Motion is granted on a final basis as provided herein.

11. The Debtors are authorized and empowered to take any and all further actions as may be reasonably necessary or appropriate to give effect to this Order.

12. To the extent of any conflict between this Order, the Store Closing Procedures, and the Consulting Agreement, the terms of this Order shall control over all other documents and the Store Closing Procedures shall control over the Consulting Agreement.

13. Notwithstanding Bankruptcy Rule 6004(h), this Order shall take effect immediately upon its entry.

I. Authority to Enter into the Consulting Agreement.

14. Entry into the Consulting Agreement by the Debtors pursuant to section 363(b)(1) of the Bankruptcy Code is approved on a final basis. The Debtors are authorized to act and perform in accordance with the terms of the Consulting Agreement, including making payments required

by the Consulting Agreement to the Consultant, without the need for any application of the Consultant or a further order of the Court.

15. With respect to reasonable and documented costs and expenses incurred by the Consultant pursuant to the Consulting Agreement and fees due to the Consultant on account of services provided from the Petition Date through the date of entry of this Order, the Consultant shall be entitled to and shall receive reimbursement of such reasonable and documented costs and expenses incurred and fees earned pursuant to the Consulting Agreement without the need for any further application to or approval of the Court and/or compliance with any fee guidelines established by the Office of the United States Trustee. All such payments of fees and reimbursement of expenses shall be free and clear of any and all encumbrances.

16. Notwithstanding anything to the contrary in the Consulting Agreement, the Debtors and their estates shall not indemnify the Consultant except as may be provided in the Consulting Agreement.

II. Authority to Engage in Sales and Conduct Store Closings.

17. The Debtors are authorized, pursuant to sections 105(a) and 363(b)(1) of the Bankruptcy Code, but not directed, to immediately conduct Sales at the Closing Stores in accordance with this Order, the Store Closing Procedures, and the Consulting Agreement, as may be modified by a Side Letter (as defined below) between the Debtors and/or the Consultant and the landlords at the closing locations.

18. The Store Closing Procedures are approved in their entirety.

19. The Debtors are authorized, but not directed, to discontinue operations at the Closing Stores in accordance with this Order and the Store Closing Procedures.

20. All entities that are presently in possession of some or all of the Merchandise or FF&E in which the Debtors hold an interest that are or may be subject to the Consulting Agreement

or this Order hereby are directed to surrender possession of such Merchandise or FF&E to the Debtors or the Consultant.

21. Neither the Debtors nor the Consultant nor any of their officers, employees, or Consultants shall be required to obtain the approval of any third party, including, without limitation, any Governmental Unit (as defined in Bankruptcy Code section 101(27)) or landlord, to conduct the Sales and to take the related actions authorized herein.

III. Conduct of the Sales.

22. All newspapers and other advertising media in which the Sales may be advertised and all landlords are directed to accept this Order as binding authority so as to authorize the Debtors and the Consultant to conduct the Sales and the sale of Merchandise, FF&E, and Additional Consultant Goods pursuant to the Consulting Agreement, including, without limitation, to conduct and advertise the sale of the Merchandise, FF&E, and Additional Consultant Goods in the manner contemplated by and in accordance with this Order, the Store Closing Procedures, and the Consulting Agreement.

23. The Debtors and Consultant are hereby authorized to take such actions as may be necessary and appropriate to implement the Consulting Agreement and to conduct the Store Closings without necessity of further order of this Court as provided in this Order, the Consulting Agreement, or the Store Closing Procedures, including, but not limited to, advertising the sale as a “store closing sale,” “sale on everything,” “everything must go,” or similar-themed sales through the posting of signs (including the use of exterior banners at non-enclosed mall closing locations, and at enclosed mall closing locations to the extent the applicable closing location entrance does not require entry into the enclosed mall common area), use of signwalkers and street signage; *provided*, however, that only Debtor-approved terminology will be used at each Closing Store in connection with the Sales.

24. Notwithstanding anything herein to the contrary, and in view of the importance of the use of sign-walkers, banners, and other advertising to the sale of the Merchandise, FF&E, and Additional Consultant Goods, to the extent that disputes arise during the course of such sale regarding laws regulating the use of sign-walkers, banners or other advertising and the Debtors and the Consultant are unable to resolve the matter consensually, any party may request an immediate telephonic hearing with this Court pursuant to these provisions. Such hearing will, to the extent practicable, be scheduled initially within two (2) business days of such request. This scheduling shall not be deemed to preclude additional hearings for the presentation of evidence or arguments as necessary.

25. The Consultant is hereby authorized to include in the Sales Additional Consultant Goods in accordance with the terms and provisions of the Consulting Agreement.

26. All transactions relating to the Additional Consultant Goods are, shall be construed as, and are acknowledged by the Debtors to be a true consignment from Consultant to the Debtors under Article 9 of the Uniform Commercial Code in effect in the State of Delaware (the "UCC"). Consultant is hereby granted a first priority security interest in (i) the Additional Consultant Goods and (ii) the Additional Consultant Goods proceeds, which security interest shall be deemed perfected on an final basis pursuant to this Order without the requirement of filing UCC financing statements or providing notifications to any prior secured parties (provided that Consultant is hereby authorized to deliver any notices and file any financing statements and amendments thereof under the applicable UCC identifying Consultant's interest in the Additional Consultant Goods (and any proceeds from the sale thereof) as consigned goods thereunder and the Debtors as the consignee therefor, and Consultant's security interest in such Additional Consultant Goods and Additional Consultant Goods proceeds). As part of each weekly reconciliation, the Debtors shall

turnover all proceeds from the sale of Additional Consultant Goods to the Consultant, net of any fee payable to the Debtors pursuant to the Consulting Agreement.

27. Except as expressly provided in the Consulting Agreement, the sale of the Merchandise, FF&E, and Additional Consultant Goods shall be conducted by the Debtors and the Consultant notwithstanding any restrictive provision of any lease, sublease, restrictive covenant, or other agreement relative to occupancy affecting or purporting to restrict the conduct of the Store Closings or the Sales (including the sale of the Merchandise, FF&E, and Additional Consultant Goods) and the rejection of leases, abandonment of assets, or “going dark” provisions, and such provisions shall not be enforceable in conjunction with the Sales or the Store Closings. Breach of any such provisions in these chapter 11 cases in conjunction with the Store Closings or the Sales shall not constitute a default under a lease or provide a basis to terminate the lease; *provided that* the Store Closings and Sales are conducted in accordance with the terms of this Order and the Store Closing Procedures. The Consultant and landlords of the Closing Stores are authorized to enter into agreements (“Side Letters”) between themselves modifying the Store Closing Procedures and, for the avoidance of doubt, the terms of the applicable Sales, without further order of the Court, and such Side Letters shall be binding as among the Consultant and any such landlords. In the event of any conflict between the Store Closing Procedures, this Order, and any Side Letter, the terms of such Side Letter shall control.

28. Except as expressly provided for herein or in the Store Closing Procedures, and except with respect to any Governmental Unit (as to which paragraphs 40 and 41 shall apply), no person or entity, including, but not limited to, any landlord, licensor, service provider, utility, or creditor, shall take any action to directly or indirectly prevent, interfere with, or otherwise hinder consummation of the Sales or the sale of Merchandise, FF&E, and Additional Consultant Goods,

or the advertising and promotion (including the posting of signs and exterior banners or the use of signwalkers) of such Sales, and all such parties and persons of every nature and description, including, but not limited to, any landlord, licensor, service provider, utility, and creditor and all those acting for or on behalf of such parties, are prohibited and enjoined from (a) interfering in any way with, obstructing, or otherwise impeding, the conduct of the Sales and/or the Store Closings, and/or (b) instituting any action or proceeding in any court (other than this Court) or administrative body seeking an order or judgment against, among others, the Debtors, the Consultant, or the landlords at the Closing Stores that might in any way directly or indirectly obstruct or otherwise interfere with or adversely affect the conduct of the Sales or other liquidation sales at the Closing Stores and/or seek to recover damages for breach(es) of covenants or provisions in any lease, sublease, license, or contract based upon any relief authorized herein.

29. In accordance with and subject to the terms and conditions of the Consulting Agreement, the Consultant shall have the right to use the Stores and all related Store services, furniture, fixtures, equipment, and other assets of the Debtors for the purpose of conducting the Sales, free of any interference from any entity or person, subject to compliance with the Store Closing Procedures and this Order.

30. During the Sale Term, the Debtors shall be authorized to accept the Debtors' validly-issued gift certificates and gift cards that were issued by the Debtors prior to the Sale Commencement Date (as defined in the Consulting Agreement), in accordance with the Debtors' gift certificate and gift card policies and procedures as they existed on the Petition Date, and accept returns of Merchandise sold by the Debtors prior to the Sale Commencement Date; *provided* that such return is otherwise in compliance with the Debtors' return policies in effect as of the date

such item was purchased and the customer is not repurchasing the same item so as to take advantage of the sale price being offered by the Debtors in the Sales.

31. All sales of Store Closure Assets shall be “as is” and final. Returns related to the purchase of Store Closure Assets shall not be accepted at stores that are not participating in the Sales. However, as to the Closing Stores, all state and federal laws relating to implied warranties for latent defects shall be complied with and are not superseded by the sale of said goods or the use of the terms “as is” or “final sales.”

32. The Consultant shall not be liable for sales taxes except as expressly provided in the Consulting Agreement and the payment of any and all sales taxes is the responsibility of the Debtors. The Debtors are directed to remit all taxes arising from the Sales to the applicable Governmental Units as and when due, *provided* that in the case of a *bona fide* dispute the Debtors are only directed to pay such taxes upon the resolution of the dispute, if and to the extent that the dispute is decided in favor of the applicable Governmental Unit. For the avoidance of doubt, sales taxes collected and held in trust by the Debtors shall not be used to pay any creditor or any other party, other than the applicable Governmental Unit for which the sales taxes are collected. The Consultant shall collect, remit to the Debtors, and account for sales taxes as and to the extent provided in the Consulting Agreement. This Order does not enjoin, suspend, or restrain the assessment, levy, or collection of any tax under state law and does not constitute a declaratory judgment with respect to any party’s liability for taxes under state law.

33. Pursuant to section 363(f) of the Bankruptcy Code, the Consultant, on behalf of the Debtors, is authorized to sell Store Closure Assets free and clear of any and all liens, claims, encumbrances, and other interests as provided for herein because in each case, one or more of the standards set forth in section 363(f)(1)–(5) has been satisfied; *provided, however*, that any such

liens, claims, encumbrances, and other interests shall attach to the proceeds of the sale of the Store Closure Assets with the same validity, in the amount, with the same priority as, and to the same extent that any such liens, claims, and encumbrances have with respect to the Store Closure Assets, subject to any claims and defenses that the Debtors may possess with respect thereto and the Consultant's fees and expenses (as provided in the Consulting Agreement).

34. To the extent that the Debtors propose to sell or abandon FF&E that may contain personal and/or confidential information about the Debtors' employees and/or customers (the "Confidential Information"), the Debtors shall remove the Confidential Information from such items of FF&E before such sale or abandonment.

35. The Debtors are authorized and empowered to transfer Merchandise, FF&E, and Additional Consultant Goods among, and into, the Closing Stores. The Debtors are further authorized to sell the FF&E and abandon the same, in each case, as provided for and in accordance with the terms of the Consulting Agreement and this Order, including, but not limited to, Closing Store signage.

36. Notwithstanding this or any other provision of this Order, nothing shall prevent or be construed to prevent the Consultant (individually, as part of a joint venture, or otherwise) or any of its affiliates from providing additional services to and/or bidding on the Debtors' assets not subject to the Consulting Agreement pursuant to an Consulting Agreement or otherwise ("Additional Assets"). The Consultant (individually, as part of a joint venture, or otherwise) or any of its affiliates are hereby authorized to bid on, guarantee, or otherwise acquire such Additional Assets, or offer to provide additional services, notwithstanding anything to the contrary in the Bankruptcy Code or other applicable law, *provided* that such services guarantee, transaction, or acquisition is approved by separate order of this Court.

IV. Procedures Relating to Supplemental Closing Stores.

37. To the extent that the Debtors seek to conduct the Sales at any Supplemental Closing Store, the Store Closing Procedures and this Order shall apply to the Supplemental Closing Stores.

38. At least seven days prior to commencing the Sales at any Supplemental Closing Store, the Debtors will consult with the DIP ABL Agent and the DIP Term Loan Agent and file a list of such Supplemental Closing Stores with this Court (each, a “Supplemental Closing Store List”) and serve a notice of their intent to conduct the Sales at the Supplemental Closing Stores on the applicable landlords (the “Supplemental Closing Store Landlords”) and interested parties, including (a) the U.S. Trustee for the District of Delaware; (b) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (c) counsel to the DIP ABL Agent and the Prepetition ABL Agent; (d) counsel to the DIP Term Loan Agent; (e) co-counsel to the Consultant; (f) the United States Attorney’s Office for the District of Delaware; (g) the Internal Revenue Service; (h) the state attorneys general for all states in which the Debtors conduct business; (i) counsel to certain majority equity holders for Debtor Forever 21, Inc.; (j) the Dispute Notice Parties; and (k) any party that requests service pursuant to Bankruptcy Rule 2002, by email (to the extent available to the Debtors) or overnight mail. With respect to Supplemental Closing Store Landlords, the Debtors will mail such notice to the notice address set forth in the lease for such Supplemental Closing Store (or, if none, at the last known address available to the Debtors) and to counsel thereto, if known.

39. The Supplemental Closing Store Landlords and any interested parties shall have seven days after service of the applicable Supplemental Closing Store List to object to the application of this Order. If no timely objections are filed with respect to the application of this Order to a Supplemental Closing Store, the Debtors are authorized, pursuant to sections 105(a),

and 363(b) and (f) of the Bankruptcy Code, to proceed with conducting the Sales at the Supplemental Closing Store in accordance with this Order, the Store Closing Procedures, and the Consulting Agreement. If any objections are filed with respect to the application of this Order to a Supplemental Closing Store and such objections are not resolved, the objections and the application of this Order to the Supplemental Closing Store will be considered by the Court at the next regularly scheduled omnibus hearing, subject to the rights of any party to seek relief on an emergency basis on shortened notice, to the extent necessary.

V. Dispute Resolution Procedures with Governmental Units.

40. Nothing in this Order, the Consulting Agreement, or the Store Closing Procedures, releases, nullifies, or enjoins the enforcement of any liability to a governmental unit under environmental laws or regulations (or any associated liabilities for penalties, damages, cost recovery, or injunctive relief) to which any entity would be subject as the owner, lessor, lessee, or operator of the property after the date of entry of this Order. Nothing contained in this Order, the Consulting Agreement, or the Store Closing Procedures shall in any way (a) diminish the obligation of any entity to comply with environmental laws or (b) diminish the obligations of the Debtors to comply with environmental laws consistent with its rights and obligations as debtor in possession under the Bankruptcy Code. The Store Closings and the Sales shall not be exempt from laws of general applicability, including, without limitation, public health and safety, criminal, tax, labor, employment, environmental, antitrust, fair competition, traffic, and consumer protection laws, including consumer laws regulating deceptive practices and false advertising (collectively, "General Laws"). Nothing in this Order, the Consulting Agreement, or the Store Closing Procedures, shall alter or affect obligations to comply with all applicable federal safety laws and regulations. Nothing in this Order shall be deemed to bar any Governmental Unit (as such term is defined in section 101(47) of the Bankruptcy Code) from enforcing General Laws,

subject to the Debtors' rights to assert in that forum or before this Court that any such laws are not in fact General Laws or that such enforcement is impermissible under the Bankruptcy Code or this Order. Notwithstanding any other provision in this Order, no party waives any rights to argue any position with respect to whether the conduct was in compliance with this Order and/or any applicable law, or that enforcement of such applicable law is preempted by the Bankruptcy Code. Nothing in this Order shall be deemed to have made any rulings on any such issues.

41. To the extent that the sale of Merchandise, FF&E, or Additional Consultant Goods is subject to any Liquidation Sale Laws, including any federal, state or local statute, ordinance, or rule, or licensing requirement directed at regulating "going out of business," "store closing," similar inventory liquidation sales, or bulk sale laws, laws restricting safe, professional and non-deceptive, customary advertising such as signs, banners, posting of signage, and use of sign-walkers solely in connection with the sale and including ordinances establishing license or permit requirements, waiting periods, time limits, or bulk sale restrictions that would otherwise apply solely to the sale of the Merchandise, FF&E, or Additional Consultant Goods, the Dispute Resolution Procedures in this section shall apply:

- a. Provided that the Sales are conducted in accordance with the terms of the Order and the Store Closing Procedures, and in light of the provisions in the laws of many Governmental Units (as defined in the Bankruptcy Code) that exempt court-ordered sales from their provisions, the Debtors and the Consultant will be presumed to be in compliance with any Liquidation Sale Laws and are authorized to conduct the Sales in accordance with the terms of the Order and the Store Closing Procedures without the necessity of further showing compliance with any such Liquidation Sale Laws.
- b. Within five (5) business days after entry of the Order, the Debtors shall have served by email, facsimile, or first-class mail, copies of the Order, the Consulting Agreement, and the Store Closing Procedures on the following: (i) the landlords for the Closing Stores; (ii) the Attorney General's office for each state in which the Sales are being held; (iii) the county consumer protection agency or similar agency for each county in which the Sales are being held; and (iv) the division of consumer protection for each state in which the Sales are being held (collectively, the "Dispute Notice Parties").

- c. With respect to any Supplemental Stores, within five (5) business days after filing any Supplemental Closing Store List with the Court, the Debtors will serve by email, facsimile, or first-class mail, copies of the Order, the Consulting Agreement, the Store Closing Procedures, and the Supplemental Closing Store List on the Dispute Notice Parties.
- d. To the extent that there is a dispute arising from or relating to the Sales, the Order, the Consulting Agreement, or the Store Closing Procedures, which dispute relates to any Liquidation Sale Laws (a “Reserved Dispute”), the Court shall retain exclusive jurisdiction to resolve the Reserved Dispute. Any time within ten days following entry or service of any Supplemental Closing Store List, as applicable, any Governmental Unit may assert that a Reserved Dispute exists by sending a notice (the “Dispute Notice”) explaining the nature of the dispute to: (i) the Debtors, 3880 N. Mission Road, Los Angeles, California 90031, Attn: Scott Hampton (scott.hampton@Forever21.com); (ii) proposed counsel to the Debtors, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn: Joshua A. Sussberg, P.C. (jsussberg@kirkland.com) and Aparna Yenamandra (aparna.yenamandra@kirkland.com) and Kirkland & Ellis LLP, 300 North LaSalle Street, Chicago, Illinois 60654, Attn: Anup Sathy, P.C. (asathy@kirkland.com); (iii) proposed co-counsel to the Debtors, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, Delaware 19899-8705 (Courier 19801), Attn: Laura Davis Jones (ljones@pszjlaw.com), James E. O’Neill (jo’neill@pszjlaw.com), and Timothy P. Cairns (tcairns@pszjlaw.com); (iv) proposed special counsel to the Debtors, Montgomery McCracken Walker & Rhoads, 437 Madison Avenue, New York, NY 10022, Attn: Maura I. Russell; (v) co-counsel to the Consultant, Riemer & Braunstein LLP, Times Square Tower, Seven Times Square, Suite 2506, New York, New York 10036, Attn: Steven E. Fox (sfox@riemerlaw.com); (vi) co-counsel to the Consultant, Pepper Hamilton, LLP, Hercules Plaza, Suite 5100, 1313 N. Market Street, P.O. Box 1709, Wilmington, Delaware 19899-1709, Attn: Douglas Herrmann (herrmand@pepperlaw.com); (vii) the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Juliet M. Sarkessian (Juliet.M.Sarkessian@usdoj.gov); (viii) counsel to any statutory committee appointed in these chapter 11 cases; (iv) counsel to the administrative agent under the Debtors’ prepetition revolving credit facility and the Debtors’ proposed debtor in possession ABL financing facility, Morgan, Lewis & Bockius LLP, One Federal Street, Boston, Massachusetts 02110, Attn: Julia Frost-Davies (Julia.frost-davies@morganlewis.com) and Christopher L. Carter (christopher.carter@morganlewis.com) and Richards, Layton & Finger, PA, One Rodney Square, 920 North King St., Wilmington, Delaware 19801, Attn: Mark D. Collins (collins@rlf.com); and (x) counsel to the administrative agent under the Debtors’ proposed debtor in possession term loan facility, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn: Adam C. Harris

(adam.harris@srz.com), Frederic L. Ragucci (frederic.ragucci@srz.com), and Marc B. Friess (marc.friess@srz.com). If the Debtors, the Consultant, and the Governmental Unit are unable to resolve the Reserved Dispute within 15 days after service of the Dispute Notice, the Governmental Unit may file a motion with the Court requesting that the Court resolve the Reserved Dispute (a “Dispute Resolution Motion”).

- e. In the event that a Dispute Resolution Motion is filed, nothing in the Order shall preclude the Debtors, a landlord, or any other interested party from asserting (i) that the provisions of any Liquidation Sale Laws are preempted by the Bankruptcy Code, or (ii) that neither the terms of the Order nor the conduct of the Debtors pursuant to the Order violates such Liquidation Sale Laws. Filing a Dispute Resolution Motion as set forth herein shall not be deemed to affect the finality of the Order or to limit or interfere with the Debtors’ or the Consultant’s ability to conduct or to continue to conduct the Sales pursuant to the Order, absent further order of the Court. Upon the entry of the Order, the Court grants authority for the Debtors and the Consultant to conduct the Sales pursuant to the terms of the Order, the Consulting Agreement, and/or the Store Closing Procedures and to take all actions reasonably related thereto or arising in connection therewith. The Governmental Unit will be entitled to assert any jurisdictional, procedural, or substantive arguments it wishes with respect to the requirements of its Liquidation Sale Laws or the lack of any preemption of such Liquidation Sale Laws by the Bankruptcy Code. Nothing in the Order will constitute a ruling with respect to any issues to be raised in any Dispute Resolution Motion.
- f. If, at any time, a dispute arises between the Debtors and/or the Consultant and a Governmental Unit as to whether a particular law is a Liquidation Sale Law, and subject to any provisions contained in the Order related to the Liquidation Sale Laws, then any party to that dispute may utilize the provisions of subparagraphs (c) and (d) above by serving a notice to the other party and proceeding thereunder in accordance with those paragraphs. Any determination with respect to whether a particular law is a Liquidation Sale Law shall be made *de novo*.

42. Subject to paragraphs 40 and 41 above, each and every federal, state, or local agency, departmental unit, or Governmental Unit with regulatory authority over the Sales, and all newspapers and other advertising media in which the Sales are advertised shall consider this Order as binding authority that no further approval, license, or permit of any Governmental Unit shall be required, nor shall the Debtors or the Consultant be required to post any bond to conduct the Sales.

VI. Other Provisions.

43. The Consultant shall not be liable for any claims against the Debtors, and the Debtors shall not be liable for any claims against Consultant, in each case, other than as expressly provided for in the Consulting Agreement.

44. The Debtors shall not be required to comply with any state or local law requiring that the Debtors pay an employee substantially contemporaneously with his or her termination; *provided* that the Debtors shall pay any accrued wages to each terminated employee as expeditiously as possible and in no event later than the later of (a) such employee's next regularly scheduled payday or (b) 5 business days following the termination date for such employee.

45. Within thirty (30) days of the conclusion of the Store Closing Sales process, the Debtors shall file a summary report of such process that will include (i) the stores closed, (ii) gross revenue from Store Closure Assets sold, and (iii) gross revenue from FF&E sold.

46. On a confidential basis and for professionals' "eyes only" and upon the written (including email) request of the U.S. Trustee, the DIP ABL Agent, the DIP Term Loan Agent, or a committee of unsecured creditors, if any, the Debtors shall provide such requesting party, if any, with copies of periodic reports concerning the Sales that are prepared by the Debtors, their professionals or the Consultant, *provided* that the foregoing shall not require the Debtors, their professionals, or the Consultant to prepare or undertake to prepare any additional or new reporting not otherwise being prepared by the Debtors, their professionals, or the Consultant in connection with the Sales.

47. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, nothing in this Order shall be deemed: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity; (b) a waiver of the Debtors' or any other party in interest's right to dispute any particular claim on any grounds; (c) a promise or requirement

to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Order or the Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any other party in interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this Order are valid and the Debtors and all other parties in interest expressly reserve their rights to contest the extent, validity, or perfection or to seek avoidance of all such liens. Any payment made pursuant to this Order should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

48. Notwithstanding anything to the contrary contained herein, any payments made or to be made by the Debtors pursuant to the Consulting Agreement or under this Order, and any authorization contained in this Order, shall be in compliance with, and shall be subject to, any order approving the Debtors' postpetition financing facilities and/or use of cash collateral, and the documentation in respect of any such postpetition financing facilities.⁴

49. 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) and the Local Rules are satisfied by such notice.

⁴ Section 10.8 of the Consulting Agreement, requires that the parties negotiate language providing for the protection of the Consultant's Fees and Expenses on terms and conditions reasonably acceptable to each of the Consultant, the agent under the Debtors' proposed debtor in possession ABL financing facility, and the agent under the Debtors' proposed debtor in possession term loan facility. Such agreed upon language to be inserted here. Consultant reserves all rights pending agreement on satisfactory language.

50. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

51. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

52. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order or the Consulting Agreement, including, but not limited to, (a) any claim or issue relating to any efforts by any party or person to prohibit, restrict or in any way limit banner and sign-walker advertising, including with respect to any allegations that such advertising is not being conducted in a safe, professional, and non-deceptive manner, (b) any claim of the Debtors, the landlords and/or the Consultant for protection from interference with the Store Closings or Sales, (c) any other disputes related to the Store Closings or Sales, and (d) protect the Debtors and/or the Consultant against any assertions of any liens, claims, encumbrances, and other interests. No such parties or person shall take any action against the Debtors, the Consultant, the landlords, the Store Closings, or the Sales until this Court has resolved such dispute. This Court shall hear the request of such parties or persons with respect to any such disputes on an expedited basis, as may be appropriate under the circumstances.

Dated: _____, 2019
Wilmington, Delaware

UNITED STATES BANKRUPTCY JUDGE

Annex 1

Consulting Agreement

CONSULTING AGREEMENT

This Consulting Agreement, dated as of September 30, 2019 (this “Agreement”) is made by and between FOREVER 21, INC. and certain of its U.S. affiliates identified on Exhibit “A” annexed hereto (collectively, the “Company”) and a contractual joint venture comprised of GORDON BROTHERS RETAIL PARTNERS, LLC and HILCO MERCHANT RESOURCES, LLC, each a limited liability company organized under the laws of the state of Delaware, with a principal place of business located at 800 Boylston Street, 27th Floor, Boston, MA 02199 and 5 Revere Drive, Suite 206, Northbrook, IL 60062, respectively (together, the “Consultant”).

RECITALS:

WHEREAS, the Company desires to retain Consultant to provide consulting services to Company with respect to the disposition of the Merchandise and FF&E (each as defined below) and related products and services, in the context of a “Store Closing Sale”, “Total Inventory Blowout”, “Everything Must Go,” “Everything On Sale” and similar themed sale (the “Sale”) (but not as “going out of business” sales, or where prohibited by the Underlying Store Lease or applicable state or local law until such time as the Approval Order (as defined below) is entered, as “Store Closing” sales) at (i) some or all of the Company’s retail store locations identified on Exhibit A attached hereto (each individually, a “Store”, and collectively, the “Stores”; and (ii) certain other Company’s retail store locations of the Company (collectively, the “Additional Stores”) only to the extent designated by the Company as an Additional Designated Closing Location, following designation thereof in accordance with Section 6.1 hereof (each such Additional Designated Closing Locations, once designated, together with the Stores, a “Closing Location” and collectively, the “Closing Locations”).

WHEREAS, the Company commenced a Chapter 11 Proceeding in the United States Bankruptcy Court in the District of Delaware (the “Bankruptcy Court”) on September 29, 2019;

WHEREAS, Consultant is willing to serve as the Company’s consultant for the purpose of providing such consulting services, upon the terms and conditions and in the manner set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions

For the purposes of this Agreement, the terms listed below shall have the respective meanings indicated:

“Central Services” shall mean those central administrative services provided by Company that are necessary or appropriate for the conduct and support of the Sale, including, but not limited to, use and/or access to Company’s: (i) inventory control system, (ii) payroll system, (iii) accounting system, (iv) office facilities (including use of reasonably sized offices located at Company’s central office facility to effect the Sale), (v) central administrative services and personnel to process and perform sales audit, banking, accounting, sale and expense

reconciliation, and other normal course administrative services customarily provided to or for the benefit of operating the Closing Locations, (vi) no less than twice weekly email messages targeted to the customers of the Closing Locations, which email messages will be designed by Consultant (and approved by Company) and sent by Company or Company's existing service provider and (vii) such other central office services reasonably necessary or appropriate for the Sale.

"Consultant Incurred Expenses" shall mean the aggregate amount of (i) Supervisor Costs; (ii) advertising expenses (including direct media costs, agency fees and production costs) (collectively, "Advertising Costs"), and interior and exterior signage and sign walkers ("Signage Costs") used in connection with the Sale; (iii) reasonable and documented travel expenses for members of Consultant's team (excluding Supervisors) in an aggregate amount not to exceed \$10,000; (iv) Consultant's reasonable and documented general legal fees incurred in connection with the negotiation of this Agreement in an aggregate amount not to exceed \$25,000; provided, however, in addition to, and not as part of, such capped amount, Company shall also reimburse Consultant for its reasonable and documented legal fees and expenses incurred in connection with negotiating any "side letters" with landlords of the Stores; and (v) certain miscellaneous expenses, in each case in accordance with the budget of Consultant Incurred Expenses attached hereto as Exhibit B (the "Budget").

"Gross Sales" shall mean the sum of all proceeds derived from the sale of Merchandise during the Sale Term (excluding amounts paid for sales, excise, or gross receipts taxes); plus (i) all proceeds of fire, flood or other insurance covering the Merchandise, and (ii) the amount of any gift cards or merchandise credits redeemed at the Closing Locations during the Sale Term; provided, however, that it is expressly understood and agreed, that Gross Sales shall not include sales (i) made by or on behalf of Company prior to the Sale Commencement Date or after the Sale Termination Date, regardless of when the applicable Merchandise is delivered to or picked up by the customer(s); and (ii) at Additional Stores until such time as they become Additional Designated Closing Locations, and the Sale commences at such location, pursuant to Section 6.1 hereof.

"Lender Agent" shall mean JP Morgan Chase Bank, N.A., as administrative agent and collateral agent for itself and the other Lenders.

"Lenders" means those lenders under that certain Credit Agreement, dated as of March 7, 2017 (as amended, restated, supplemented or otherwise modified from time to time and in effect on the date hereof), by and among, among others, the Company, such lenders and the Lender Agent.

"Merchandise" shall mean all inventory that is owned by Company and actually sold in the Closing Locations during the Sale Term, the aggregate amount of which shall be determined using the gross rings inventory taking method, which may include inventory that (i) is located at, or in transit to the Closing Location as of the applicable Sale Commencement Date with respect to each such Closing Location; and/or (ii) is located at the Company's distribution centers and is earmarked for sale in the Closing Locations by the Company prior to the Sale Commencement Date as mutually agreed with Consultant; provided, however, the Company and the Consultant

agree that “Merchandise” shall expressly exclude: (1) goods which belong to sublessees, licensees or concessionaires of Company; (2) goods held by the Company on memo or consignment, unless otherwise agreed to by Company (in consultation with Lender Agent) and Consultant; (3) FF&E; (4) Additional Consultant Goods; and (5) goods sold in the Additional Stores until such time as they become Additional Designated Closing Locations, and the Sale commences at such location, pursuant to Section 6.1 hereof.

“Sale Commencement Date” shall mean the first day following entry of the Approval Order of the Bankruptcy Court approving this Agreement, but in no event later than October 31, 2019, except with respect an Additional Designated Closing Location, in which case the Sale Commencement Date shall be the first day following the Company’s designation of such Additional Store as an Additional Designated Closing Location and expiration of the notice period, if any, associated with such Additional Store Supplement, as provided in Section 6.1 below, unless otherwise mutually agreed between Company and Consultant.

“Sale Expenses” shall mean all expenses incurred in connection with and attributable to the Sale and the operation of the Stores during the Sale Term (including without limitation all Consultant Incurred Expenses and all other store-level and corporate expenses associated with the Sale such as payroll and occupancy).

“Sale Guidelines” shall mean the Sale Guidelines mutually agreed by Company and Consultant and annexed to the Store Closing Motion which shall serve as the guidelines under which the Sale shall be conducted.

“Sale Term” shall mean with respect to each Closing Location, the period of time beginning with the Sale Commencement Date and ending on the Sale Termination Date.

“Sale Termination Date” shall mean a date no later than December 31, 2019 (unless extended upon mutual agreement of Company and Consultant; or such earlier termination date(s) as determined by the Company and the Consultant; except with respect to an Additional Designated Closing Location, in which case, the Sale Termination Date shall be a date mutually agreed between Company and Consultant, which in any event shall be no later than the last date fixed by the Bankruptcy Court for the Company to assume or reject the lease for such Additional Designated Closing Location.

“Services” shall mean the services to be performed by Consultant pursuant to Section 2.2 of this Agreement.

“Store Employees” shall mean those employees of the Company retained by Company to conduct the Sale following consultation with Consultant; provided however that Company shall exercise commercially reasonable best efforts to ensure that there are sufficient Store Employees to reasonably conduct the Sale (as to number, and sales and management quality, with reference to Company’s historic practices and periods); provided, further that in the event Company nevertheless is unable to ensure that there are sufficient Store Employees to reasonably conduct the Sale (as to number, and sales and management quality, with reference to Company’s historic practices and periods), Company shall not be deemed in breach of this Agreement and Consultant shall reasonably and equitably increase the Budget (with the consent of Lender

Agent) to reflect the Consultant's need to obtain qualified temporary employees and/or additional supervisors to adequately staff the Closing Locations.

“Supervisor(s)” shall mean the individual(s) whom Consultant shall engage to provide Services in the Closing Locations to Company in connection with the Sale in accordance with Section 2.3 below.

“Supervisor Costs” shall mean the following customary costs and expenses incurred by Consultant with respect to Supervisors in accordance with the Budget,: (i) the weekly compensation paid during the Sale Term per Supervisor (which in each case represents Consultant's actual costs); (ii) reasonable and documented travel expenses of the Supervisors between Closing Locations during the Sale Term, and to and from the Closing Locations at the commencement and conclusion of the Sale (and reasonable travel to and from the Supervisors' homes during the Sale Term as is typical and customary in the liquidation industry); and (iii) Supervisor deferred compensation.

“Underlying Store Leases” shall mean all leases, occupancy agreements, reciprocal easement, license, or similar agreements pursuant to which Company has the right to occupy or utilize the Closing Locations.

2. Consulting Services

2.1 Company hereby retains Consultant and Consultant hereby agrees to serve as the exclusive independent consultant to the Company in connection with the conduct of the Sale as set forth herein. With respect to the Sale, Consultant shall serve as the sole and exclusive consultant to the Company relative to the conduct of the Sale at the Closing Locations throughout the Sale Term.

2.2 On the terms and conditions set forth herein, commencing as of the Sale Commencement Date, the Consultant shall provide the Company with the following Services with respect to the conduct of the Sale:

(i) provision of approximately [] qualified Supervisors to supervise and assist Company in its conduct of the Sale as further described in Section 2.3 below, including such lead, regional, financial, and field Supervisors as needed and agreed pursuant to the following sentence to assist Company in conducting the Sale and oversee the Sale process. All Supervisors shall have industry-specific experience conducting “Store Closing”, “Total Inventory Blowout”, “Everything on Sale”, or similarly themed sales and shall act in a professional manner; provided that the determination of the number of Supervisors supplied for the Sale shall be determined jointly by the Company and the Consultant;

(ii) provide the Company with such oversight, supervision and guidance with respect to the conduct of the Sale and the liquidation and disposal of the Merchandise and FF&E from the Closing Locations as may be required to maximize Gross Sales;

(iv) recommend and implement appropriate point of purchase, point of sale and external advertising to effectively sell the Merchandise during the Sale Term, consistent with the theme of the Sale and the Sale Guidelines, it being understood that the Sale will be advertised

as a “Total Inventory Blowout”, “Store Closing”, “Everything Must Go,” “Everything on Sale” or similar handles throughout the term of the Sale;

(v) advise the Company as to appropriate discounting of Merchandise, appropriate staffing levels for the Closing Locations, and appropriate deferred compensation and incentive programs for Store Employees;

(vi) oversee the display of Merchandise in the Closing Locations;

(vii) assist Company in the formulation and implementation of a loss prevention security program designed to protect the Merchandise from theft or other shortages;

(viii) assist Company with accounting functions for the Closing Locations, including evaluation of sales of Merchandise by category, sales reporting and monitoring of expenses, in each case using Company’s infrastructure;

(ix) recommend and implement the transfer and balancing of Merchandise between and among the Closing Locations to maximize results during the Sale;

(x) participate in weekly calls with representatives of the Company and Lender Agent;

(xi) provide such other related services deemed necessary or prudent by the Company (in consultation with Lender Agent) and as mutually agreed by the Consultant under the circumstances giving rise to the Sale; and

(xii) At Company’s election, from and after execution of this Agreement until the Sale Commencement Date, consult with Company with respect to the merchandising of the Closing Locations and other matters in preparation for the Sale (the “Pre-Sale Services”), including providing merchandising to maximize gross margin and minimize sales deterioration.

2.3 (a) In connection with the Sale, Consultant shall directly or indirectly retain and engage the Supervisors. The Supervisors are engaged by Consultant as independent contractors and are not and shall not be deemed to be employees or agents of Company in any manner whatsoever; nor do the Supervisors have any relationship with Company by virtue of this Agreement or otherwise which creates any liability or responsibility on behalf of Company for the Supervisors, except with respect to indemnification pursuant to Section 10.7 hereof. During the Sale Term, the Supervisors shall perform Services during normal Closing Location operating hours and for the period of time prior to the Closing Locations’ opening and subsequent to the Closing Locations’ closing, as required in connection with the Sale, in Consultant’s discretion.

(b) In consideration of Consultant’s engagement of the Supervisors, Company agrees to reimburse Consultant, as a Sale Expense, for the actual Supervisor Costs paid by Consultant for services rendered by the Supervisors during the Sale Term. Company shall reimburse Consultant for all Supervisor Costs weekly, based upon invoices or other documentation reasonably satisfactory to Company (in consultation with the Lender Agent). Company shall not be obligated to pay Supervisor Costs and/or Supervisor deferred compensation that have not been included in, or provided for, in the Budget.

2.4 Title to all Merchandise shall remain with Company at all times during the Sale Term until such Merchandise is sold. Although Consultant shall undertake its obligations under this Agreement in a manner designed to achieve the desired results of the Sale and to maximize the benefits to Company, Company expressly acknowledges that Consultant is not guaranteeing the results of the Sale or insuring the Merchandise. All sales of Merchandise in the Closing Locations shall be made on behalf of Company. Company further agrees that responsibility for the handling of any goods, inventory or other merchandise held by Company and located in the Closing Locations under any consignment, sale or return, or other similar agreement shall lie exclusively with Company, and Consultant shall have no responsibility with respect thereto.

3. Expenses; Consultant's Fees

3.1 Sale Expenses. The Company shall be responsible for all Sale Expenses (including without limitation, all Consultant Incurred Expenses) except solely for any specifically enumerated Consultant Incurred Expenses that exceed the aggregate budgeted amount for such Consultant Incurred Expenses set forth on the budget (the "Budget") annexed hereto and made a part hereof as Exhibit B (which Budget shall only be modified by mutual agreement of the Company, the Consultant and the Lender Agent); provided, that it being understood as between Consultant and the Company that the Budget has been prepared with the understanding that the Company shall be responsible to either advance to Consultant, or pay directly to the relevant vendor, all amounts incurred in respect to Sale-related signage expenses. In connection with the Sale and subject to the limitations set forth in the Budget as to Consultant Incurred Expenses, the Company shall be responsible for the payment of all expenses incurred in connection with the Sale, including without limitation all Sale Expenses (and Consultant shall not be responsible for any such expenses except as expressly provided for in Section 10.1 below). Consultant Incurred Expenses shall not exceed the aggregate amount of Consultant Incurred Expenses set forth on the Budget without the prior written consent of the Company and Lender Agent. The Company shall reimburse Consultant for any reasonable and documented Consultant Incurred Expense on a weekly basis in connection with the weekly Sale reconciliation provided for in Section 4.1 hereof upon presentation of invoices and statements for such expenses, which reimbursement or payment shall be in addition to any Base Consulting Fee, any Pre-Sale Fee or associated expenses, and/or FF&E Fee or FF&E Expenses (each as defined below) earned and payable hereunder.

3.2 Consultant's Compensation.

(a) Base Consulting Fee. In consideration of Consultant's provision of the Services provided for hereunder, Company shall pay to Consultant, from Gross Sales, a consulting fee in an amount equal to one and one-half percent (1.50%) of the Gross Sales at all of the Closing Locations (including any Additional Designated Closing Location(s) following exercise of the Additional Store Election (each as defined below))(the "Base Consulting Fee").

(b) Discretionary Fee Enhancement. In consideration of Consultant achieving results that are satisfactory to the Company, Consultant may, at its option, request that the Company approve an enhancement of the Base Consulting Fee in an amount up to one-half percent (0.50%) of the Gross Sales at all of the Closing Locations based on overall performance and performance in transitioning customers to Company's ongoing stores and on-line platform,

which enhancement shall be subject to the exclusive discretion of the Company, following consultation with the Lender Agent.

(c) Pre-Sale Services: In the event Company elects to receive Pre-Sale Services, Company shall pay Consultant a fee equal to \$20,000 per week (“Pre-Sale Fee”) from execution of this Agreement through the Sale Commencement Date, which fee shall be due and payable on Wednesday for the week prior. In addition to the Pre-Sale Fee, the Company shall reimburse Consultant for any expenses to be incurred in connection with the Pre-Sale Services in accordance with a budget to be mutually agreed upon by the Company and the Consultant (the “Pre-Sale Budget”) up to the aggregate amount set forth therein, which expenses shall be reimbursed to Consultant in addition to any Consultant Incurred Expenses and the Budget. Promptly following the execution of the Agreement, the Company shall obtain Bankruptcy Court approval to fund, and shall thereafter promptly fund, to Consultant \$75,000 (the “Special Purpose Payment”) which shall be held by Consultant until the Final Settlement (defined below). The Company shall not be entitled to apply the Special Purpose Payment to, or otherwise offset any portion of the Special Purpose Payment against, any weekly reimbursement, payment of fees, or other amount owing to Consultant under this Agreement prior to the Final Settlement. Without limiting any of Consultant’s other rights, Consultant may apply the Special Purpose Payment to any unpaid obligation owing by Company to Consultant under this Agreement. Any portion of the Special Purpose Payment not used to pay amounts contemplated by this Agreement shall be returned to Company within three days following the Final Settlement.

(c) For purposes of calculating Gross Sales, the Company shall keep (i) a strict count of gross register receipts less applicable sales taxes, and (ii) cash reports of sales within each Closing Location. Register receipts shall show for each item sold the retail price (as reflected on Company’s books and records) for such item, and the markdown or other discount granted by Consultant in connection with such sale. The Company shall make all such records and reports available to Consultant and the Lender Agent during regular business hours upon reasonable notice.

3.3 Fixtures Disposition. (a) In addition to the consulting Services provided for herein with respect to the sale of Merchandise, with respect to furniture, fixtures and equipment owned by Company and located at the Closing Locations (collectively, the “FF&E”), Consultant shall sell the FF&E in the Closing Locations for Company’s benefit. Consultant shall advertise in the context of advertising for the Sale that items of FF&E at Closing Locations are available for sale, and shall contact and solicit known purchasers and dealers of furniture and trade fixtures. In consideration of providing such services, Consultant shall retain 15.0% of the gross receipts (net only of applicable sales taxes) from all sales or other dispositions of FF&E (the “FF&E Fee”). In addition, Company shall reimburse Consultant for Consultant’s reasonable and documented out-of-pocket expenses incurred in connection with the sale or other disposition of the FF&E pursuant to a budget established by mutual agreement of the Company, the Consultant and the Lender Agent (the “FF&E Budget”).

(b) Consultant shall have no liability to Company or any third party for its failure to sell any or all of the FF&E, and shall have the right to abandon such unsold FF&E at the Closing Locations on the applicable Sale Termination Date, provided that such abandonment shall be done in a neat and orderly fashion.

4. Sale Proceeds; Weekly Settlement

4.1 The Company shall collect all proceeds of from the sale of Merchandise and FF&E (including all Gross Sales) and deposit the same in deposit accounts established by Company for the deposit thereof consistent with Company's existing cash management system (which may be Company's existing Store-level deposit accounts) (the "Sale Accounts"). The Company shall, upon request, deliver to Consultant and Lender Agent account statements and such other information relating sale of Merchandise and FF&E (including the Gross Sales and the Sale Accounts) reasonably requested by Consultant or Lender Agent. On Wednesday of each week, commencing on the first Wednesday following the Sale Commencement Date, the Company (in consultation with the Lender Agent) and the Consultant shall reconcile the results of the Sale for the prior week, including, without limitation, Gross Sales, sales of FF&E, Consultant Incurred Expenses, FF&E sale-related expenses, and all fees payable hereunder, including the Base Consulting Fee, the Pre-Sale Fee, if any, and the FF&E Fee, if any. The Company shall promptly pay all amounts due to Consultant for the previous week (subject to the limitations set forth in the Budget, the Pre-Sale Budget, and the FF&E Budget, as applicable).

4.2 No later than fourteen (14) business days following the end of the Sale Term, the Company (in consultation with the Lender Agent) and the Consultant shall complete a Final Settlement and settlement of all amounts contemplated by this Agreement ("Final Settlement"), including, without limitation, the determination and payment of any further fees due Consultant and all reimbursements and payments contemplated hereby (subject to the limitations set forth in the Budget, the Pre-Sale Budget, and the FF&E Budget).

5. Closing Location Employees

5.1 The Company and the Consultant shall cooperate to retain the employees of the Company (including Store Employees), as designated by Consultant from time-to-time, to be utilized to conduct the Sale at the Closing Locations during the Sale Term. Such employees shall remain employees of the Company, and Consultant shall have no liability to such employees (including, without limitation, all the Store Employees and any of Company's other current or former employees) of any kind or nature whatsoever, including, without limitation, with respect to severance pay, termination pay, vacation pay, pay in lieu of reasonable notice of termination, WARN Act payments, or any other costs, expenses, obligations, or liabilities arising from Company's or Company's employment or termination of such employees prior to, during, and subsequent to the Sale Term. Other than advising Company that Consultant no longer desires to utilize the services of any employee in connection with the Sale, Consultant shall not have the right to change the terms of employment of any employees.

6. Designation of Closing Locations.

6.1 At any time prior to the Sale Termination Date, or thereafter with the mutual consent of the Consultant, the Company shall have the right to designate one or more Additional Stores as a Closing Location for inclusion in the Sale (hereinafter, the "Additional Store Election"; and upon exercise of the Additional Store Election in the manner provided herein, each such Additional Store a "Additional Designated Closing Location", and collectively the "Additional Designated Closing Locations"); provided however, the aggregate number of

Closing Locations, including any Additional Designated Closing Locations, shall not exceed 276 unless the Consultant consents. The exercise by the Company of the Additional Store Election as to any Additional Designated Closing Location(s) shall be made by the Company, in its discretion (following consultation with the Lender Agent), by the filing of a written supplement with the Bankruptcy Court (any such supplement, a "Additional Store Supplement") and contemporaneous delivery of same to Consultant and service upon any affected lessor of an Additional Designated Closing Location(s). Each Additional Store Supplement shall identify the affected Additional Designated Closing Location(s) and provide notice of any applicable objection deadline with regard to the conduct of the Sale at such Additional Designated Closing Location(s). Any such Additional Designated Closing Locations included in the Sale shall be deemed to be Closing Locations hereunder, effective upon expiration of the notice period set forth in such Additional Store Supplement and occurrence of the Sale Commencement Date at such Additional Designated Closing Location(s). Upon the Company's exercise of the Additional Store Election with respect to an Additional Designated Closing Location(s): (i) the Company and the Consultant shall mutually agree upon the appropriate adjustments to the Budget and the FF&E Budget to account for the inclusion of the Additional Designated Closing Locations in the Sale.

6.2 The Company shall have the right to remove any Stores from Exhibit A (the "Store Removal Election"), which election shall be exercised no later than October 25, 2019, unless otherwise agreed between the Company and the Consultant, by providing written notice to the Consultant of its election to excluded certain of the Stores from the Sale (each a "Removed Store" and collectively, the "Removed Stores"). Once a Store is designated as a Removed Stores, it shall be excluded from the Sale, and the Company and the Consultant shall mutually agree upon the appropriate adjustments to the Budget and the FF&E Budget to account for the exclusion of such Removed Store(s) from the Sale; provided however, notwithstanding the designation of a location as a Removed Store, the Company reserves the right to, at a later date, designate such location as an Additional Designated Closing Locations, subject to the limitations set forth in Section 6.1 above.

7. Representations And Warranties

7.1 Representations And Warranties Of Consultant: Each party comprising the Consultant hereby represents, warrants and covenants in favor of Company as follows:

(a) Consultant has taken all necessary action required to authorize the execution, performance and delivery of this agreement, and to consummate the transactions contemplated hereby.

(b) Upon execution by the parties hereto, this Agreement is a valid and binding obligation of Consultant enforceable in accordance with its terms.

(c) No action or proceeding has been instituted or, to Consultant's knowledge, threatened, affecting the consummation of this Agreement or the transactions contemplated herein.

(d) Consultant will comply with and act in accordance with any and all applicable state and local laws, rules and regulations and other legal obligations of all governmental authorities and the terms/restrictions of the Underlying Store Leases, except as otherwise provided in the Approval Order or in any other order of the Bankruptcy Court.

7.2 Representations And Warranties Of Company: The Company hereby represents, warrants and covenants in favor of Consultant as follows:

(a) Company has taken all necessary action required to authorize its execution, performance and delivery of this Agreement, and to consummate the transactions contemplated hereby.

(b) Upon execution by the parties hereto, this Agreement is a valid and binding obligation of the Company enforceable in accordance with its terms, subject only to any applicable bankruptcy, insolvency or similar laws affecting the rights of creditors generally and the availability of equitable remedies.

(c) No action or proceeding has been instituted or, to Company's knowledge, threatened, affecting the consummation of this Agreement or the transactions contemplated herein.

(d) Company has maintained its pricing files in the ordinary course of business, and prices charged to the public for goods are the same in all material respects as set forth in such pricing files for the periods indicated therein, and all pricing files, records, and information received by Consultant are true and accurate in all material respects.

8. Affirmative Duties Of Consultant

8.1 To the extent necessary, and except as provided in the Approval Order, Consultant shall assist Company in obtaining all required permits and governmental consents required in order to conduct the Sale, and shall ensure that the Sale is conducted in accordance with all applicable laws, regulations and ordinances.

8.2 The Consultant shall indemnify and hold Company and its affiliates, and their respective officers, directors, employees, agents, lenders and independent contractors (collectively, "Company Indemnified Parties"), harmless from and against all claims, demands, penalties, losses, liability or damage, including, without limitation, reasonable attorneys' fees and expenses, directly or indirectly asserted against, resulting from, or related to:

(i) Consultant's material breach or material failure of or failure to comply with any of its agreements, covenants, representations or warranties contained herein or in any written agreement entered into in connection herewith;

(ii) any harassment or any other unlawful, tortious or otherwise actionable treatment of any employees or agents of Company (including, without limitation, any Store Employees) by Consultant or any of Consultant's representatives (including, without limitation, any Supervisor);

(iii) any claims by any party engaged by Consultant as an employee or independent contractor (including, without limitation, any Supervisor) arising out of such employment or engagement; except where due to the negligence or willful misconduct of Company or Company Indemnified Parties or from a breach of the terms hereof by Company; and

(iv) the negligence or willful misconduct of Consultant or any of its officers, directors, employees, agents or representatives, or any Supervisor.

8.3 In connection with the Sale, and subject to compliance with applicable law (or if and when applicable, the Approval Order) and consent of the Company, Consultant shall have the right, at Consultant's sole cost and expense, to supplement the Merchandise in the Sale with additional goods procured by Consultant which are of like kind, and no lesser quality to the Merchandise in the Sale ("Additional Consultant Goods"). The Additional Consultant Goods shall be purchased by Consultant as part of the Sale, and delivered to the Closing Locations at Consultant's sole expense (including labor, freight and insurance relative to shipping such Additional Consultant Goods to the Closing Locations). Sales of Additional Consultant Goods shall be run through Company's cash register systems; provided, however, that Consultant shall mark the Additional Consultant Goods using either a "dummy" SKU or department number, or in such other manner so as to distinguish the sale of Additional Consultant Goods from the sale of Merchandise. Consultant and Company shall also cooperate so as to ensure that the Additional Consultant Goods are marked in such a way that a reasonable consumer could identify the Additional Consultant Goods as non-Company goods. Additionally, Consultant shall provide signage in the Closing Locations notifying customers that the Additional Consultant Goods have been included in the Sale. Absent Company's written consent, and Consultant's agreement to reimburse Company for any associated expenses, Consultant shall not use Company's distribution centers for any Additional Consultant Goods.

(B) Consultant shall pay to Company an amount equal to five percent (5.0%) of the gross proceeds (excluding sales taxes) from the sale of the Additional Consultant Goods (the "Additional Consultant Goods Fee"), and Consultant shall retain all remaining amounts from the sale of the Additional Consultant Goods. Consultant shall pay Company its Additional Consultant Goods Fee in connection with the Final Settlement with respect to sales of Additional Consultant Goods sold by Consultant during the Sale Term (or at such other mutually agreed upon time).

(C) Consultant and Company intend that the transactions relating to the Additional Consultant Goods are, and shall be construed as, a true consignment from Consultant to Company in all respects and not a consignment for security purposes. Subject solely to Consultant's obligations to pay to Company the Additional Consultant Goods Fee, at all times and for all purposes the Additional Consultant Goods and their proceeds shall be the exclusive property of Consultant, and no other person or entity shall have any claim against any of the Additional Consultant Goods or their proceeds. The Additional Consultant Goods shall at all times remain subject to the exclusive control of Consultant.

(D) Company shall, at Consultant's sole cost and expense, insure the Additional Consultant Goods and, if required, promptly file any proofs of loss with regard to same with

Company's insurers. Consultant shall be responsible for payment of any deductible (but only in relation to the Additional Consultant Goods) under any such insurance in the event of any casualty affecting the Additional Consultant Goods.

(E) Company acknowledges that the Additional Consultant Goods shall be consigned to Company as a true consignment under Article 9 of the Uniform Commercial Code (the "UCC"). Consultant is hereby granted a first priority security interest in and lien upon (i) the Additional Consultant Goods and (ii) the Additional Consultant Goods proceeds less the Additional Consultant Goods Fee, and Consultant is hereby authorized to file UCC financing statements and provide notifications to any prior secured parties.

9. Bankruptcy Matters

This Agreement shall be subject to the Company obtaining the Approval Order of the Bankruptcy Court having jurisdiction over the Company's bankruptcy proceedings, in form and substance reasonably satisfactory to Consultant, granting the relief requested in the Store Closing Motion, as further provided in Section 10.8 hereof.

10. Affirmative Duties Of Company

10.1 Company shall be solely liable for, and shall pay when due (except as provided in this section 10.10.1) the following: (i) all Store-level operating expenses, Central Service expenses, and related expenses (including, without limitation, Sale Expenses and FF&E sale-related expenses, but excluding (x) Consultant Incurred Expenses in excess of the amounts set forth in the Budget (unless otherwise agreed to by Company and Lender Agent in writing) and (y) FF&E expenses in excess of the amounts set forth on the FF&E Budget (unless otherwise agreed to by Company and Lender Agent in writing), which are necessary to conduct, or incurred in the conduct of, the Sale or Company's businesses, including, without limitation, all taxes, costs, expenses, accounts payable and other liabilities relating to the Sale, the Closing Locations, Store Employees, any other agents and representatives of Company, and/or Company's businesses; and (ii) Consultant's fees payable hereunder, including the Base Consulting Fee, Pre-Sale Fee, if any, and the FF&E Fee; provided; however, that, Consultant shall be solely responsible to fund any Consultant Incurred Expenses in excess of the aggregate amount of such costs as reflected on the Budget, and any FF&E expenses in excess of the aggregate amount set forth on the FF&E Budget; provided, further, that Consultant shall be solely responsible for all Supervisor Costs (subject to reimbursement by the Company in accordance with Section 2.3 as Consultant Incurred Expenses).

10.2 Company shall prepare and process all reporting forms, certificates, reports and other documentation required in connection with the payment of all applicable taxes to the appropriate taxing authorities; and Company shall pay the same when due. Consultant shall provide all assistance reasonably required or requested by Company in connection with the preparation and processing of any such reporting forms, certificates, reports and other documentation required in connection with the payment of all applicable taxes to the appropriate taxing authorities.

10.3 Without limiting any other term or provision of this Agreement, during the Sale Term, Company shall provide Consultant, with (i) Central Services; (ii) employees at the Closing Locations necessary or appropriate to implement and conduct the Sale, and (iii) peaceful use and occupancy of, and reasonable access (including reasonable before and after hours access and normal utilities/phone service) to, the Closing Locations and Company's corporate offices for the purpose of preparing for, conducting, and completing the Sale as contemplated hereby.

10.4 The Company and the Consultant shall honor gift cards and merchandise credits at the Closing Locations in accordance with store-level operation procedures to be mutually agreed upon between Company, the Lender Agent, and the Consultant. No gift cards shall be sold from the Closing Locations during the Sale Term.

10.5 Company shall collect all sales, excise, or gross receipts taxes and shall be solely responsible for reporting and paying the same to the appropriate taxing authorities in accordance with applicable law; provided that Consultant shall provide all assistance reasonably required or requested by Company in connection with the preparation and processing of any such reports, forms, certificates, and other documentation required in connection with the payment of all applicable taxes to the appropriate taxing authorities.

10.6 During the first thirty (30) days after entry of the Approval Order, and subject to the entry thereof, the Company and the Consultant shall accept returns of inventory ("Returned Merchandise") sold and delivered to customers prior to the Sale Commencement Date in a manner consistent with Company's customary practices and policies in effect on the Sale Commencement Date. All customer requests for cash refunds or merchandise credits with regard to sales completed prior to the Sale Commencement Date shall be processed exclusively through Company's point of sale system. All Returned Merchandise, to the extent it is not defective, shall be included as Merchandise. No returns shall be accepted or allowed following the thirtieth (30th) day of the Sale Term.

10.7 Company shall indemnify and hold the Consultant and its affiliates, and their respective officers, directors, employees, agents and independent contractors (collectively, "Consultant Indemnified Parties"), harmless from and against all claims, demands, penalties, losses, liability or damage, including, without limitation, reasonable attorneys' fees and expenses, directly or indirectly asserted against, resulting from, or related to:

(i) Company's material breach or material failure of or failure to comply with any of its agreements, covenants, representations or warranties contained herein or in any written agreement entered into in connection herewith;

(ii) any failure of Company to pay to its employees any wages, salaries or benefits due to such employees during the Sale Term;

(iii) any consumer warranty or products liability claims relating to any Merchandise;

(iv) any liability or other claims asserted by customers, any of Company's employees, or any other person against any Consultant Indemnified Party (including, without

limitation, claims by employees arising under collective bargaining agreements, worker's compensation or under the WARN Act); except where due to the negligence or willful misconduct of Consultant or from a breach of the terms hereof by Consultant;

(v) any harassment or any other unlawful, tortious or otherwise actionable treatment of any employees, agents, or representatives of Consultant (including, without limitation, any Supervisors) by Company or any of Company's employees, agents, or representatives (including, without limitation, any Company employees); and

(vi) the negligence or willful misconduct of Company or any of its officers, directors, employees, agents or representatives.

10.8 No later than two days after the later of (i) execution of this Agreement and (ii) the filing of the Bankruptcy Case, the Company shall file a motion (the "Store Closing Motion") seeking entry of an order of the Bankruptcy Court pursuant to sections 363(b) and 365 of the United States Bankruptcy Code (and not pursuant to sections 327, 328, 330, or 331 thereof) with terms acceptable to both Company and Consultant, among other things: (a) approving this Agreement, (b) approving the Company's retention and employment of Consultant to perform the services contemplated by this Agreement, (c) authorizing Company's conduct of the Sale, without necessity to comply with state and local laws, rules and regulations, including, but not limited to, licensing requirements, purporting to restrict the conduct of the Sale (but subject to conduct of the Sale in accordance with the Sale Guidelines), (d) approving the Sale Guidelines, (e) authorizing Company's conduct of the Sale notwithstanding any restrictive provisions in any Underlying Store Leases or occupancy agreement that purport to preclude or restrict the conduct of the Sale at the Closing Locations or the necessity of obtaining any third party consents, (f) authorizing Company's payment of any earned Base Consulting Fee, Pre-Sale Fee, if any, and/or FF&E Fee, if any, to Consultant, and further authorizing Company's reimbursement to Consultant of any Consultant Incurred Expenses or other amounts that may be advanced by Consultant on Company's behalf, (g) providing that the payment of all fees and reimbursement of expenses hereunder to Consultant is approved without further order of the court and shall be free and clear of all liens, claims and encumbrances, (h) all such payments of fees and reimbursement of expenses shall be made on a weekly basis without further order of the Bankruptcy Court and otherwise in accordance with this Agreement, (i) providing for the protection of the Consultant's Fees and Expenses on terms and conditions reasonably acceptable to each of the Consultant, the agent under the Debtors' proposed debtor in possession ABL financing facility, and the agent under the Debtors' proposed debtor in possession term loan facility, and (j) such other terms and provisions as may be necessary or appropriate to facilitate the conduct of the Sale (the "Approval Order"). The Company shall exercise reasonable best efforts to have the Approval Order entered on or prior to October 30, 2019. In the event the Approval Order is not entered by the Bankruptcy Court or does not include the terms and conditions contained herein, (1) Company shall reimburse Consultant for any Consultant Incurred Expenses incurred in connection with the Sale through and including the day immediately after denial of such motion by the Bankruptcy Court; and (2) Consultant may, in its sole discretion, elect to terminate this Agreement. From and after entry of the Approval Order, Consultant shall conduct the Sale in accordance with the terms of the Approval Order in all material respects. Further, subject to prior consent of the Company, Consultant shall have the right to syndicate and partner with additional entities to serve as "Consultant" hereunder as to

this Agreement and as to any similar agreements, including with respect to Company's Canadian affiliate. The Bankruptcy Court shall have exclusive jurisdiction to resolve any issues arising under this Agreement. In such event, any legal action, suit or proceeding arising in connection with this Agreement shall be submitted to the exclusive jurisdiction of the Bankruptcy Court having jurisdiction over Company, and each Party hereby waives any defenses or objections based on lack of jurisdiction, improper venue, and/or *forum non conveniens*.

10. Insurance; Risk of Loss

10.1 Company shall maintain throughout the Sale Term, (i) insurance with respect to the Merchandise at the Closing Locations and any storage facility in amounts and on such terms and conditions as are consistent with Company's ordinary course operations and (ii) casualty and liability insurance policies (including, but not limited to, product liability, comprehensive public liability insurance and auto liability insurance) covering injuries to persons and property in or in connection with the operation of the Closing Locations, and shall cause Consultant to be listed as an additional insured with respect to all such policies, and as loss payee for the property insurance. Company shall be responsible for the payment of all deductibles, self-insurance and other amounts payable in connection with any claim asserted under such policies, except for any claims arising directly from the negligence or willful misconduct of Consultant, or its employees, representatives, agents or Supervisors.

10.2 Consultant shall maintain, throughout the Sale Term, liability insurance policies (including, but not limited to, comprehensive general liability and auto liability insurance) covering injuries to persons and property in or in connection with Consultant's provision of Services at the Closing Locations, and shall cause Company to be named an additional insured with respect to such policies.

10.3 Notwithstanding any other provision of this Agreement, the Company and the Consultant agree that Company shall bear all responsibility for liability claims (product liability and otherwise) of customers, employees and other persons arising from events occurring at the Closing Locations before, during and after the Sale Term, except to the extent any such claim arises from the negligence, willful misconduct, or unlawful acts of the Consultant or any Supervisor engaged by Consultant under the terms of this Agreement.

11. Miscellaneous

11.1 Any notice or other communication under this Agreement shall be in writing and may be delivered personally or sent by facsimile or by prepaid registered or certified mail, addressed as follows:

- (i) In the case of Consultant:

GORDON BROTHERS RETAIL PARTNERS, LLC
Prudential Tower
800 Boylston Street
Boston, MA 02119
Attn: Mackenzie Shea
Tel: 617.422.6519
Email: mshea@gordonbrothers.com

HILCO MERCHANT RESOURCES, LLC
5 Revere Drive, Suite 206
Northbrook, IL 60062
Attention: Ian S. Fredericks
Tel: (847) 418-2075
Fax: (847) 897-0859
Email: ifredericks@hilcoglobal.com

(ii) In the case of Company:

Forever 21, Inc.
3880 N. Mission Road
Los Angeles, CA 90031
Attn: Brad Sell
Email: brad.s@forever21.com

With copies to:

KIRKLAND & ELLIS LLP
601 Lexington Avenue
New York, NY 10022
Attn: Aparna Yenamandra
Ciara Foster
Email: aparna.yenamendra@kirkland.com
Ciara.foster@kirkland.com

MONTGOMERY MCCracken WALKER & RHOADS, LLP
437 Madison Avenue – 24th Floor
New York, NY 10022
Attn: Maura I. Russell
Email: mrussell@mmwr.com

11.2 Governing Law. This Agreement shall be governed by and interpreted in accordance with the internal laws of the State of Delaware, without reference to any conflict of laws provisions.

11.3 Severability. In the event any term or provision contained within this Agreement shall be deemed illegal or unenforceable, then such offending term or provision shall be considered deleted from this Agreement and the remaining terms shall continue to be in full force and effect.

11.4 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect of the subject matter hereof and supersedes all prior negotiations and understandings, and can only be modified by a writing signed by the Company (with the consent of the Lender Agent) and the Consultant.

11.5 Assignment. Neither Company nor Consultant shall assign this Agreement without the express written consent of the other. This Agreement shall inure to the benefit of, and be binding upon, the parties and their respective successors and permitted assigns. The Lender Agent and the Lenders shall be third party beneficiaries of this Agreement.

11.6 Counterparts. This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts, together, shall constitute one and the same instrument. Delivery by facsimile of this Agreement or an executed counterpart hereof shall be deemed a good and valid execution and delivery hereof or thereof.

11.7 Independent Contractor. Nothing contained herein shall be deemed to create any relationship between the Company and the Consultant other than that of an independent contractor. It is stipulated that the parties are not partners or joint venturers.

11.8 Termination. This Agreement shall terminate upon the completion and approval of the Final Settlement (as provided in Section 4.2 above); provided, however, that either party may terminate this Agreement in the event that the other commits a material breach or material failure of its obligations hereunder. If either party seeks to terminate this Agreement by reason of a claim of a material breach or material failure, such party shall provide the other party with not less than five (5) days' prior written notice stating with specificity the nature of the claimed material breach or material failure, and the party receiving such notice shall have five (5) business days in which to cure such material breach or material failure, failing which this Agreement shall be deemed terminated. In the event this Agreement is terminated by Consultant on account of a material breach or material failure by Company, Consultant shall be entitled to be paid any Base Consulting Fee, any Pre-Sale Fee, if any, and the FF&E Fee earned and accrued through the date of termination, together with reimbursement of any Consultant Incurred Expenses or FF&E sale-related expenses incurred in conformity with the Budget and FF&E Budget, respectively, through the date of such termination.

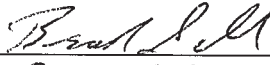
11.9 Confidentiality. All information of a business nature relating to the pricing, sales, promotions, marketing, assets, liabilities or other business affairs of Company, its customers, parent, subsidiary or other affiliated entities in relation to the Sale shall be subject to the existing confidentiality agreement between the Company and Consultant.

11.10 Force Majeure. If any casualty or act of God, war, or terrorism prevents or substantially inhibits the conduct of business in the ordinary course at any Closing Location(s), then the subject location(s) and the remaining Merchandise located thereat shall be eliminated from the Sale and considered to be deleted from this Agreement as of the date of such event, and Consultant and shall have no further rights or obligations hereunder with respect thereto; provided, however, that the proceeds of any insurance attributable to Merchandise or proceeds from business interruption insurance shall constitute proceeds of the Sale hereunder for purposes of calculating Gross Sales and the Base Consulting Fee.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the Company and the Consultant have executed this Agreement or caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first written above.

**FOREVER 21, INC.
On Behalf Of Itself and Its
Affiliates Identified On Exhibit "A"**

By: 
Name: BRAD SELL
Its: CFO

GORDON BROTHERS RETAIL PARTNERS, LLC

By: _____
Name:
Its:

-and-

HILCO MERCHANT RESOURCES, LLC

By: _____
Name:
Its:

Exhibits

Exhibit A-Company affiliates

Exhibit 1A-Stores


Exhibit B-Budget of Consultant Incurred Expenses

IN WITNESS WHEREOF, the Company and the Consultant have executed this Agreement or caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first written above.

FOREVER 21, INC.
On Behalf Of Itself and Its
Affiliates Identified On Exhibit "A"

By: _____
Name:
Its:

GORDON BROTHERS RETAIL PARTNERS, LLC

By: 
Name: *Richard Edwards*
Its: *CO President Retail*

-and-

HILCO MERCHANT RESOURCES, LLC

By: _____
Name:
Its:

Exhibits
Exhibit A-Stores
Exhibit B-Budget of Consultant Incurred Expenses
2546076.1

IN WITNESS WHEREOF, the Company and the Consultant have executed this Agreement or caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first written above.

**FOREVER 21, INC.
On Behalf Of Itself and Its
Affiliates Identified On Exhibit "A"**


By: _____
Name:
Its:

GORDON BROTHERS RETAIL PARTNERS, LLC

By: _____
Name:
Its:

-and-

HILCO MERCHANT RESOURCES, LLC

By:  _____
Name: Sarah Baker
Its: VP & AGC, Managing Member

Exhibits

Exhibit A-Stores

Exhibit B-Budget of Consultant Incurred Expenses

2546076.1

EXHIBIT A

Exhibit A
List of Company Affiliates

Forever 21, Inc.
Alameda Holdings, LLC
Forever 21 International Holdings, Inc.
Forever 21 Logistics, LLC
Forever 21 Real Estate Holdings, LLC
Forever 21 Retail, Inc.
Innovative Brand Partners, LLC
Riley Rose, LLC

EXHIBIT 1A

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
271	Soho	Allied Partners	568 Broadway, New York, NY 10012	Forever 21 Retail, Inc.	Store Lease	568 Broadway, New York, NY 10012
3533	Del Monte Shopping Ctr	American Assets Trust	1500 Del Monte Center, Monterey, CA 93940	Forever 21 Retail, Inc.	Store Lease	1500 Del Monte, Monterey, CA 93940
356	Lincoln Park	Arcadia Realty for 865 West North Avenue LLC	865 West North Avenue LLC, White Plains, NY 10605	Forever 21 Retail, Inc.	Store Lease	865 W. North Ave., Chicago, IL 60642
677	Kildeer Village Square (F21 RED)	Bond Companies	One Bowerman Drive, Beaverton, OR 97005-6453	Forever 21 Retail, Inc.	Store Lease	20393 N. Rand Road, Ste 126, Kildeer, IL 60074
2133	PALLADIO	BROADSTONE LAND, LLC	340 Palladio Parkway, Suite 521, Folsom, CA 95630-8574	Forever 21 Retail, Inc.	Store Lease	410 Palladio Pkwy., Space 1941, Folsom, CA 95630
5101	Altamonte Springs Mall	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	451 E Altamonte Drive #2329, Altamonte Springs, FL 32701
5102	Towson Town Center	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	825 Dulaney Valley rd., Space #3025, Towson, MD 21204
5104	Mayfair Mall	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	2500 Mayfair Road #0208, Wauwatosa, WI 53226
5105	Pembroke Pines	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	11401 Pines Blvd , Pembroke, FL 33026
5106	Stonebriar Centre	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	2601 Preston Road, Space #2148, Frisco, TX 75034
5108	Glendale Galleria	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	100 W. Broadway Ste E005, Glendale, CA 91210
5109	Water Tower Place	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	835 N Michigan Avenue, Chicago, IL 60611
5110	Kenwood Center	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	7875 Montgomery Rd, #2435, Cincinnati, OH 45236
651	Huntington Mall (F21 RED)	Cafaro Company	2445 Belmont Avenue, Youngstown , OH 44504	Forever 21 Retail, Inc.	Store Lease	500 Mall Rd. Suite 603, Barboursville, WV 25504
155	Eastwood Mall	Cafaro Company	2445 Belmont Avenue, Youngstown, OH 44504	Forever 21 Retail, Inc.	Store Lease	5555 Youngstown Warren Road, Suite #412, Niles, OH
738	The Americana at Brand	Caruso	1114 Avenue of the Americas, New York, NY 11036	Forever 21 Retail, Inc.	Store Lease	899 Americana Way, Glendale, CA 91210

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
341	West Towne Mall	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	229 West Towne Mall #E16, Madison, WI 53719
633	Juban Crossing (F21 RED)	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	27853 Juban Rd., Denham Springs, LA 70726
372	Cool Springs Galleria	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	1800 Galleria Blvd, Ste #2520, Franklin, TN 37067
365	Mall of Acadiana	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	5725 Johnston St, Space #D- 164, Lafayette, LA 70503
331	Cross Creek Mall	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	425 Cross Creek Mall #TA-04, Fayetteville, NC 28303
770	West County Center	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	9 West County Center, Des Peres, MO 63131
277	Monroeville Mall	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	266 Monroeville Mall, Suite 226, Monroeville, PA 15146
434	The River at Rancho Mirage	CBRE	2601 Main Street , Irvine , CA 92614	Forever 21 Retail, Inc.	Store Lease	71800 Highway 111 Suite #B19, Rancho Mirage, CA
3520	Chico Mall	Centenial	900 Michigan Avenue, Chicago, IL 60611	Forever 21 Retail, Inc.	Store Lease	1960 East 20th St., Chico, CA 95928
640	Trails At Silverdale (F21 RED)	Center Cal	1600 East Franklin Avenue, El Segundo, CA 90245	Forever 21 Retail, Inc.	Store Lease	11467 Pacific Crest Place NW, Suite C100, Silverdale, WA
649	Valley Mall (F21 RED)	Center Cal	1600 East Franklin Avenue , El Segundo , CA 90245	Forever 21 Retail, Inc.	Store Lease	2529 Main Street, Ste. 128, Union Gap, WA 98903
729	Hollywood & Highland	CIM	4700 Wilshire Blvd., Los Angeles, CA 90010	Forever 21 Retail, Inc.	Store Lease	6801 Hollywood Blvd. #1C- 134, Los Angeles, CA 90028
667	Mariposa Mall (F21 RED)	CommPros, Inc.	1401 Quail Street, Newport Beach, CA 92660	Forever 21 Retail, Inc.	Store Lease	250 West Mariposa Road, Nogales, AZ 85621
2175	TANGER OUTLETS FOLEY	COROC/RIVIERA L . L.C .	3200 Northline Avenue, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	2601 S McKenzie St, Foley, AL 36535
620	490 FULTON STREET (F21 RED)	Crown	60 East 42"d Street, New York, NY 10017	Forever 21 Retail, Inc.	Store Lease	490 Fulton Street, Brooklyn, NY 11201
798	Regency Square	Cushman and Wakefield	200 East Long Lake Road, Bloomfield Hills, MI 48303-	Forever 21 Retail, Inc.	Store Lease	1404 N. Parham Rd. #1124A, Richmond, VA 23229

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
629	Crossroads Center (F21 RED)	DDR	3300 Enterprise Parkway, Beachwood, OH 44122	Forever 21 Retail, Inc.	Store Lease	15140 Crossroads Parkway, Gulfport, MS 39503
654	Ka Makana Alii (F21 RED)	DeBartolo Development	841 Bishop Street, Suite 1070, Honolulu, HI 96813	Forever 21 Retail, Inc.	Store Lease	91-5431 Kapolei Parkway, Ste. 712, Kapolei, HI 96707
663	The Plant (F21 RED)	Decron Properties	6222 Wilshire Boulevard , Los Angeles, CA 90048	Forever 21 Retail, Inc.	Store Lease	7888-2 Van Nuys Blvd., Van Nuys, CA 91402
199	The Shops @ Tanforan (Exp- Full Remodel)	Forest City	3600 Birch Street, Newport Beach, CA 92660	Forever 21 Retail, Inc.	Store Lease	1150 El Camino Real Ste 348, San Bruno, CA 94066
2172	THE SUMMIT	G&I VII RENO OPERATING LLC	2222 Arlington Avenue, Birmingham, AL 35205	Forever 21 Retail, Inc.	Store Lease	13925 S. Virginia Street, Reno, NV 89511
103	Denver Pavillions	Gart Properties	299 Milwaukee Street, Denver, CO 80206	Forever 21 Retail, Inc.	Store Lease	500 16th St Ste 178, Denver, CO 80202
655	Ellsworth Place (F21 RED)	GBT	9010 Overlook Boulevard, Brentwood, TN 37027	Forever 21 Retail, Inc.	Store Lease	8661 Colesville Rd., Silver Spring, MD 20910
688	Glade Parks (F21 RED)	Glade Lifestyle, LLC	6723 Weaver Road, Rockford, IL 61114	Forever 21 Retail, Inc.	Store Lease	1210 Chisholm Trail, Ste. 100, Eules, TX 76039
6010	2 Stockton Street (SF, CA)	Invesco	909 Montgomery Street, Suite 200, San Francisco, CA 94133	Forever 21 Retail, Inc.	Store Lease	2 Stockton Street, San Francisco, CA 94102
625	LIBERTY CENTER	JLL	7100 Foundry Row, Suite 204, Liberty Township, OH , OH	Forever 21 Retail, Inc.	Store Lease	7530 Bales St. Space A-130, Liberty Township, OH 45069
51	Kaahumanu Center	JLL	4401 W. Kennedy Blvd., 3rd Floor, Tampa, FL 33609	Forever 21 Retail, Inc.	Store Lease	275 W. Kaahumanu Ave., #1034, Kahului, HI 96732
669	Mall De Las Aguilas (F21 RED)	JLL	3344 Peachtree Road, Suite 1200, Atlanta, GA 30326	Forever 21 Retail, Inc.	Store Lease	455 Farm-to-Market Rd. 375, Eagle Pass, TX 78852
489	Westgate Mall (F21 RED)	JLL	124 Johnson Ferry Road, NE, Atlanta, GA 30328	Forever 21 Retail, Inc.	Store Lease	7701 West Interstate 40, Ste. 542, Amarillo, TX 79121
647	Woodbury Centre (F21 RED)	Kimco Realty	132 Begin, Tel Aviv Jaffa, 0 67011	Forever 21 Retail, Inc.	Store Lease	37 Centre Drive, Unit 010, Central Valley, NY 10917
3512	Anaheim Plaza	Kimco Realty	75 Southgate Avenue, Daly City, CA 94015	Forever 21 Retail, Inc.	Store Lease	500 N. Euclid Street, Anaheim, CA 92801
439	Hamilton Mall	Kravco Company	234 Mall Boulevard, King of Prussia, PA 19406-2954	Forever 21 Retail, Inc.	Store Lease	4403 Black Horse Pike, Mays Landing, NJ 08330

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
3530	Danbury Fair Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	7 Backus Ave. #M100, Danbury, CT 06810
419	Eastland Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	800 N. Green River Road, Space #318A, Evansville, IN
776	Flatiron Crossing	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	51 West Flat Iron Crossing Dr., #ANC04, Broomfield, CO
481	Fashion Outlets of Niagara Falls	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	1965 Fashion Blvd. Suite 238, Niagara Falls, NY 14304
3513	Arrowhead Towne Center	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	7650 West Arrowhead Towne Center, Glendale, AZ 85308
3518	Vintage Faire	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	3401 Dale Rd., #200, Modesto, CA 95356
3510	Lakewood Center Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	326 Lakewood Center Mall, Lakewood, CA 90712
3515	Inland Center	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	200 Inland Dr., San Bernardino, CA 92408
342	Scottsdale Fashion Square	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	7014 E. Camelback Rd., #2433, Scottsdale, AZ 85251
2174	MACOMB MALL	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	32233 Gratiot Ave, Roseville, MI 48066
435	Atlas Park	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	80-40 Cooper Ave., Suite #4- 002, Glendale, NY 11385
797	The Oaks	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	350 W. Hillcrest Drive, Thousand Oaks, CA 91360
375	Deptford Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	1750 Deptford Center Rd, Space #2111, Deptford
785	Kings Plaza Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	5301 Kings Plaza #210, Brooklyn, NY 11234
213	Valley River Center	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	222 Valley River Center, Eugene, OR 97401
266	Pacific View Ventura Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	3301 - 1 E Main St. #1260, Ventura, CA 93003

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
348	Northgate Mall	MerloneGeier Partners	5800 Northgate Drive , San Rafael , CA 94903	Forever 21 Retail, Inc.	Store Lease	5800 Northgate Mall #043, San Rafael, CA 94903
5118	Mall of America	MOAC MALL HOLDINGS LLC	2131 Lindau LN, Bloomington, MN 55425	Forever 21 Retail, Inc.	Store Lease	238 South Avenue #5230 , Bloomington, MN 55245
632	449 Washington Street	Mosbacher Properties	18 E 48th Street, 19th Floor, New York, NY 10017	Forever 21 Retail, Inc.	Store Lease	459 Washington Street, Boston, MA 02108
2147	OUTLETS OF DES MOINES	NED ALTOONA LLC	75 Park Plaza, Boston, MA 02116	Forever 21 Retail, Inc.	Store Lease	801 Bass Pro Drive NW, Space #120, Altoona, IA 50009
601	Asheville Outlets	New England Development	PO Box 603145, Charlotte, NC 28260-3145	Forever 21 Retail, Inc.	Store Lease	800 Brevard Road, Ste. 824, Asheville, NC 28806
2138	TANGER OCEAN CITY	OCEAN CITY FACTORY OUTLETS I , LC	3200 Northline Avenue, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	12741 Ocean Gateway, Ocean City, Ocean City, MD 21842
2101	South Bay Center (F21 RED)	Other	21 Custom House Street, Boston, MA 02110	Forever 21 Retail, Inc.	Store Lease	21-39 District Avenue # 39, Boston, MA 02125
376	601 Pine Street	Other - Colliers International	5910 North Central Expressway, Dallas, TX 75206	Forever 21 Retail, Inc.	Store Lease	601 Pine St., Seattle, WA 98101
488	Shops at Georgetown Park	Other - JT Premier Georgetown Park Corp	888 Seventh Avenue, 44th Floor, New York, NY 10019	Forever 21 Retail, Inc.	Store Lease	3222 M Street, NW, Washington DC, DC 20007
474	10 South State Street	Other - Madison Capital/ASB Capital Mgmt	225 W. Wacker, Chicago, IL 60606	Forever 21 Retail, Inc.	Store Lease	10 South State Street, Chicago, IL 60603
678	Shops At Perry Crossing (F21 RED)	Other - Metropolis Lifestyle Center, LLC	2650 Thousand Oaks Blvd., Memphis, TN 38118	Forever 21 Retail, Inc.	Store Lease	2539 Perry Crossing Way, Ste. 100, Plainfield, IN 46168
600	Guam Premier Outlets	Other - SPE, LLC	199 Chalan San Antonio Road , Tamuning , GU 96913	Forever 21 Retail, Inc.	Store Lease	199 Chalan San Antonio Suite 200, Guam, Guam 96913
673	Hanover Commons (F21 RED)	Other - Urban Edge Properties	120 Route 4 East, Paramus, NJ 07652	Forever 21 Retail, Inc.	Store Lease	200-240 Route 10 West Space 6-9, East Hanover, NJ 07936
463	Millcreek Mall	Other - Warner Management	2445 Belmont Avenue, Youngstown, OH 44504-0186	Forever 21 Retail, Inc.	Store Lease	5800 Peach St. Unit #450, Erie, PA 16565
382	701 Lincoln Road	Other- Comras Company	450 Wagon Trail Avenue, Las Vegas, NV 89118	Forever 21 Retail, Inc.	Store Lease	701 Lincoln Road, Miami Beach, FL 33139
389	Bellevue Square	Other- Kemper Development	575 Bellevue Square, Bellevue, WA 98009	Forever 21, Inc.	Store Lease	248 Bellevue Square, Bellevue, WA 98004

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
349	343 Newbury Street	Other-343 Management, LLC	316 Newbury Street, No. 22, Boston, MA 02115	Forever 21 Retail, Inc.	Store Lease	343 Newbury St., Boston, MA 02115
337	901 State St.	Other-Aryana, LLC	901 State Street, Santa Barbara, CA 93101	Forever 21 Retail, Inc.	Store Lease	901 State Street, Santa Barbara, CA 93101
3536	Hamilton Place	Other-BELK	280 I West Tyvola Road, Charlotte, NC 28217-4500	Forever 21 Retail, Inc.	Store Lease	2100 Hamilton Place Blvd., Chattanooga, TN 37421
3516	Dimond Center	Other-Dimond Center LLC	800 East Dimond Boulevard, Anchorage, AK 99515	Forever 21 Retail, Inc.	Store Lease	800 E. Dimond Blvd. #199, Anchorage, AK 99515
3009	Woodies Building	Other-Douglas Development	3250 Van Ness Avenue, San Francisco, CA 94109	Forever 21 Retail, Inc.	Store Lease	1025 F Street NW, Suite #200, Washington, DC 20004
359	Royal Hawaiian	Other-Festival Co's	567 South King Street, Honolulu, HI 96813	Forever 21 Retail, Inc.	Store Lease	2301 Kalakaua Ave., Ste #209, Honolulu, HI 96815
709	The Mall at Millenia	Other-Forbes	100 Galleria Officentre , Southfield , MI 48037-0667	Forever 21 Retail, Inc.	Store Lease	4200 Conroy Rd Ste #206, Orlando, FL 32839
206	The Gardens	Other-Forbes	100 Galleria Officentre, Suite 427, Southfield, MI 48037-	Forever 21 Retail, Inc.	Store Lease	3101 PGA Blvd., Suite C107, Palm Beach Gardens, FL
127	Geneva Commons	Other-Mid-America Asset Management, Inc	13155 Noel Road, Suite 500, Dallas, TX 75240	Forever 21 Retail, Inc.	Store Lease	122 Commons Dr, Geneva, IL 60134
3538	Galleria at Tyler	Other-Riverside Associates	600 Spring Street, Los Angeles, CA 90014	Forever 21 Retail, Inc.	Store Lease	3700 Galleria at Tyler Mall, Riverside, CA 92503
3001	Pasadena	Other-St. John Land Company	136 El Camino Drive, Beverly Hills, CA 90212	Forever 21 Retail, Inc.	Store Lease	35 N. De Lacey Ave., Pasadena, CA 91103
109	Stonecrest	Other-Urban Retail	PO Box 72219, Cleveland, OH 44192	Forever 21 Retail, Inc.	Store Lease	2929 Turner Hill Road N.E #2460, Lithonia, GA 30038
3002	Yorktown Center	Pacific Retail Capital	2029 Century Park East, Suite 800, Los Angeles, CA 90067-	Forever 21 Retail, Inc.	Store Lease	300 Yorktown Center, Lombard, IL 60148
3508	South Towne Center	Pacific Retail Capital	2029 Century Park East, Suite 800, Los Angeles, CA 90067-	Forever 21 Retail, Inc.	Store Lease	10450 South State St., Suite #2300, Sandy, UT 84070
71	White Plains Galleria	Pacific Retail Capital	2029 Century Park East, Suite 800, Los Angeles, CA 90067-	Forever 21 Retail, Inc.	Store Lease	100 Main St., Ste 221, White Plains, NY 10601
3524	Fresno Fashion Fair	Pacific Retail Capital	2029 Century Park East, Suite 800, Los Angeles, CA 90067-	Forever 21 Retail, Inc.	Store Lease	755 East Shaw Ave., Fresno, CA 93710

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
676	Santa Fe Place (F21 RED)	Perkinscoie	112 Northern Concourse, North Syracuse, NY 13212	Forever 21 Retail, Inc.	Store Lease	4250 Cerrillos Rd. #1030, Santa Fe, NM 87507
431	Plaza Del Caribe	Plaza Del Criebe, S.E.	PO Box 363268, San Juan, PR 00936-3268	Forever 21 Retail, Inc.	Store Lease	2050 Ponce By Pass Suire #112, Ponce, PR 00717
2125	MAGNOLIA	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	2701 David H. McLeod Blvd., Space #1316, Florence, SC
2126	PLYMOUTH MEETING	PREIT	225 West Washington Street, Indianapolis, IN 46204-3438	Forever 21 Retail, Inc.	Store Lease	500 W. Germantown Pike, Space 1355, Plymouth
795	Cherry Hill Mall	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	2000 Route 38 #1175, Cherry Hill, NJ 08002
122	Woodland Mall	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	3195 28th St. SE, Grand Rapids, MI 49512
172	Willow Grove Park	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	2500 Moreland Rd, Ste 2001, Willow Grove, PA 19090
482	1708 Chestnut Street	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	1708 Chestnut Street, Philadelphia, PA 19103
3007	Crossgates Mall	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	One Crossgates Mall Road, #99x06, Albany, NY 12203
2114	Sangertown Square	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	8555 Seneca Turnpike, Space # D06, New Hartford, NY
2117	Manassas	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	8300 Suoleu Road Space #031, Manassa, VA 20109
336	Gallera at Crystal Run	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	1 Galleria Dr., Space #D207, Middletown, NY 10941
92	Destiny USA	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	1 Destiny USA Drive Space #99X01, Syracuse, NY 13204
754	The Shops @ Wiregrass	QIC	600 Superior Avenue, Suite 1500, Cleveland, OH 44114	Forever 21 Retail, Inc.	Store Lease	28210 Paseo Drive, Unit #190, Building No. Two, Wesley
19	The Galleria @ South Bay	QIC	600 Superior Avenue, Suite 1500, Cleveland, OH 44114	Forever 21 Retail, Inc.	Store Lease	1815 Hawthorne Blvd, Ste 188, Redondo Beach, CA
2169	SUMMIT FAIR	RED Summit Fair, LLC	One East Washington Street, Phoenix, AZ 85004	Forever 21 Retail, Inc.	Store Lease	840 NW BLUE PARKWAY, K-101, LEE'S SUMMIT, MO

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
157	Hillsdale Shopping Center	Related Companies	60 31st Avenue, San Mateo, CA 94403-3497	Forever 21, Inc.	Store Lease	396 Hillsdale Shopping Center, San Mateo, CA 94403
608	Village at Cumberland Park (F21 RED)	Retail Connection	2525 McKinnon Street, Dallas, TX 75201	Forever 21 Retail, Inc.	Store Lease	8934 S. Broadway Ave. Ste. 448, Tyler, TX 75703
664	Central Texas Marketplace (F21 RED)	RPAI	15105 Collection Drive , Chicago, IL 60693	Forever 21 Retail, Inc.	Store Lease	2408 W Loop 340, Waco, TX 76711
5129	Roosevelt Field	Simon Property Group	225 West Washington Street, Indianapolis, IN 46204-3438	Forever 21 Retail, Inc.	Store Lease	630 Old Country Road # 2041 A, Garden City, NY 11530
423	Willow Bend	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	6121 W. Park Blvd, Ste B121 & B214, Plano, TX 75093
125	Macarthur	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	300 Monticello Ave., Suite #255, Norfolk, VA 23510
3010	Solano	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	1451 Gateway Blvd, Fairfield, CA 94533
194	Northlake Mall	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	9801 Northlake Mall Drive Space #201, Charlotte, NC
37	Parkway Plz	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	415 Parkway Plaza #357, El Cajon, CA 92020
3503	Northridge Mall	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	400 Northridge Drive, Suite #D01, Salinas, CA 93906
670	Lake Charles (F21 RED)	Stirling Properties	10606 Coursey Boulevard, Baton Rouge, LA 70816	Forever 21 Retail, Inc.	Store Lease	3401 Derek Dr., Lake Charles, LA 70607
2131	TANGER PARK CITY	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	6699 N. Landmark Dr. Space #L150, Park City, UT 84098
2129	TANGER JEFFERSONVILLE	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	8000 Factory Shops Blvd. #845, Jeffersonville, OH 43128
2128	TANGER GRAND RAPIDS	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	350 84th St SW, #480, Byron Center, MI 49315
448	Rehoboth III Outlet Center	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	36504 Seaside Outlet Drive, Suite 1200, Rehoboth Beach,
645	Savannah Outlets	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	200 Tanger Outlets Blvd. Ste. 191, Pooler, GA 31322

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
2171	TANGER OUTLETS CHARLESTON	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	4840 Tanger Outlet Blvd, North Charleston, SC 29418
2140	TANGER DEERPARK	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	152 The Arches Cir SUITE 924, Deer Park, NY 11729
621	Foxwoods Outlets	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	455 Trolley Line Blvd. Suite 170, Mashantucket, CT 06338
2127	TANGER FORT WORTH	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	15829 North Freeway, #110, Forth Worth, TX 76177
744	Fair Oaks	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	11750 Fair Oaks #H227, Fairfax, VA 22033
706	Beverly Center	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	8500 Beverly Blvd., Ste 835, Los Angeles, CA 90048
6003	Country Club Plaza	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	111 Nichols Road, Kansas City, MO 64112
413	City Creek Center	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	51 S. Main St., Suite 162, Salt Lake City, UT 84101
768	Stamford Town Center	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	100 Greyrock Place, Space #D- 101 and #D-203, Stamford, CT
702	International	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	2223 North Westshore Blvd Suite 2000, Tampa , FL 33607
796	Twelve Oaks Mall	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	27434 Novi Road, Novi, MI 48377
6006	Sun Valley	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	329 Sun Valley Mall, Suite #121, Concord, CA 94520
66	Great Lakes Crossing	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	4160 Baldwin Road Space #426, Auburn Hills, MI 48326
6013	Short Hills	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills, MI	Forever 21 Retail, Inc.	Store Lease	1200 Morris Turnpike, Space D123, Short Hills, NJ 07078
17	Fashion Island	The Irvine Company	401 Newport Center Drive, Newport Beach, CA 92660	Forever 21 Retail, Inc.	Store Lease	1101 Newport Center Drive, Newport Beach, CA 92660
692	Tustin Marketplace (F21 RED)	The Irvine Company	The Market Place (S20578) , Los Angeles, CA 90084-2567	Forever 21 Retail, Inc.	Store Lease	2856 El Camino Real, Tustin, CA 92782

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
624	Outlet Shops Of Grand River	TORG	6200 Grand River Blvd. Easr, Suite 446, Leeds, AL 35094	Forever 21 Retail, Inc.	Store Lease	6200 Grand River Blvd., Suite 646, Leeds, AL 35094
719	La Palmera	Trademark Properties	5488 Padre Island Drive, Corpus Christi, TX 78411	Forever 21 Retail, Inc.	Store Lease	5488 S. Padre Island Dr., Corpus Christi, TX 78411
368	Destin Commons	Turnberry	19501 Biscayne Boulevard, Suite 400, Aventura, FL 33180	Forever 21 Retail, Inc.	Store Lease	4224 Legendary Dr., Suite #F- 94, Destin, FL 32541
492	Oakdale Mall (F21 RED)	Urban Edge	210 Route 4 East, Paramus, NJ 07652	Forever 21 Retail, Inc.	Store Lease	601-635 Harry L Drive Ste. 41, Johnson City, NY 13790
307	Orchard Town Center	Vestar	Terminal Tower, 50 Public Square, Cleveland, OH 44113	Forever 21 Retail, Inc.	Store Lease	14694 Orchard Pkwy, #300, Westminster, CO 80023
254	The Legend at Village West	Walton Street Capital	6263 N. Scottsdale Road, Scottsdale, AZ 85250	Forever 21 Retail, Inc.	Store Lease	1817 Village West Parkway, Suite #F101, Kansas City, KS
2106	Clay Terrace (F21 RED)	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	14550 Clay Terrace Blvd., Carmel, IN 46032
2107	OUTLET COLLECTION OF SEATTLE	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	1101 Outlet Collection Way, Space 319, Auburn, WA 98001
333	Jefferson Valley	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	650 Lee Blvd. #D118, Yorktown Heights, NY 10598
648	Forest Plaza (F21 RED)	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	6363 E State St. Space XF, Rockford, IL 61108
53	Pearlridge Shopping Center	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	98-1005 Moanalua Road, Ste #231, Aiea, HI 96701
293	Morgantown Mall	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	9311 Mall Rd, Morgantown, WV 26505
330	Brunswick Square	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	755 State Route 18 #190C, East Brunswick, NJ 08816
146	Dayton Mall	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	2700 Miamisburg-Centerville, Space # 300, Dayton, OH
314	Valencia Town Center	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	24201 W. Valencia Blvd. #139, Valencia, CA 91355
3542	Santa Anita	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	400 South Baldwin Ave, Arcadia, CA 91007

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
292	Sunrise Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	1107 Sunrise Mall, Massapequa, NY 11758
726	Old Orchard	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	4999 Old Orchard Center #J6, Skokie, IL 60077
60	Meriden Square Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	470 Lewis Avenue, Space 50, Meriden, CT 06450
792	Galleria @ Roseville	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	1173 Galleria Blvd., #P107, Roseville, CA 95678
49	Oakridge Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	925 Blossom Hill Road, #X-15, San Jose, CA 95123
695	Mission Valley	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	1640 Camino Del Rio, San Diego, CA 92108
61	Montgomery Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	7101 Democracy Blvd, Space 1252, Bethesda, MD 20817
238	Sherman Oaks Fashion Square	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	14006 Riverside Drive, Space #244, Sherman Oaks, CA
38	University Town Center	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	4545 La Jolla Village Drive Suite #H10, San Diego, CA
751	Southcenter Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	836 Southcenter Mall, Tukwila, WA 98188
614	World Trade Center	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	185 Greenwich St., Ste. LL4435, New York, NY 10007
182	Wheaton Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	11160 Veirs Mills Road, Silver Spring, MD 20902
5114	Southcenter Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	467 Southcenter Mall #1545, Tukwila, WA 91811
5115	Westfield Culver City	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	6000 Sepulveda Blvd., Space #1450, Culver City, CA 90230
5116	Westfield Topanga Plaza	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	6600 Topanga Canyon Blvd, Space #60, Canoga Park, CA
5119	Garden State Plaza	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	1 Garden State Plaza, Space #1006, Los Angeles, CA 07652

EXHIBIT 1A

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
644	The Mall At Greece Ridge (F21 RED)	Wilmorite	1265 Scottsville Road, Rochester, NY 14624	Forever 21 Retail, Inc.	Store Lease	208 Greece Ridge Center Drive, Rochester, NY 14626
484	Tulare Outlet Center	Woodmont Companies	PO Box 731622, Dallas, TX 75373-1622	Forever 21 Retail, Inc.	Store Lease	1695 Rutherford Street, Space A010, Tulare, CA 93274

EXHIBIT B

**Forever 21-US
Expense Budget
Exhibit B**

Start Date	11/1/2019
End Date	12/29/2019
# of Stores	178

\$

Consultant Expenses

E-Mail/Social Media	15,000
Signs	445,000
Sign walkers	277,680
Total Advertising	737,680
Total Supervision	1,451,713
Total Legal/Travel/Insurance	183,607
Total Expenses	2,373,000

Notes:

1. This Expense Budget is based on a sale term of 11/1/19-12/29/19. This Budget remains subject to modifications in the event that the term changes, or as otherwise agreed to by both parties.
2. Riley Rose Inventory includes merchandise at the RR Distribution Center and RR Ecommerce (locations #7040, 9970, 9978). It is assumed that this merchandise will be sold in the RR locations as well as the Forever 21 stores.
3. This Expense Budget runs all stores through 12/29/19 based on Delaware Bankruptcy Law. To the extent that we can collapse and close any stores earlier, there could potentially be further savings to the Budget.
4. Supervision is based on 1 Lead Consultant, 1 Regional, 30 FT and 1 F&A Lead. The total includes Deferred Compensation and Insurance.

Annex 2

Designated Closing Stores

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
271	Soho	Allied Partners	568 Broadway, New York, NY 10012	Forever 21 Retail, Inc.	Store Lease	568 Broadway, New York, NY 10012
3533	Del Monte Shopping Ctr	American Assets Trust	1500 Del Monte Center, Monterey, CA 93940	Forever 21 Retail, Inc.	Store Lease	1500 Del Monte, Monterey, CA 93940
356	Lincoln Park	Arcadia Realty for 865 West North Avenue LLC	865 West North Avenue LLC, White Plains, NY 10605	Forever 21 Retail, Inc.	Store Lease	865 W. North Ave., Chicago, IL 60642
677	Kildeer Village Square (F21 RED)	Bond Companies	One Bowerman Drive, Beaverton, OR 97005-6453	Forever 21 Retail, Inc.	Store Lease	20393 N. Rand Road, Ste 126, Kildeer, IL 60074
2133	PALLADIO	BROADSTONE LAND, LLC	340 Palladio Parkway, Suite 521, Folsom, CA 95630-8574	Forever 21 Retail, Inc.	Store Lease	410 Palladio Pkwy., Space 1941, Folsom, CA 95630
5101	Altamonte Springs Mall	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	451 E Altamonte Drive #2329, Altamonte Springs, FL 32701
5102	Towson Town Center	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	825 Dulaney Valley rd., Space #3025, Towson, MD 21204
5104	Mayfair Mall	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	2500 Mayfair Road #0208, Wauwatosa, WI 53226
5105	Pembroke Pines	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	11401 Pines Blvd , Pembroke, FL 33026
5106	Stonebriar Centre	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	2601 Preston Road, Space #2148, Frisco, TX 75034
5108	Glendale Galleria	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	100 W. Broadway Ste E005, Glendale, CA 91210
5109	Water Tower Place	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	835 N Michigan Avenue, Chicago, IL 60611
5110	Kenwood Center	Brookfield Retail	350 N Orleans St., Suite 300, Chicago, IL 60654	Forever 21 Retail, Inc.	Store Lease	7875 Montgomery Rd, #2435, Cincinnati, OH 45236
651	Huntington Mall (F21 RED)	Cafaro Company	2445 Belmont Avenue, Youngstown , OH 44504	Forever 21 Retail, Inc.	Store Lease	500 Mall Rd. Suite 603, Barboursville, WV 25504
155	Eastwood Mall	Cafaro Company	2445 Belmont Avenue, Youngstown, OH 44504	Forever 21 Retail, Inc.	Store Lease	5555 Youngstown Warren Road, Suite #412, Niles, OH
738	The Americana at Brand	Caruso	1114 Avenue of the Americas, New York, NY 11036	Forever 21 Retail, Inc.	Store Lease	899 Americana Way, Glendale, CA 91210

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
341	West Towne Mall	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	229 West Towne Mall #E16, Madison, WI 53719
633	Juban Crossing (F21 RED)	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	27853 Juban Rd., Denham Springs, LA 70726
372	Cool Springs Galleria	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	1800 Galleria Blvd, Ste #2520, Franklin, TN 37067
365	Mall of Acadiana	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	5725 Johnston St, Space #D-164, Lafayette, LA 70503
331	Cross Creek Mall	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	425 Cross Creek Mall #TA-04, Fayetteville, NC 28303
770	West County Center	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	9 West County Center, Des Peres, MO 63131
277	Monroeville Mall	CBL	2030 Hamilton Place Blvd., Suite 500, Chattanooga, TN	Forever 21 Retail, Inc.	Store Lease	266 Monroeville Mall, Suite 226, Monroeville, PA 15146
434	The River at Rancho Mirage	CBRE	2601 Main Street , Irvine , CA 92614	Forever 21 Retail, Inc.	Store Lease	71800 Highway 111 Suite #B19, Rancho Mirage, CA
3520	Chico Mall	Centennial	900 Michigan Avenue, Chicago, IL 60611	Forever 21 Retail, Inc.	Store Lease	1960 East 20th St., Chico, CA 95928
640	Trails At Silverdale (F21 RED)	Center Cal	1600 East Franklin Avenue, El Segundo, CA 90245	Forever 21 Retail, Inc.	Store Lease	11467 Pacific Crest Place NW, Suite C100, Silverdale, WA
649	Valley Mall (F21 RED)	Center Cal	1600 East Franklin Avenue , El Segundo , CA 90245	Forever 21 Retail, Inc.	Store Lease	2529 Main Street, Ste. 128, Union Gap, WA 98903
729	Hollywood & Highland	CIM	4700 Wilshire Blvd., Los Angeles, CA 90010	Forever 21 Retail, Inc.	Store Lease	6801 Hollywood Blvd. #1C-134, Los Angeles, CA 90028
667	Mariposa Mall (F21 RED)	CommPros, Inc.	1401 Quail Street, Newport Beach, CA 92660	Forever 21 Retail, Inc.	Store Lease	250 West Mariposa Road, Nogales, AZ 85621
2175	TANGER OUTLETS FOLEY	COROC/RIVIERA L . L.C .	3200 Northline Avenue, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	2601 S McKenzie St, Foley, AL 36535
620	490 FULTON STREET (F21 RED)	Crown	60 East 42"d Street, New York, NY 10017	Forever 21 Retail, Inc.	Store Lease	490 Fulton Street, Brooklyn, NY 11201
798	Regency Square	Cushman and Wakefield	200 East Long Lake Road, Bloomfield Hills, MI 48303-	Forever 21 Retail, Inc.	Store Lease	1404 N. Parham Rd. #1124A, Richmond, VA 23229

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
629	Crossroads Center (F21 RED)	DDR	3300 Enterprise Parkway, Beachwood, OH 44122	Forever 21 Retail, Inc.	Store Lease	15140 Crossroads Parkway, Gulfport, MS 39503
654	Ka Makana Alii (F21 RED)	DeBartolo Development	841 Bishop Street, Suite 1070, Honolulu, HI 96813	Forever 21 Retail, Inc.	Store Lease	91-5431 Kapolei Parkway, Ste. 712, Kapolei, HI 96707
663	The Plant (F21 RED)	Decron Properties	6222 Wilshire Boulevard , Los Angeles, CA 90048	Forever 21 Retail, Inc.	Store Lease	7888-2 Van Nuys Blvd., Van Nuys, CA 91402
199	The Shops @ Tanforan (Exp- Full Remodel)	Forest City	3600 Birch Street, Newport Beach, CA 92660	Forever 21 Retail, Inc.	Store Lease	1150 El Camino Real Ste 348, San Bruno, CA 94066
2172	THE SUMMIT	G&I VII RENO OPERATING LLC	2222 Arlington Avenue, Birmingham, AL 35205	Forever 21 Retail, Inc.	Store Lease	13925 S. Virginia Street, Reno, NV 89511
103	Denver Pavillions	Gart Properties	299 Milwaukee Street, Denver, CO 80206	Forever 21 Retail, Inc.	Store Lease	500 16th St Ste 178, Denver, CO 80202
655	Ellsworth Place (F21 RED)	GBT	9010 Overlook Boulevard, Brentwood, TN 37027	Forever 21 Retail, Inc.	Store Lease	8661 Colesville Rd., Silver Spring, MD 20910
688	Glade Parks (F21 RED)	Glade Lifestyle, LLC	6723 Weaver Road, Rockford, IL 61114	Forever 21 Retail, Inc.	Store Lease	1210 Chisholm Trail, Ste. 100, Eules, TX 76039
6010	2 Stockton Street (SF, CA)	Invesco	909 Montgomery Street, Suite 200, San Francisco, CA	Forever 21 Retail, Inc.	Store Lease	2 Stockton Street, San Francisco, CA 94102
625	LIBERTY CENTER	JLL	7100 Foundry Row, Suite 204, Liberty Township, OH , OH	Forever 21 Retail, Inc.	Store Lease	7530 Bales St. Space A-130, Liberty Township, OH 45069
51	Kaahumanu Center	JLL	4401 W. Kennedy Blvd., 3rd Floor, Tampa, FL 33609	Forever 21 Retail, Inc.	Store Lease	275 W. Kaahumanu Ave., #1034, Kahului, HI 96732
669	Mall De Las Aguilas (F21 RED)	JLL	3344 Peachtree Road, Suite 1200, Atlanta, GA 30326	Forever 21 Retail, Inc.	Store Lease	455 Farm-to-Market Rd. 375, Eagle Pass, TX 78852
489	Westgate Mall (F21 RED)	JLL	124 Johnson Ferry Road, NE, Atlanta, GA 30328	Forever 21 Retail, Inc.	Store Lease	7701 West Interstate 40, Ste. 542, Amarillo, TX 79121
647	Woodbury Centre (F21 RED)	Kimco Realty	132 Begin, Tel Aviv Jaffa, 0 67011	Forever 21 Retail, Inc.	Store Lease	37 Centre Drive, Unit 010, Central Valley, NY 10917
3512	Anaheim Plaza	Kimco Realty	75 Southgate Avenue, Daly City, CA 94015	Forever 21 Retail, Inc.	Store Lease	500 N. Euclid Street, Anaheim, CA 92801
439	Hamilton Mall	Kravco Company	234 Mall Boulevard, King of Prussia, PA 19406-2954	Forever 21 Retail, Inc.	Store Lease	4403 Black Horse Pike, Mays Landing, NJ 08330

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
3530	Danbury Fair Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	7 Backus Ave. #M100, Danbury, CT 06810
419	Eastland Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	800 N. Green River Road, Space #318A, Evansville, IN
776	Flatiron Crossing	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	51 West Flat Iron Crossing Dr., #ANC04, Broomfield, CO
481	Fashion Outlets of Niagara Falls	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	1965 Fashion Blvd. Suite 238, Niagara Falls, NY 14304
3513	Arrowhead Towne Center	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	7650 West Arrowhead Towne Center, Glendale, AZ 85308
3518	Vintage Faire	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	3401 Dale Rd., #200, Modesto, CA 95356
3510	Lakewood Center Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	326 Lakewood Center Mall, Lakewood, CA 90712
3515	Inland Center	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	200 Inland Dr., San Bernardino, CA 92408
342	Scottsdale Fashion Square	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	7014 E. Camelback Rd., #2433, Scottsdale, AZ 85251
2174	MACOMB MALL	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	32233 Gratiot Ave, Roseville, MI 48066
435	Atlas Park	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	80-40 Cooper Ave., Suite #4-002, Glendale, NY 11385
797	The Oaks	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	350 W. Hillcrest Drive, Thousand Oaks, CA 91360
375	Deptford Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	1750 Deptford Center Rd, Space #2111, Deptford
785	Kings Plaza Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	5301 Kings Plaza #210, Brooklyn, NY 11234
213	Valley River Center	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	222 Valley River Center, Eugene, OR 97401
266	Pacific View Ventura Mall	Macerich	1162 Pittsford-Victor Road, Suite 100, Pittsford, NY 14534	Forever 21 Retail, Inc.	Store Lease	3301 - 1 E Main St. #1260, Ventura, CA 93003

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
348	Northgate Mall	MerloneGeier Partners	5800 Northgate Drive , San Rafael , CA 94903	Forever 21 Retail, Inc.	Store Lease	5800 Northgate Mall #043, San Rafael, CA 94903
5118	Mall of America	MOAC MALL HOLDINGS LLC	2131 Lindau LN, Bloomington, MN 55425	Forever 21 Retail, Inc.	Store Lease	238 South Avenue #S230 , Bloomington, MN 55245
632	449 Washington Street	Mosbacher Properties	18 E 48th Street, 19th Floor, New York, NY 10017	Forever 21 Retail, Inc.	Store Lease	459 Washington Street, Boston, MA 02108
2147	OUTLETS OF DES MOINES	NED ALTOONA LLC	75 Park Plaza, Boston, MA 02116	Forever 21 Retail, Inc.	Store Lease	801 Bass Pro Drive NW, Space #120, Altoona, IA 50009
601	Asheville Outlets	New England Development	PO Box 603145, Charlotte, NC 28260-3145	Forever 21 Retail, Inc.	Store Lease	800 Brevard Road, Ste. 824, Asheville, NC 28806
2138	TANGER OCEAN CITY	OCEAN CITY FACTORY OUTLETS I , LC	3200 Northline Avenue, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	12741 Ocean Gateway, Ocean City, Ocean City, MD
2101	South Bay Center (F21 RED)	Other	21 Custom House Street, Boston, MA 02110	Forever 21 Retail, Inc.	Store Lease	21-39 District Avenue # 39, Boston, MA 02125
376	601 Pine Street	Other - Colliers International	5910 North Central Expressway, Dallas, TX 75206	Forever 21 Retail, Inc.	Store Lease	601 Pine St., Seattle, WA 98101
488	Shops at Georgetown Park	Other - JT Premier Georgetown Park Corp	888 Seventh Avenue, 44th Floor, New York, NY 10019	Forever 21 Retail, Inc.	Store Lease	3222 M Street, NW, Washington DC, DC 20007
474	10 South State Street	Other - Madison Capital/ASB Capital Mgmt	225 W. Wacker, Chicago, IL 60606	Forever 21 Retail, Inc.	Store Lease	10 South State Street, Chicago, IL 60603
678	Shops At Perry Crossing (F21 RED)	Other - Metropolis Lifestyle Center, LLC	2650 Thousand Oaks Blvd., Memphis, TN 38118	Forever 21 Retail, Inc.	Store Lease	2539 Perry Crossing Way, Ste. 100, Plainfield, IN 46168
600	Guam Premier Outlets	Other - SPE, LLC	199 Chalan San Antonio Road , Tamuning , GU 96913	Forever 21 Retail, Inc.	Store Lease	199 Chalan San Antonio Suite 200, Guam, Guam 96913
673	Hanover Commons (F21 RED)	Other - Urban Edge Properties	120 Route 4 East, Paramus, NJ 07652	Forever 21 Retail, Inc.	Store Lease	200-240 Route 10 West Space 6-9, East Hanover, NJ 07936
463	Millcreek Mall	Other - Warner Management	2445 Belmont Avenue, Youngstown, OH 44504-0186	Forever 21 Retail, Inc.	Store Lease	5800 Peach St. Unit #450, Erie, PA 16565
382	701 Lincoln Road	Other- Comras Company	450 Wagon Trail Avenue, Las Vegas, NV 89118	Forever 21 Retail, Inc.	Store Lease	701 Lincoln Road, Miami Beach, FL 33139
389	Bellevue Square	Other- Kemper Development	575 Bellevue Square, Bellevue, WA 98009	Forever 21, Inc.	Store Lease	248 Bellevue Square, Bellevue, WA 98004

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
349	343 Newbury Street	Other-343 Management, LLC	316 Newbury Street, No. 22, Boston, MA 02115	Forever 21 Retail, Inc.	Store Lease	343 Newbury St., Boston, MA 02115
337	901 State St.	Other-Aryana, LLC	901 State Street, Santa Barbara, CA 93101	Forever 21 Retail, Inc.	Store Lease	901 State Street, Santa Barbara, CA 93101
3536	Hamilton Place	Other-BELK	280 I West Tyvola Road, Charlotte, NC 28217-4500	Forever 21 Retail, Inc.	Store Lease	2100 Hamilton Place Blvd., Chattanooga, TN 37421
3516	Dimond Center	Other-Dimond Center LLC	800 East Dimond Boulevard, Anchorage, AK 99515	Forever 21 Retail, Inc.	Store Lease	800 E. Dimond Blvd. #199, Anchorage, AK 99515
3009	Woodies Building	Other-Douglas Development	3250 Van Ness Avenue, San Francisco, CA 94109	Forever 21 Retail, Inc.	Store Lease	1025 F Street NW, Suite #200, Washington, DC 20004
359	Royal Hawaiian	Other-Festival Co's	567 South King Street, Honolulu, HI 96813	Forever 21 Retail, Inc.	Store Lease	2301 Kalakaua Ave., Ste #209, Honolulu, HI 96815
709	The Mall at Millenia	Other-Forbes	100 Galleria Officentre , Southfield , MI 48037-0667	Forever 21 Retail, Inc.	Store Lease	4200 Conroy Rd Ste #206, Orlando, FL 32839
206	The Gardens	Other-Forbes	100 Galleria Officentre, Suite 427, Southfield, MI 48037-	Forever 21 Retail, Inc.	Store Lease	3101 PGA Blvd., Suite C107, Palm Beach Gardens, FL
127	Geneva Commons	Other-Mid-America Asset Management, Inc	13155 Noel Road, Suite 500, Dallas, TX 75240	Forever 21 Retail, Inc.	Store Lease	122 Commons Dr, Geneva, IL 60134
3538	Galleria at Tyler	Other-Riverside Associates	600 Spring Street, Los Angeles, CA 90014	Forever 21 Retail, Inc.	Store Lease	3700 Galleria at Tyler Mall, Riverside, CA 92503
3001	Pasadena	Other-St. John Land Company	136 El Camino Drive, Beverly Hills, CA 90212	Forever 21 Retail, Inc.	Store Lease	35 N. De Lacey Ave., Pasadena, CA 91103
109	Stonecrest	Other-Urban Retail	PO Box 72219, Cleveland, OH 44192	Forever 21 Retail, Inc.	Store Lease	2929 Turner Hill Road N.E #2460, Lithonia, GA 30038
3002	Yorktown Center	Pacific Retail Capital	2029 Century Park East, Suite 800, Los Angeles, CA 90067-	Forever 21 Retail, Inc.	Store Lease	300 Yorktown Center, Lombard, IL 60148
3508	South Towne Center	Pacific Retail Capital	2029 Century Park East, Suite 800, Los Angeles, CA 90067-	Forever 21 Retail, Inc.	Store Lease	10450 South State St., Suite #2300, Sandy, UT 84070
71	White Plains Galleria	Pacific Retail Capital	2029 Century Park East, Suite 800, Los Angeles, CA 90067-	Forever 21 Retail, Inc.	Store Lease	100 Main St., Ste 221, White Plains, NY 10601
3524	Fresno Fashion Fair	Pacific Retail Capital	2029 Century Park East, Suite 800, Los Angeles, CA 90067-	Forever 21 Retail, Inc.	Store Lease	755 East Shaw Ave., Fresno, CA 93710

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
676	Santa Fe Place (F21 RED)	Perkinscoie	112 Nortern Concourse, North Syracuse, NY 13212	Forever 21 Retail, Inc.	Store Lease	4250 Cerrillos Rd. #1030, Santa Fe, NM 87507
431	Plaza Del Caribe	Plaza Del Criba, S.E.	PO Box 363268, San Juan, PR 00936-3268	Forever 21 Retail, Inc.	Store Lease	2050 Ponce By Pass Suire #112, Ponce, PR 00717
2125	MAGNOLIA	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	2701 David H. McLeod Blvd., Space #1316, Florence, SC
2126	PLYMOUTH MEETING	PREIT	225 West Washington Street, Indianapolis, IN 46204-3438	Forever 21 Retail, Inc.	Store Lease	500 W. Germantown Pike, Space 1355, Plymouth
795	Cherry Hill Mall	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	2000 Route 38 #1175, Cherry Hill, NJ 08002
122	Woodland Mall	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	3195 28th St. SE, Grand Rapids, MI 49512
172	Willow Grove Park	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	2500 Moreland Rd, Ste 2001, Willow Grove, PA 19090
482	1708 Chestnut Street	PREIT	200 S. Broad Street, 3rd Floor, Philadelphia, PA 19102	Forever 21 Retail, Inc.	Store Lease	1708 Chestnut Street, Philadelphia, PA 19103
3007	Crossgates Mall	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	One Crossgates Mall Road, #99x06, Albany, NY 12203
2114	Sangertown Square	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	8555 Seneca Turnpike, Space # D06, New Hartford, NY
2117	Manassas	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	8300 Suoleu Road Space #031, Manassa, VA 20109
336	Gallera at Crystal Run	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	1 Galleria Dr., Space #D207, Middletown, NY 10941
92	Destiny USA	Pyramid	4 Clinton Square, Syracuse , NY 13202	Forever 21 Retail, Inc.	Store Lease	1 Destiny USA Drive Space #99X01, Syracuse, NY 13204
754	The Shops @ Wiregrass	QIC	600 Superior Avenue, Suite 1500, Cleveland, OH 44114	Forever 21 Retail, Inc.	Store Lease	28210 Paseo Drive, Unit #190, Building No. Two,
19	The Galleria @ South Bay	QIC	600 Superior Avenue, Suite 1500, Cleveland, OH 44114	Forever 21 Retail, Inc.	Store Lease	1815 Hawthorne Blvd, Ste 188, Redondo Beach, CA
2169	SUMMIT FAIR	RED Summit Fair, LLC	One East Washington Street, Phoenix, AZ 85004	Forever 21 Retail, Inc.	Store Lease	840 NW BLUE PARKWAY, K- 101, LEE'S SUMMIT, MO

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
157	Hillsdale Shopping Center	Related Companies	60 31st Avenue, San Mateo, CA 94403-3497	Forever 21, Inc.	Store Lease	396 Hillsdale Shopping Center, San Mateo, CA 94403
608	Village at Cumberland Park (F21 RED)	Retail Connection	2525 McKinnon Street, Dallas, TX 75201	Forever 21 Retail, Inc.	Store Lease	8934 S. Broadway Ave. Ste. 448, Tyler, TX 75703
664	Central Texas Marketplace (F21 RED)	RPAI	15105 Collection Drive , Chicago, IL 60693	Forever 21 Retail, Inc.	Store Lease	2408 W Loop 340, Waco, TX 76711
5129	Roosevelt Field	Simon Property Group	225 West Washington Street, Indianapolis, IN 46204-3438	Forever 21 Retail, Inc.	Store Lease	630 Old Country Road # 2041 A, Garden City, NY 11530
423	Willow Bend	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	6121 W. Park Blvd, Ste B121 & B214, Plano, TX 75093
125	Macarthur	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	300 Monticello Ave., Suite #255, Norfolk, VA 23510
3010	Solano	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	1451 Gateway Blvd, Fairfield, CA 94533
194	Northlake Mall	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	9801 Northlake Mall Drive Space #201, Charlotte, NC
37	Parkway Plz	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	415 Parkway Plaza #357, El Cajon, CA 92020
3503	Northridge Mall	Starwood Retail Partners	1 East Wacker Drive, Chicago, IL 60601	Forever 21 Retail, Inc.	Store Lease	400 Northridge Drive, Suite #D01, Salinas, CA 93906
670	Lake Charles (F21 RED)	Stirling Properties	10606 Coursey Boulevard, Baton Rouge, LA 70816	Forever 21 Retail, Inc.	Store Lease	3401 Derek Dr., Lake Charles, LA 70607
2131	TANGER PARK CITY	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	6699 N. Landmark Dr. Space #L150, Park City, UT 84098
2129	TANGER JEFFERSONVILLE	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	8000 Factory Shops Blvd. #845, Jeffersonville, OH
2128	TANGER GRAND RAPIDS	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	350 84th St SW, #480, Byron Center, MI 49315
448	Rehoboth III Outlet Center	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	36504 Seaside Outlet Drive, Suite 1200, Rehoboth Beach,
645	Savannah Outlets	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	200 Tanger Outlets Blvd. Ste. 191, Pooler, GA 31322

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
2171	TANGER OUTLETS CHARLESTON	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	4840 Tanger Outlet Blvd, North Charleston, SC 29418
2140	TANGER DEERPARK	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	152 The Arches Cir SUITE 924, Deer Park, NY 11729
621	Foxwoods Outlets	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	455 Trolley Line Blvd. Suite 170, Mashantucket, CT 06338
2127	TANGER FORT WORTH	Tanger	3200 Northline Ave, Suite 360, Greensboro, NC 27408	Forever 21 Retail, Inc.	Store Lease	15829 North Freeway, #110, Forth Worth, TX 76177
744	Fair Oaks	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	11750 Fair Oaks #H227, Fairfax, VA 22033
706	Beverly Center	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	8500 Beverly Blvd., Ste 835, Los Angeles, CA 90048
6003	Country Club Plaza	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	111 Nichols Road, Kansas City, MO 64112
413	City Creek Center	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	51 S. Main St., Suite 162, Salt Lake City, UT 84101
768	Stamford Town Center	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	100 Greyrock Place, Space #D- 101 and #D-203, Stamford, CT
702	International	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	2223 North Westshore Blvd Suite 2000, Tampa , FL 33607
796	Twelve Oaks Mall	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	27434 Novi Road, Novi, MI 48377
6006	Sun Valley	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	329 Sun Valley Mall, Suite #121, Concord, CA 94520
66	Great Lakes Crossing	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	4160 Baldwin Road Space #426, Auburn Hills, MI 48326
6013	Short Hills	Taubman	200 East Long Lake Road, Suite 300, Bloomfield Hills,	Forever 21 Retail, Inc.	Store Lease	1200 Morris Turnpike, Space D123, Short Hills, NJ 07078
17	Fashion Island	The Irvine Company	401 Newport Center Drive, Newport Beach, CA 92660	Forever 21 Retail, Inc.	Store Lease	1101 Newport Center Drive, Newport Beach, CA 92660
692	Tustin Marketplace (F21 RED)	The Irvine Company	The Market Place (S20578) , Los Angeles, CA 90084-2567	Forever 21 Retail, Inc.	Store Lease	2856 El Camino Real, Tustin, CA 92782

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
624	Outlet Shops Of Grand River	TORG	6200 Grand River Blvd. Easr, Suite 446, Leeds, AL 35094	Forever 21 Retail, Inc.	Store Lease	6200 Grand River Blvd., Suite 646, Leeds, AL 35094
719	La Palmera	Trademark Properties	5488 Padre Island Drive, Corpus Christi, TX 78411	Forever 21 Retail, Inc.	Store Lease	5488 S. Padre Island Dr., Corpus Christi, TX 78411
368	Destin Commons	Turnberry	19501 Biscayne Boulevard, Suite 400, Aventura, FL 33180	Forever 21 Retail, Inc.	Store Lease	4224 Legendary Dr., Suite #F-94, Destin, FL 32541
492	Oakdale Mall (F21 RED)	Urban Edge	210 Route 4 East, Paramus, NJ 07652	Forever 21 Retail, Inc.	Store Lease	601-635 Harry L Drive Ste. 41, Johnson City, NY 13790
307	Orchard Town Center	Vestar	Terminal Tower, 50 Public Square, Cleveland, OH 44113	Forever 21 Retail, Inc.	Store Lease	14694 Orchard Pkwy, #300, Westminster, CO 80023
254	The Legend at Village West	Walton Street Capital	6263 N. Scottsdale Road, Scottsdale, AZ 85250	Forever 21 Retail, Inc.	Store Lease	1817 Village West Parkway, Suite #F101, Kansas City, KS
2106	Clay Terrace (F21 RED)	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	14550 Clay Terrace Blvd., Carmel, IN 46032
2107	OUTLET COLLECTION OF SEATTLE	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	1101 Outlet Collection Way, Space 319, Auburn, WA
333	Jefferson Valley	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	650 Lee Blvd. #D118, Yorktown Heights, NY 10598
648	Forest Plaza (F21 RED)	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	6363 E State St. Space XF, Rockford, IL 61108
53	Pearlridge Shopping Center	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	98-1005 Moanalua Road, Ste #231, Aiea, HI 96701
293	Morgantown Mall	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	9311 Mall Rd, Morgantown, WV 26505
330	Brunswick Square	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	755 State Route 18 #190C, East Brunswick, NJ 08816
146	Dayton Mall	Washington Prime Group	111 Monument Circle, Indianapolis, IN 46204	Forever 21 Retail, Inc.	Store Lease	2700 Miamisburg-Centerville, Space # 300, Dayton, OH
314	Valencia Town Center	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	24201 W. Valencia Blvd. #139, Valencia, CA 91355
3542	Santa Anita	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	400 South Baldwin Ave, Arcadia, CA 91007

Forever 21

Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
292	Sunrise Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	1107 Sunrise Mall, Massapequa, NY 11758
726	Old Orchard	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	4999 Old Orchard Center #J6, Skokie, IL 60077
60	Meriden Square Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	470 Lewis Avenue, Space 50, Meriden, CT 06450
792	Galleria @ Roseville	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	1173 Galleria Blvd., #P107, Roseville, CA 95678
49	Oakridge Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	925 Blossom Hill Road, #X-15, San Jose, CA 95123
695	Mission Valley	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	1640 Camino Del Rio, San Diego, CA 92108
61	Montgomery Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	7101 Democracy Blvd, Space 1252, Bethesda, MD 20817
238	Sherman Oaks Fashion Square	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	14006 Riverside Drive, Space #244, Sherman Oaks, CA
38	University Town Center	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	4545 La Jolla Village Drive Suite #H10, San Diego, CA
751	Southcenter Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	836 Southcenter Mall, Tukwila, WA 98188
614	World Trade Center	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	185 Greenwich St., Ste. LL4435, New York, NY 10007
182	Wheaton Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	11160 Veirs Mills Road, Silver Spring, MD 20902
5114	Southcenter Mall	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	467 Southcenter Mall #1545, Tukwila, WA 91811
5115	Westfield Culver City	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	6000 Sepulveda Blvd., Space #1450, Culver City, CA 90230
5116	Westfield Topanga Plaza	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	6600 Topanga Canyon Blvd, Space #60, Canoga Park, CA
5119	Garden State Plaza	Westfield	545 Long Wharf Drive, New Haven, CT 06511	Forever 21 Retail, Inc.	Store Lease	1 Garden State Plaza, Space #1006, Los Angeles, CA 07652

Forever 21Store Closing List

Store #	Store Name	Counterparty Name	Counterparty Address	Debtor Counterparty	Contract Description	Store Address
644	The Mall At Greece Ridge (F21 RED)	Wilmorite	1265 Scottsville Road, Rochester, NY 14624	Forever 21 Retail, Inc.	Store Lease	208 Greece Ridge Center Drive, Rochester, NY 14626
484	Tulare Outlet Center	Woodmont Companies	PO Box 731622, Dallas, TX 75373-1622	Forever 21 Retail, Inc.	Store Lease	1695 Rutherford Street, Space A010, Tulare, CA 93274

Annex 3

Store Closing Procedures

Store Closing Procedures¹

1. The Store Closings will be conducted during normal business hours or such hours as otherwise permitted by the applicable unexpired lease.
2. The Store Closings will be conducted in accordance with applicable state and local “Blue Laws,” and, thus, where such a law is applicable, no Store Closings will be conducted on Sunday unless the Debtors have been operating such stores on Sundays.
3. On “shopping center” property, neither the Debtors nor the Consultant shall distribute handbills, leaflets, or other written materials to customers outside of any Stores’ premises, unless permitted by the applicable lease or if distribution is customary in the “shopping center” in which such Store is located; *provided* that the Debtors and the Consultant may solicit customers in the Stores themselves. On “shopping center” property, neither the Debtors nor the Consultant shall use any flashing lights or amplified sound to advertise the Store Closings or solicit customers, except as permitted under the applicable lease or agreed in writing by the landlord.
4. The Debtors and the Consultant shall have the right to use and sell the FF&E. The Debtors and the Consultant may advertise the sale of the FF&E in a manner consistent with these Store Closing Procedures. The purchasers of any FF&E sold during the Store Closings shall be permitted to remove the FF&E either through the back or alternative shipping areas at any time, or through other areas after Store business hours; *provided* that the foregoing shall not apply to *de minimis* FF&E sales made whereby the item can be carried out of the Store in a shopping bag.
5. The Debtors and the Consultant may abandon any FF&E not sold in the Sales at the Closing Stores at the conclusion of the Sales, including, but not limited to, Closing Store signage. Any abandoned FF&E left in a Closing Store after a lease is rejected shall be deemed abandoned to the landlord, with the landlord having a right to dispose of the same as the landlord chooses without any liability whatsoever on the part of the landlord to any party and without waiver of any damage claims against the Debtors.
6. The Debtors and the Consultant may, but are not required to, advertise all of the Store Closings as “store closing,” “sale on everything,” “everything must go,” or similarly themed sales. The Debtors and the Consultant may also have a “countdown to closing” sign prominently displayed in a manner consistent with these Store Closing Procedures.
7. The Debtors and the Consultant shall be permitted to utilize sign walkers, display, hanging signs, and interior banners in connection with the Store Closings; *provided* that such sign walkers, display, hanging signs, and interior banners shall be professionally produced and hung in a professional manner. Neither the Debtors nor the Consultant shall use neon or day-glo on its sign walkers, display, hanging signs, or interior banners if

¹ Capitalized terms used but not defined in these Store Closing Procedures have the meanings given to them in the Order to which these Store Closing Procedures are attached as Annex 3 or the Motion to which the is attached as Exhibit A, as applicable.

prohibited by the applicable lease or applicable law. Furthermore, with respect to enclosed mall locations, no exterior signs or signs in common areas of a mall shall be used unless otherwise expressly permitted in these Store Closing Procedures. In addition, the Debtors and the Consultant shall be permitted to utilize exterior banners at (a) non-enclosed mall Stores and (b) enclosed mall Stores to the extent the entrance to the applicable Store does not require entry into the enclosed mall common area; *provided* that such banners shall be located or hung so as to make clear that the Store Closing is being conducted only at the affected Store and shall not be wider than the storefront of the Store. In addition, the Debtors shall be permitted to utilize sign walkers in a safe and professional manner. Nothing contained in these Store Closing Procedures shall be construed to create or impose upon the Debtors or the Consultant any additional restrictions not contained in the applicable lease agreement.

8. Neither the Debtors nor the Consultant shall make any alterations to the storefront, roof, or exterior walls of any Stores or shopping centers, or to interior or exterior store lighting, except as authorized by the applicable lease. The hanging of in-Store signage shall not constitute an alteration to a Store.
9. Affected landlords will have the ability to negotiate with the Debtors or, at the Debtors' direction, the Consultant, any particular modifications to the Store Closing Procedures. The Consultant, at the direction of the Debtors, and the landlord of any Store are authorized to enter into Side Letters without further order of the Court, provided that such agreements do not have a material adverse effect on the Debtors or their estates.
10. Conspicuous signs will be posted in each of the affected stores to the effect that all sales are "final."
11. The Debtors will keep store premises and surrounding areas clear and orderly, consistent with past practices.
12. An unexpired nonresidential real property lease will not be deemed rejected by reason of a Store Closing or the adoption of these Store Closing Procedures.
13. The rights of landlords against the Debtors for any damages to a Store shall be reserved in accordance with the provisions of the applicable lease.
14. If and to the extent that the landlord of any Store contends that the Debtors or the Consultant is in breach of or default under these Store Closing Procedures, such landlord shall provide at least five (5) days' written notice, served by email or overnight delivery, on:

If to the Debtors:

3880 N. Mission Road
Los Angeles, California 90031
Attention: Scott Hampton

with copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attention: Aparna Yenamandra
Email address: aparna.yenamandra@kirkland.com

and

Pachulski Stang Ziehl & Jones LLP,
919 North Market Street, 17th Floor,
P.O. Box 8705,
Wilmington, Delaware 19899-8705 (Courier 19801),
Attention: Laura Davis Jones
Email Address: ljones@pszjlaw.com

and

Montgomery McCracken Walker & Rhoads,
437 Madison Avenue, New York, NY 10022,
Attention: Maura I. Russell
Email Address: mrussell@mmwr.com

If to Consultant:

Riemer & Braunstein LLP,
Times Square Tower, Seven Times Square, Suite 2506, New York, New York
10036,
Attention: Steven E. Fox
Email address: sfox@riemerlaw.com

If the parties are unable to resolve the dispute, either the landlord or the Debtors shall have the right to schedule a hearing before the Court on no less than five (5) days' written notice to the other party, served by email or overnight delivery.