

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

SAKS GLOBAL ENTERPRISES LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 26-90103 (ARP)

(Jointly Administered)

**GLOBAL DEBTORS' OMNIBUS REPLY TO OBJECTIONS
TO THE GLOBAL DEBTORS' DIP FINANCING MOTION**

The Global Debtors hereby file this reply (the "Reply") in further support of the *Global Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Global Debtors to Obtain Postpetition Financing, (II) Granting Liens and Providing Superpriority Administrative Expense Claims, (III) Authorizing the Use of Cash Collateral, (IV) Granting Adequate Protection to the Prepetition Secured Parties, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* [Docket No. 49] (the "Motion") and in response to the reservations of rights and objections² filed with respect to the Motion (collectively, the "DIP Objections"). The Global Debtors respectfully represent as follows:

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://cases.stretto.com/Saks>. The location of Debtor Saks Global Enterprises LLC's corporate headquarters and the Debtors' service address in these chapter 11 cases is 225 Liberty Street, 31st Floor, New York, NY 10281. Bradley Arant Boult Cummings LLP is proposed counsel for the following Debtors: Saks OFF 5TH Holdings LLC, Saks OFF 5TH LLC, Saks OFF 5TH Midco Partner Inc., and Luxury Outlets USA, LLC (collectively, the "SO5 Digital Debtors"). Haynes and Boone, LLP and Willkie Farr & Gallagher LLP are proposed counsel for the remaining Debtors (collectively, the "Global Debtors"). For the avoidance of doubt, "Debtors" means, collectively, the Global Debtors and the SO5 Digital Debtors.

² See objections filed at Docket Nos. 702, 703, 704, 705, 730, 782, 807, 810, 824, 825, 826, 834, 836, 837, 838, 840, 848, 849, 853, 855, 857, 877, and 883.

Preliminary Statement

1. The Global Debtors are pleased to report they have resolved the majority of formal and informal objections to their DIP Facilities, including by reaching a hard-fought resolution with the Official Committee of Unsecured Creditors (the “Committee”). These resolutions, which are also supported by the DIP Lenders, are summarized in detail in **Exhibit A**³ hereto and are reflected in the revised proposed Final DIP Order filed concurrently herewith.

2. The DIP Facilities are now overwhelmingly supported by the Debtors’ creditors and other stakeholders. The remaining DIP Objections have been filed primarily by a small number of vendors who provide goods to the Global Debtors through concession and/or consignment arrangements. Notably, these objectors generally do not oppose approval of the DIP Facilities on a final basis. As a component of the Global Debtors’ agreements with the Committee—which includes their largest brand partners, who also provide goods on concession and consignment—the Global Debtors have inserted language in paragraphs 27 and 28 of the proposed Final DIP Order that protects the rights of the concessionaires and consignors, as further described herein. Accordingly, the Global Debtors submit that the remaining vendor-related DIP Objections are either resolved or otherwise adequately addressed by the language proposed in paragraphs 27 and 28 of the Final DIP Order.

3. The Global Debtors have also received a number of limited objections from landlords. The Global Debtors expect that these are fully resolved for the reasons set forth herein.

³ In addition to the formal objections denoted on **Exhibit A**, the Global Debtors made certain changes to the Final DIP Order pursuant to informal comments the Global Debtors received from the Committee, vendors, landlords, and insurance providers, among others.

4. To the extent that any remaining DIP Objections are not withdrawn or otherwise resolved before the hearing on the proposed Final DIP Order, the Global Debtors respectfully request that these objections be overruled and that the DIP Facilities be approved on a final basis.⁴

Reply

I. The Objecting Brand Partners Are Protected by the Final DIP Order.

5. As noted above, the Global Debtors' negotiations with the Committee culminated, in part, in the revised language in ¶¶ 27-28 of the Final DIP Order. The proposed language as to consignment vendors provides, in pertinent part:⁵

- Subject to the rights of the DIP Secured Parties,⁶ the Global Debtors are authorized to enter into Postpetition Consignment Agreements and to issue postpetition orders for consignment merchandise.
- The DIP Obligations, the DIP Superpriority Claims, the DIP Liens, all other administrative claims of the Global Debtors' Estates, the Adequate Protection Obligations, the Adequate Protection Liens, the Prepetition Secured Obligations, and the Prepetition Liens (but excluding the ABL DIP Obligations, the ABL DIP Liens, the Prepetition ABL Secured Obligations, and the Prepetition ABL Liens (and, in each case, the Adequate Protection Obligations and Adequate Protection Liens related thereto)) are subject and subordinate in all respects to amounts owed by the Global Debtors under the Postpetition Consignment Agreements on account of Postpetition Consigned Merchandise.
- Postpetition Consigned Merchandise shall be identified as being provided "on consignment" or "on memo," or shall be shipped pursuant to a consignment agreement, including a Postpetition Consignment Agreement. Postpetition Consignors are authorized to file UCC financing statements to perfect their rights with respect to such merchandise, but are not required to do so.
- Each Postpetition Consignor's interest in the applicable Postpetition Consigned Merchandise shall be deemed valid and perfected, with first priority, as against all other parties in interest (including the Global Debtors, their Estates, and the DIP Secured Parties) without the need for any such UCC financing statement filing; *provided, further*, that the

⁴ The Global Debtors reserve their rights to address any remaining open points at the aforementioned hearing.

⁵ If there are any differences between the summaries of the Final DIP Order provisions below and the Final DIP Order, the Final DIP Order shall control.

⁶ Capitalized terms not otherwise defined herein have the meanings given to them in the Motion or the Final DIP Order, as applicable.

Prepetition ABL Agent and the ABL DIP Lenders shall not be liable or responsible with respect to the application of the proceeds of Postpetition Consigned Merchandise against the Prepetition ABL Secured Obligations or the ABL DIP Obligations to the extent such application occurred from and after the Petition Date in accordance with the DIP Orders.

- The DIP Obligations, the DIP Superpriority Claims, the DIP Liens, the Prepetition Secured Obligations, and the Prepetition Liens shall be junior and subordinate to the applicable Postpetition Consignor's interests in Postpetition Consigned Merchandise and attach to and encumber any proceeds of the Postpetition Consigned Merchandise to which the Global Debtors are entitled to receive or retain.
- The DIP Obligations, the DIP Superpriority Claims, the DIP Liens, all other administrative claims of the Global Debtors' Estates, the Prepetition Secured Obligations, and the Prepetition Liens (but excluding the ABL DIP Obligations, the ABL DIP Liens, the Prepetition ABL Secured Obligations, and the Prepetition ABL Liens) shall be subject and subordinate in all respects to the payment of amounts owed by the Global Debtors to Postpetition Consignors on account of such Postpetition Consigned Merchandise.
- The Global Debtors are authorized to pay Prepetition Consignment Sale Claims consistent with the terms of the *Order (I) Authorizing Debtors to Pay Certain Prepetition Claims of Certain (A) Lien Claimants and (B) Customs and Regulatory Claimants, and (II) Granting Related Relief* [Docket No. 152] (the "Lien Claimants Order") and the DIP Credit Agreements.
- The DIP Agents, any DIP Lender, and none of the Representatives of any of the foregoing parties, shall be liable on account of any Postpetition Consigned Merchandise or proceeds thereof and the Postpetition Consignors' sole recourse shall be to the Global Debtors' Estates. Further, the Prepetition ABL Agent and the ABL DIP Lenders shall not be liable or responsible with respect to the application of the proceeds of Postpetition Consigned Merchandise against the Prepetition ABL Secured Obligations or the ABL DIP Obligations to the extent such application occurred from and after the Petition Date in accordance with the DIP Orders.
- Subject to the rights of all parties in interest under paragraph 18 (i.e., the paragraph setting forth rights regarding the period to challenge the DIP Secured Parties' liens and claims), (i) parties in interest's rights are reserved as to any Prepetition Consignment Sale Claims (including any setoff rights) and (ii) nothing in the Final DIP Order is deemed to prejudice, impair, subordinate or prime the lien or interest of any party that held, as of the Petition Date, a valid, duly perfected, first priority lien or interest in any merchandise giving rise to a Prepetition Consignment Sale Claim.

6. The Global Debtors also propose language in the Final DIP Order for the benefit of their concessionaires. Final DIP Order, ¶ 28. Subject in all respects to the terms of the Final DIP Order, the proposed Final DIP Order provides, in pertinent part:

- Subject to the rights of the DIP Secured Parties, the Global Debtors are authorized to enter into Postpetition Concession Agreements and to issue postpetition orders for concession merchandise.
- Postpetition Concession Merchandise shall remain the property of the Postpetition Concession Vendor.
- The DIP Obligations, the DIP Superpriority Claims, the DIP Liens, all other administrative claims of the Global Debtors' Estates, the Adequate Protection Obligations, the Adequate Protection Liens, the Prepetition Secured Obligations, and the Prepetition Liens (but excluding the ABL DIP Obligations, the ABL DIP Liens, the Prepetition ABL Secured Obligations, and the Prepetition ABL Liens (and, in each case, the Adequate Protection Obligations and Adequate Protection Liens related thereto)) are subject and subordinate in all respects to amounts owed by the Global Debtors under the Postpetition Concession Agreements on account of Postpetition Concession Merchandise.
- The DIP Obligations, the DIP Superpriority Claims, the DIP Liens, the Prepetition Secured Obligations, and the Prepetition Liens (but excluding the ABL DIP Obligations, the ABL DIP Liens, the Prepetition ABL Secured Obligations, and the Prepetition ABL Liens) shall be subject and subordinate in all respects to the payment of amounts owed by the Global Debtors to Postpetition Concession Vendors on account of Postpetition Concession Merchandise.
- Subject to the rights of all parties in interest under paragraph 18 (i.e., the paragraph setting forth rights regarding the period to challenge the DIP Secured Parties' liens and claims), (i) parties in interest's rights are reserved with respect to the proceeds of any concession merchandise sold prior to the Petition Date (including any setoff rights) and (ii) nothing in the Final DIP Order is deemed to prejudice, impair, subordinate or prime the lien or interest of any party that held, as of the Petition Date, a valid, duly perfected, first priority lien or interest in any such proceeds.
- The DIP Agents, any DIP Lender, or any of the Representatives of any of the foregoing, are not liable on account of any Postpetition Concession Merchandise or proceeds thereof and the Postpetition Concession Vendor's sole recourse shall be to the Global Debtors' Estates. Further, the Prepetition ABL Agent and the ABL DIP Lenders shall not be liable or responsible with respect to the application of the proceeds of Postpetition Concession Merchandise against the Prepetition ABL Secured Obligations or the ABL DIP Obligations to the extent such application occurred from and after the Petition Date in accordance with the DIP Orders.
- The rights of all parties with respect to the proceeds of any concession merchandise sold prior to the Petition Date are reserved.

7. These provisions resolve or otherwise adequately address the three main arguments asserted in the DIP Objections, which are as follows.

8. First, several objectors argue that vendors should have a lien on proceeds of consignment or concession merchandise sold postpetition that is senior to the DIP Obligations. The Global Debtors (with the support of the Committee and the DIP Lenders) have agreed to this priority scheme as to the DIP Obligations, the DIP Superpriority Claims, the DIP Liens, the Prepetition Secured Obligations, and the Prepetition Liens (other than the ABL DIP Obligations, the ABL DIP Liens, the Prepetition ABL Secured Obligations, and the Prepetition ABL Liens). See Final DIP Order ¶¶ 27(a), 27(c), 28(a), 28(c).

9. Second, several objectors argue that vendors should have a lien on proceeds of consignment or concession merchandise sold prepetition that is senior to the DIP Obligations. With respect to both concessionaires and consignors, if such applicable party held a valid, duly perfected, first priority lien or interest in any such proceeds as of the Petition Date, nothing in the Final DIP Order primes that lien.⁷ Final DIP Order ¶¶ 27(h), 28(f). In the event of a dispute over a Prepetition Consignment Sale Claim, the seniority of liens or interests in any merchandise giving rise to a Prepetition Consignment Sale Claim or otherwise as to the prepetition period, or with respect to proceeds of any concession merchandise, all parties' rights are reserved. Final DIP Order ¶¶ 27(h), 28(f).

10. Third, several objectors argue that merchandise that is not yet sold—regardless of whether it was provided to the Global Debtors pre- or postpetition—is not property of the estates and can be taken back by the vendor. With respect to consignors, the language in the proposed Final DIP Order clarifies that their interests in Postpetition Consigned Merchandise are senior to the DIP Obligations, the DIP Superpriority Claims, the DIP Liens, the Prepetition Secured

⁷ Moreover, the Global Debtors may pay, in their discretion, Prepetition Consignors on account of Prepetition Consignment Sale Claims consistent with the terms of terms of the Lien Claimants Order. Final DIP Order ¶ 27(d).

Obligations, and the Prepetition Liens. Final DIP Order ¶ 27(c)(A). With respect to concessionaires, the proposed Final DIP Order clarifies that Postpetition Concession Merchandise remains property of the vendor. Final DIP Order ¶ 28(b). The Final DIP Order does not otherwise impact the vendors' existing contractual arrangements with the Global Debtors—i.e., the parties' existing contracts continue to govern their rights with respect to goods provided to the Global Debtors prepetition.

11. The Global Debtors submit that the negotiated provisions are sufficient to address the remaining DIP Objections. They are consistent with the Global Debtors' prepetition arrangements with their brand partners and provide additional protections in the context of these Chapter 11 Cases. Moreover, any concerns the objectors may have about a downside liquidity scenario are rendered remote by the approval of the DIP Facilities on a final basis, which were sized to give the Global Debtors the liquidity they need to rebuild and maintain their vendor relationships. In the meantime, the objectors—who constitute a small handful of the Global Debtors' brand partners—should not receive greater protections than their peers, several of whom sit on the Committee and support the language in the proposed Final DIP Order. To the extent any of the remaining DIP Objections filed by concession and consignment brands are not withdrawn, the Global Debtors submit that they should be overruled in light of the foregoing resolution.

II. Landlords Will Receive Stub Rent.

12. As set forth in further detail in Exhibit A, the Global Debtors received a number of objections from landlords asserting, among other things, that the Global Debtors must revise their DIP Budget to account for unpaid stub rent for the period commencing on the Petition Date and ending on January 31, 2026.

13. The Global Debtors have made this revision and have included a provision in the revised proposed Final DIP Order stating as follows: “Subject to any agreements between the Global Debtors and any individual landlord, and provided that there has not been an occurrence and continuance of any Event of Default, the Global Debtors shall pay any unpaid Stub Rent Claims⁸ to the applicable landlords within 10 Business Days after entry of this Final Order.” Final DIP Order ¶ 19(c).

14. Based on their discussions with the landlords, the Global Debtors expect that all of the objections filed by landlords will be resolved via the inclusion of this language. To the extent any remaining DIP Objections filed by landlords are not withdrawn, they should be overruled because the landlords will receive payment on their Stub Rent Claims as set forth above and other protections set forth in the Final DIP Order. Final DIP Order ¶¶ 19(a), 19(c), 30.

Conclusion

15. The Global Debtors are committed to the long-term success of their business and their relationships with their brand partners. To achieve these goals, the Global Debtors require access to the DIP Facilities on a final basis. The Global Debtors respectfully request that the Court overrule the DIP Objections, enter the Final DIP Order, and grant such other and further relief as the Court deems just and proper.

⁸ “Stub Rent Claims” is defined in the proposed Final DIP Order as “valid administrative expense claims based on rent owed by the Global Debtors under leases for nonresidential real property which accrued and remains unpaid for period commencing on the Petition Date and ending on January 31, 2026.” Final DIP Order ¶ 19(a).

Dated: February 19, 2026
Houston, Texas

/s/ Kelli S. Norfleet

HAYNES AND BOONE, LLP

Kelli S. Norfleet (TX Bar No. 24070678)
Kenric D. Kattner (TX Bar No. 11108400)
Arsalan Muhammad (TX Bar No. 24074771)
Kourtney P. Lyda (TX Bar No. 24013330)
David Trausch (TX Bar No. 24113513)
1221 McKinney Street, Suite 4000
Houston, TX 77010
Telephone:(713) 547 2000
Facsimile: (713) 547 2600
Email: kelli.norfleet@haynesboone.com
kenric.kattner@haynesboone.com
arsalan.muhammad@haynesboone.com
kourtney.lyda@haynesboone.com
david.trausch@haynesboone.com

WILLKIE FARR & GALLAGHER LLP

Debra M. Sinclair (admitted *pro hac vice*)
Robin Spigel (admitted *pro hac vice*)
Allyson B. Smith (admitted *pro hac vice*)
Betsy L. Feldman (admitted *pro hac vice*)
Jessica D. Graber (admitted *pro hac vice*)
787 Seventh Avenue
New York, NY 10019
Telephone:(212) 728-8000
Facsimile: (212) 728-8111
Email: dsinclair@willkie.com
rspigel@willkie.com
absmith@willkie.com
bfeldman@willkie.com
jgraber@willkie.com

-and-

Jennifer J. Hardy (TX Bar No. 24096068)
600 Travis Street
Houston, TX 77002
Telephone:(713) 510-1766
Facsimile: (713) 510-1799
Email: jhardy2@willkie.com

-and-

Ryan Blaine Bennett (admitted *pro hac vice*)
300 North LaSalle Drive
Chicago, IL 60654
Telephone:(312) 728-9123
Facsimile: (312) 728-9199
Email: rbennett@willkie.com

*Proposed Co-Counsel to the Global Debtors
and Global Debtors in Possession*

*Co-Counsel to the Global Debtors
and Global Debtors in Possession*

Certificate of Service

I certify that on the date hereof, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas. Additionally, the foregoing document will be served as set forth in a forthcoming affidavit filed by the Debtors' claims agent.

/s/ Kelli S. Norfleet

Kelli S. Norfleet

Exhibit A

Reply Chart

	Docket No.	Objecting Party	Summary of Objection(s)	Debtors' Response(s)
Landlords				
1.	703	Centennial Waterfall Willow Bend, LLC, et al. (the " <u>Landlords</u> ")	The Landlords assert that the lack of budgeting for stub rent for January in the DIP, as well as for subsequent rent during the case, unfairly places the risk of administrative insolvency on the Landlords. The Landlords request that the Court require the Global Debtors to either pay rent on a current basis during the case or escrow funds to cover postpetition rent.	Following informal discussions with the Landlords, the Global Debtors understand that this objection is resolved.
2.	704	SF Wilshire BH, LLC (" <u>SF Wilshire</u> ")	SF Wilshire filed a reservation of rights to ensure a Deed of Trust related to the purchase of two parcels of land next to the Global Debtors' store in Beverly Hills, CA is a Permitted Prior Lien.	The Global Debtors resolved informally with SF Wilshire.
3.	730	Scottsdale Promenade, LLC (the " <u>Landlord</u> ")	The Landlord joins the objection of the Landlords at Docket No. 703.	Following informal discussions with the Landlord, the Global Debtors understand that this objection is resolved.
4.	782	Horizon Group Properties, Inc., et al. (the " <u>Landlords</u> ")	The Landlords argue they are not adequately protected because the budget does not currently account for stub rent. The Landlords requested that the Court require the immediate payment of, or an escrow account for, stub rent owed and condition any 506(c) and 552(b) waivers on the payment of stub rent.	Following informal discussions with the Landlords, the Global Debtors understand that this objection is resolved.
5.	807	Aventura Fashion Island, L.P., et al. (the " <u>Landlords</u> ")	The Landlords request that the Global Debtors' budget be modified to account for the payment of all administrative expenses, including the immediate payment of stub rent. The Landlords also oppose the Global Debtors' section 506(c) and 552(b) waivers to their extent postpetition rent obligations are not paid. The Landlords also 1) argue that liens granted to the Secured Parties should not be placed directly on the leases, 2) object to any broad grant	The Final DIP Order provides: (i) holders of Stub Rent Claims the right to seek standing and the ability to surcharge against any and all DIP Collateral or Prepetition Collateral (but excluding DIP Collateral or Prepetition Collateral to the extent securing the ABL DIP Obligations, the ABL DIP Liens, the Prepetition ABL Secured Obligations, and the Prepetition ABL Liens) under section 506(c) of the Bankruptcy Code; (ii) for the

			of rights and remedies to the Secured Parties to use and occupy the Leased Premises if the Global Debtors default under the terms of the DIP Financing, and 3) object to any additional parties being named as additional insured on insurance policies maintained by the Global Debtors.	payment of any Stub Rent Claims within 10 Business Days after entry of the Final DIP Order; and (iii) that liens granted pursuant to the DIP Orders shall not include or attach to any of the Global Debtors' real property leases and no liens granted pursuant to the DIP Orders shall attach to the Global Debtors' real property leaseholds. <u>See</u> Final DIP Order, ¶¶ 19(a), 19(c).
6.	849	Prucenter Acquisition LLC, et al. (the " <u>Landlords</u> ")	The Landlords request that the Global Debtors' and their estates' rights under section 506(c) be conditioned upon the immediate payment of stub rent and the timely payment of rent due under the leases.	Following informal discussions with the Landlords, the Global Debtors understand that this objection is resolved.
7.	877	WvF-Paramount 745 Property, L.P. (the " <u>Landlord</u> ")	The Landlord requests that the Global Debtors' and their estates' rights under section 506(c) be conditioned upon the immediate payment of stub rent and the timely payment of rent due under the leases.	The Final DIP Order provides: (i) holders of Stub Rent Claims the right to seek standing and the ability to surcharge against any and all DIP Collateral or Prepetition Collateral (but excluding DIP Collateral or Prepetition Collateral to the extent securing the ABL DIP Obligations, the ABL DIP Liens, the Prepetition ABL Secured Obligations, and the Prepetition ABL Liens) under section 506(c) of the Bankruptcy Code; (ii) for the payment of any Stub Rent Claims within 10 Business Days after entry of the Final DIP Order; and (iii) that liens granted pursuant to the DIP Orders shall not include or attach to any of the Global Debtors' real property leases and no liens granted pursuant to the DIP Orders shall attach to the Global Debtors' real property leaseholds. <u>See</u> Final DIP Order, ¶¶ 19(a), 19(c).

Consignors / Concessionaires				
8.	702	American Jewelry Designs and Vivid Blue, Inc.	AJD Platinum Inc. dba American Jewelry Designs and Vivid Blue, Inc. (together, the “ <u>Consignors</u> ”) assert they have rights to consigned jewelry at various Neiman and Saks locations (the “ <u>Consigned Goods</u> ”). The Consignors argue that these are not property of the estate and object to the sale, use, or transfer of the Consigned Goods or their proceeds, as well as to any granting of liens in favor of the DIP Lenders, on the grounds that the Consigned Goods and their proceeds are not property of the estate. The Consignors requested that the Court provide “the same or better [consignor] protections” as were granted in the final DIP order from the 2020 Neiman bankruptcy cases.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objections that have not been withdrawn should be overruled as the Final DIP Order provides the Consignors with sufficient protections.
9.	810	Gismondi 1754 S.P.A.	Gismondi 1754 S.P.A. objects to the sale of its consigned goods without its written consent.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides Gismondi 1754 S.P.A. with sufficient protections.
10.	824	Dena Kemp, Inc., et al. (the “ <u>Vendors</u> ”)	The Vendors argue the Global Debtors improperly commingled consignment and concession proceeds with general operating funds and used those funds to operate the Global Debtors’ business in violation of § 363(c)(2) of the Bankruptcy Code. In addition, the Vendors argue that the Global Debtors’ buyer representatives have made confusing and misleading communications in connection with potential “critical vendor” status and trade terms.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides Vendors with sufficient protections.
11.	825	Valentin & Kalich Jewelry MFG. (d/b/a Valentin Magro) (“ <u>Valentin Magro</u> ”)	Valentin Magro objects to the treatment of proceeds derived from consigned goods sold by the company on a repetition basis.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn

				should be overruled as the Final DIP Order provides Valentin Mago with sufficient protections.
12.	826	Deva, Inc. and Schiaparelli US	Deva and Schiaparelli reserve their rights to object to the Final DIP Order to the extent it does not preserve senior interests in and ownership of consigned goods and proceeds. They argue that consignment goods remain property of the consignor until they are sold and the consignor retains a superior interest in a portion of the proceeds as provided in the consignment agreement. As such, the consignment vendors' consignment/ownership interest in the goods is superior to the security interest that the company proposes to grant to the DIP Secured Parties; therefore, any proceeds must be paid to the Deva or Schiaparelli, as appropriate.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides Deva, Inc. and Schiaparelli US with sufficient protections.
13.	834	Sandeep Diamonds and Affinity Diamonds (“Sandeep Diamonds”)	Sandeep Diamonds objects to the use, sale, collateralization, or transfer of its consigned goods or proceeds without written consent and specifically objects to any priming lien without adequate protection.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides Sandeep Diamonds and Affinity Diamonds with sufficient protections.
14.	836	Richline Group, Inc., et al (the “Vendors”)	The Vendors argue goods on consignment are not property of the Global Debtors' bankruptcy estates because (1) at all time the consignment vendors retained, and continue to retain the consigned goods and (2) the arrangements are “true consignments” under common law, exempt from UCC Article 9 perfection requirements because the Global Debtors were “generally known by their creditors to be substantially engaged in selling the goods of others.”	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides the Vendors with sufficient protections.

15.	837	Graff Diamond (New York), Inc.	Graff Diamonds argues concession goods and property are not property of the estate and objects to the DIP to the extent the Global Debtors' utilization of cash collateral impacts Graff Diamonds' rights. Graff Diamonds also requests specific protective language in the Final DIP Order including: (1) confirmation that consigned goods/proceeds are not estate property and outside the scope of DIP liens; (2) adequate protection; (3) preservation of rights to prepetition proceeds not yet paid; and (4) affirmation that post-petition consignors retain title regardless of prepetition status.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides Graff Diamonds with sufficient protections.
16.	838	FRHueb, Inc.	FRHueb objects to the use or sale of any of its consigned goods or the consignment proceeds, or the granting to any third-party of any purported "superpriority" or "priming" liens thereon as they are not property of the Global Debtors' estates.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides FRHueb with sufficient protections.
17.	840	Ganni, Inc., et al. (the "Vendors")	The Vendors argue that any final DIP order should provide that no security interest or priority right under the DIP facilities would compromise the rights of the consignment vendors to their merchandise. The Vendors also argue the consignment vendors have a first priority exclusive rights to the proceeds of the consignment goods. The Vendors also request that the Global Debtors return the consignment goods.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides the Vendors with sufficient protections. The Vendors are not entitled to additional protections compared to their peers.
18.	843 & 844	Dolce & Gabbana USA Inc., et al. (" <u>D&G</u> ")	D&G withdrew its objection on February 19, 2026.	D&G withdrew its objection on February 19, 2026.
19.	848	Cicada Jewelry, Inc.	Cicada Jewelry, Inc. joins the objection of the Vendors at Docket No. 836.	The Global Debtors and Cicada Jewelry, Inc. reached a resolution on the language in the Final DIP Order at ¶¶ 27-28.

20.	855	Katy Briscoe, Inc. ("Briscoe")	Briscoe joins in the objections filed by other consignment vendors to the extent the Global Debtors seek an order authorizing them to use or otherwise transfer proceeds from the sale of consigned goods.	The Global Debtors and the Committee have reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides Briscoe with sufficient protections.
21.	856	David Yurman Enterprises LLC, et al. (the "Vendors")	The Vendors filed a reservation of rights reserving all rights to the DIP Motion and any DIP order.	As outlined in ¶¶ 5-11, the Global Debtors contend this objection should be overruled.
22.	883	Yeprem Jewellery, S.A.R.L. ("Yeprem")	Yeprem joins in the objections filed by other consignment vendors to the extent the Global Debtors seek an order authorizing them to use, sell, collateralize, or otherwise transfer Yeprem's consigned goods.	The Global Debtors and the Committee reached a resolution on the language in the Final DIP Order at ¶¶ 27-28. As described in ¶¶ 5-11, the Global Debtors believe that any objection that has not been withdrawn should be overruled as the Final DIP Order provides Yeprem with sufficient protections. Yeprem is not entitled to additional protections compared to its peers.
Miscellaneous				
23.	705	The Texas Taxing Authorities	The Texas Taxing Authorities object to any priming liens proposed under the Final DIP Order. The Taxing Authorities also object to the Global Debtors' use of proceeds from store closing sales, arguing that such proceeds represent the Texas Taxing Authorities' cash collateral.	The Global Debtors have included consensual language negotiated with the Texas Taxing Authorities to resolve this objection in the Final DIP Order at ¶ 51.
24.	853	Margot McKinney Jewellry	Margot McKinney Jewellry argues that it meets the statutory definition of "Fine Art" under California Civil Code section 1738.6 and New York Arts and Cultural Affairs Law Article 12, asserting that under these statutes, Margot McKinney Jewellry consigned goods and proceeds do not constitute property of the Global Debtors' estates and may not be used as cash collateral, pledged as collateral for postpetition financing, or subject	Jewelry does not meet the New York Arts and Cultural Affairs Law's or the California Civil Code's stringent definitions of "fine art" and therefore are not held in a statutory trust. Additionally, the goods in question do not qualify as a "craft," but even if they were, New York's Art Law would only be applicable to the relationship if the applicable Global Debtor were an "art merchant." Because the applicable Global Debtor is not "in the business of dealing exclusively or non-

			to replacement liens, priming liens, or super priority administrative claims.	exclusively, in works of fine art or multiples” nor does it hold itself out as having “knowledge or skill peculiar to such works,” it is not an art dealer as a matter of law.
25.	857	The Official Committee of Unsecured Creditors (the “ <u>Committee</u> ”)	The Committee filed a reservation of rights to the extent the Committee, the Global Debtors, and the DIP Lenders were not able to resolve the Committee’s concerns prior to the hearing on the Final DIP Order.	The Committee, Global Debtors, and DIP Lenders reached a resolution on the terms of the Final DIP Order.