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*Proposed Attorneys for Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

**KB US Holdings, Inc., et al.,
Debtors.¹**

Chapter 11

Case No. 20-22962

(Joint Administration Requested)

**DEBTORS' MOTION REQUESTING AUTHORITY
TO (I) CONTINUE USING EXISTING CASH MANAGEMENT
SYSTEM, BANK ACCOUNTS, AND BUSINESS FORMS, (II) IMPLEMENT
CHANGES TO THE CASH MANAGEMENT SYSTEM IN THE
ORDINARY COURSE OF BUSINESS, (III) CONTINUE INTERCOMPANY
TRANSACTIONS, AND (IV) PROVIDE ADMINISTRATIVE EXPENSE PRIORITY
FOR POSTPETITION INTERCOMPANY CLAIMS, AND (V) FOR RELATED RELIEF**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: KB US Holdings, Inc. (1000), KB Holding, Inc. (3082), AG Kings Holdings Inc. (8681), AG Holdings II Inc. (3828), Kings Super Markets, Inc. (6769), Balducci's Holdings LLC (1913), Balducci's Connecticut LLC (1945), Balducci's Maryland LLC (1926), Balducci's Virginia LLC (1949), and Balducci's New York LLC (1934). The location of the Debtors' corporate headquarters is 700 Lanidex Plaza Parsippany, NJ 07054.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

KB US Holdings, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), respectfully represent as follows in support of this motion (the “**Motion**”):

Background

1. On the date hereof (the “**Commencement Date**”), the Debtors each commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors are authorized to continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of creditors has been appointed in these chapter 11 cases.

2. Contemporaneously herewith, the Debtors have filed a motion requesting joint administration of their chapter 11 cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”).

3. Additional information regarding the Debtors’ businesses, capital structure, and the circumstances leading to the commencement of these chapter 11 cases is set forth in the *Declaration of M. Benjamin Jones Pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York*, sworn to on the date hereof (the “**Jones Declaration**”), which has been filed with the Court contemporaneously herewith and is incorporated by reference herein.²

Jurisdiction

4. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the Amended Standing Order of Reference M-431, dated January 31, 2012

² Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Jones Declaration.

(Preska, C.J.). This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Relief Requested

5. By this Motion, pursuant to sections 105(a), 363, 364, 503, and 507 of the Bankruptcy Code, the Debtors request authority to (a) continue their existing cash management system, including the continued maintenance of their existing bank accounts and business forms, (b) implement changes to their cash management system in the ordinary course of business, including opening new or closing existing bank accounts (including as necessary to comply with any orders authorizing the Debtors to obtain postpetition debtor-in-possession financing), (c) continue to perform under and honor intercompany transactions in the ordinary course of business, in their business judgment and at their sole discretion, and (d) provide administrative expense priority for postpetition intercompany claims, and (e) for related relief.³

6. The Debtors further request that the Court authorize the financial institutions at which the Debtors maintain various bank accounts to (a) continue to maintain, service, and administer the Debtors' bank accounts, and (b) debit the bank accounts in the ordinary course of business on account of (i) wire transfers or checks drawn on the bank accounts, provided that any payments drawn, issued or made prior to the Commencement Date shall not be honored absent direction of the Debtors and an order of the Court authorizing such prepetition payment, or (ii) undisputed service charges owed to the banks for maintenance of the Debtors' cash management system, if any.

7. A proposed form of order granting the relief requested in this Motion on an interim basis is attached hereto as **Exhibit A** (the "**Proposed Interim Order**").

³ The Debtors do not invest their cash and, therefore, are not seeking authority to continue to make investments.

The Debtors' Cash Management System and Bank Accounts

8. As described in the Jones Declaration, in the ordinary course of business, each of Kings Super Markets, Inc. (“**Kings**”) and Balducci’s Holdings, LLC (“**Balducci’s**”) utilize an integrated, centralized cash management system to collect, concentrate, and disburse funds generated by their operations (collectively, the “**Cash Management System**”). In broad terms, the Debtors’ Cash Management System is similar to the cash management systems used by other large retail enterprises. The Cash Management System is tailored to meet the Debtors’ needs as operators of supermarket chains, and enables the Debtors to efficiently collect and disburse cash generated by their businesses, pay their financial obligations, centrally control and monitor corporate funds and available cash, comply with the requirements of their financing agreements, reduce administrative expenses, and obtain accurate account balances and other financial data. It is critical that the Cash Management System remains intact during these chapter 11 cases to ensure seamless continuation of transactions and uninterrupted collection of revenues.

9. The Cash Management System is comprised of 57 bank accounts (collectively, the “**Bank Accounts**”)⁴ maintained at Bank of America, N.A. (the “**Bank**”) and used to collect, organize, and/or track various forms of cash receipts and disbursements. The majority of the Bank Accounts are in the name of Kings or Balducci’s. All of the Bank Accounts are located at a Bank designated as authorized depositories by the Office of the United States Trustee for Region 2 (the “**U.S. Trustee**”) pursuant to the U.S. Trustee’s Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees (the “**UST Guidelines**”). Of the 57 Bank Accounts, 35 are Store Deposit Accounts (as defined below).

⁴ A list and description of each of the Debtors’ Bank Accounts is attached hereto as **Exhibit B**.

10. The Debtors maintain 35 Store Deposit Accounts, one for each of their stores, used for collection of cash receipts at various banks in close proximity to the Debtors' retail locations. Because an average of \$26,500 for Kings and \$11,500 for Balducci's passes through each Store Deposit Account on a weekly basis, and because the Debtors regularly transfer funds from such accounts into a centralized Concentration Account (as defined and described below), the balances in such accounts do not exceed the FDIC-insurance cap of \$250,000 at any given time.

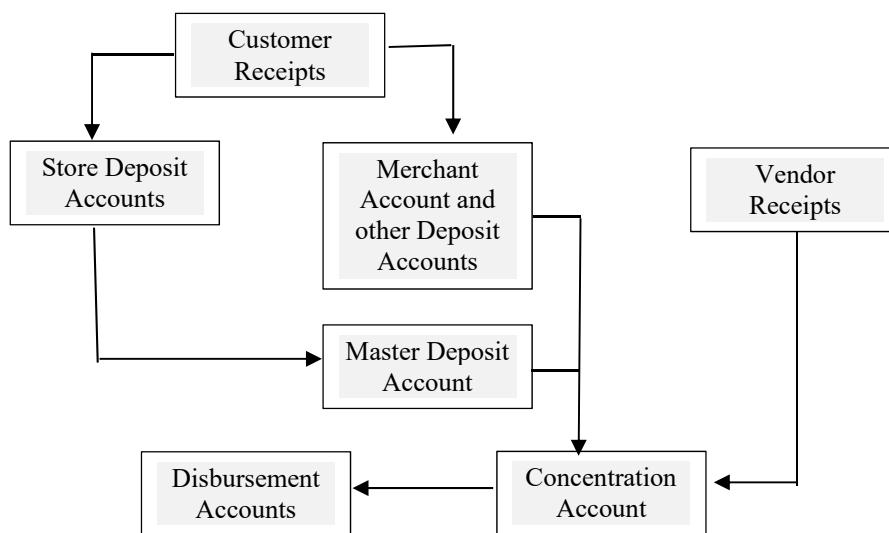
11. Through this Motion, the Debtors seek authority to maintain their Store Deposit Accounts and the Insurance Disbursement Account at their present Bank. Requiring the Debtors to close all of the Store Deposit Accounts and the Insurance Disbursement Accounts and open new accounts at authorized depositories would unduly disrupt the Debtors' operations at this critical juncture and is unnecessary because the balances in these accounts never exceed FDIC insurance limits.

Description of the Debtors' Cash Management System

12. Kings and Balducci's each have a separate Cash Management System. Funds flow through the Kings and Balducci's Cash Management Systems in substantially the same manner. First, cash and other receivables generated by the Debtors' operations are deposited into various deposit accounts, which are designated by type of receipt and store. Each store has its own Store Deposit Account, into which cash and checks are deposited. The funds in the Store Deposit Accounts then flow into a Master Deposit Account. Each of Kings and Balducci's has a separate Merchant Account for credit card payments. The Funds in the Master Deposit Account, Merchant Account, and certain other deposit accounts, including an account for vendor receipts, then flow into a Concentration Account.

13. The final phase in the operation of the Cash Management System involves the disbursement of funds. Funds are disbursed from the Concentration Account and are transferred, either directly or through certain Disbursement Accounts, for the payment of payroll, certain vendor payments, and other obligations.

14. On average, the Debtors generate approximately \$12.5 million in weekly receipts. An average of \$12.5 million flows through the Cash Management System per week in receipts and \$11.5 million in disbursements. A general overview of the flow of funds through the Debtors' Cash Management System is illustrated by a diagram attached hereto as **Exhibit C**. The following is a high-level summary diagram of the Debtors' Cash Management Systems. Each of Kings and Balducci's use a separate Cash Management System that can be summarized as follows:



15. In addition, the Debtors have certain Bank Accounts to which funds do not flow automatically, but are instead transferred manually from the Concentration Account. These Bank Accounts include disbursement accounts for 401(k) contributions, payment of insurance claims, and wine vendors that often require payment on delivery and are therefore paid from accounts that are manually funded as needed to ensure liquidity in such accounts is sufficient at

the time of delivery. Kings also maintains certain Bank Accounts into which donations for an annual golf charity event are deposited.

16. The Cash Management System is overseen by the personnel in the Debtors' finance department (the "**Finance Department**"). Although much of the Cash Management System is automated, the Finance Department personnel monitor the Bank Accounts and manage the proper collection and disbursement of funds.

17. The Debtors maintain robust controls relating to the Cash Management System. Members of the Finance Department review daily reports on the Debtors' cash balances and disbursements. The Chief Executive Officer and the Vice President of Finance also receive daily reports thereon. Various levels of required authorizations are determined by the size and type of the disbursement. On every Monday and Wednesday for accounts payable, and every Thursday for payroll, the Finance Department prepares and sends to Bank of America, the Debtors' primary Bank, a file listing all authorized check disbursements to be processed and honored. The Finance Department also sends wire and Automated Clearing House payment ("**ACH Payment**") notifications to Bank of America on a daily basis. These procedures ensure that Bank of America only processes and honors payments that the Debtors expressly have authorized. In the rare event the Debtors' reports and Bank Account records do not match, the Finance Department works with Bank of America to resolve such discrepancies quickly and efficiently.

18. Maintaining the Cash Management System in its current state is crucial to the Debtors' continued operations, given the significant volume of cash transactions processed through the Cash Management System each day. Any disruption to the Cash Management System unnecessarily and significantly would hinder the Debtors' complex day-to-day operations and impede the successful administration of their chapter 11 estates.

19. In furtherance of the foregoing, the Debtors request that the Bank be authorized to continue to administer the Bank Accounts as they were maintained and administered prepetition, without interruption and in the usual and ordinary course, and to honor all representations from the Debtors as to which checks should be honored or dishonored. The Bank also should be authorized to pay all checks, drafts, wires, and ACH Payments issued on the Bank Accounts for payment of any claims authorized by the Debtors arising on or after the Commencement Date so long as those accounts contain sufficient funds. To the extent that the Debtors have directed that any prepetition checks be dishonored, they reserve the right to issue replacement checks to pay the amounts related to any dishonored checks, consistent with orders of this Court.

A. Cash Collection

20. As set forth in the Jones Declaration, the Debtors generate and receive funds through the operations and promotional activities of their supermarkets and franchisees. As part of their daily operations, the Debtors collect cash, checks, wire payments, and debit/credit card payments. This revenue is deposited into one of the Debtors' deposit accounts (the "**Deposit Accounts**"), which are designated by type of receipts (*e.g.*, credit card receipts, e-commerce receipts, etc.) and store.

21. Generally, the Debtors' cash collection accounts consist of:

- a. Store Deposit Accounts. The Debtors maintain 35 store Deposit Accounts (the "**Store Deposit Accounts**") designated by geographic location to collect revenue generated from the Debtors' store operations, each with Bank of America. To the extent there is excess Cash after taking into account the needs for store operations, Cash collected at the stores is deposited into the Store Deposit Accounts on an approximately bi-weekly basis.
- b. Credit/Debit Accounts. The Debtors maintain merchant accounts with several credit and debit card companies, including American Express Company, Discover Financial Services, MasterCard Inc., and Visa, Inc.

(collectively, the “**Card Companies**”). The Debtors maintain three Deposit Accounts to collect payments received from these credit and debit card companies. Balducci’s maintains two such accounts, one for online purchases and one for in-store purchases.

- c. NG Account. Kings maintains a Deposit Account for collections on customers’ bounced checks (the “**NG Account**”).
- d. ACH Accounts. The Debtors maintain Deposit Accounts for ACH payments made by vendors.

B. Cash Concentration

22. As stated above, the Debtors use a number of Deposit Accounts to collect their funds. On a daily basis, the funds in the Store Deposit Accounts, Credit/Debit Accounts, NG Account, and ACH Accounts are automatically swept into the Concentration Account, and such funds are ultimately used to fund disbursements.

C. Cash Disbursements

23. The Debtors use the funds in the Concentration Accounts to fund their ongoing operations through a number of disbursement accounts (collectively, the “**Disbursement Accounts**”).⁵ The Disbursement Accounts are designated by type of disbursement. The Debtors maintain the Disbursement Accounts for, among other things, payments of payroll, insurance claims, and vendors.

24. The Debtors maintain a general ledger account for bottle refund programs as required under New York State law, but do not maintain a separate bank account for such programs.⁶ Similarly, the Debtors fund other trust fund programs, such as the lottery, from their

⁵ The Debtors fund the payment of payroll taxes, sales taxes, certain vendors and other obligations directly from the Main Operating Account and not through any Disbursement Account.

⁶ As further explained in the *Motion of Debtors to (I) Maintain Certain Trust Programs, (II) Release Certain Funds Held in Trust, and (III) Continue to Perform and Honor Related Obligations* (the “**Trust Funds Motion**”), the Debtors are required by law to maintain funds for the Bottle Deposit Program (as defined in the Trust Funds Motion). Generally, for each bottled product sold by the Debtors, the Debtors hold as deposit a portion of the purchase price to be refunded to customers who return the empty containers. In the event that the containers are not returned, the Debtors remit a portion of the deposits to the Regulatory Body (as defined in the Trust Funds

Concentration Accounts, rather than maintaining separate bank accounts for such programs. As discussed in greater detail in the Utility Motion,⁷ the Debtors also maintain an Adequate Assurance Account as a segregated, interest-bearing bank account that holds the Adequate Assurance Deposit for the Debtors' Utility Providers.

D. Intercompany Transactions and Claims

25. In the ordinary course of business, the Debtors maintain detailed accounting of revenues and expenses for each individual store and allocate certain overhead expenses to individual stores. After the Commencement Date, the Debtors will begin grouping such store-by-store accounting by legal entity, and will record intercompany payables and receivables between legal entities in the ordinary course.

26. In addition, in the ordinary course of business, the Debtors fund non-operating disbursements, including costs related to the administration of these chapter 11 cases, through the Kings Concentration Account.

E. The Debtors' Existing Business Forms and Checks

27. In the ordinary course of business, the Debtors use several types of checks. Additionally, the Debtors use a variety of correspondence and business forms, including, but not limited to, letterhead, purchase orders, and invoices (collectively, the "**Business Forms**").

28. To minimize expenses, the Debtors seek authorization to continue using all Business Forms and checks substantially in the forms used immediately prior to the Commencement Date, without reference to the Debtors' status as debtors in possession; provided

Motion) and keep the rest as participation fee in the Bottle Deposit Program. The collection and disbursement of the deposits in the bottle refund account are periodically reconciled and remitted to the applicable party.

⁷ "**Utility Motion**" means the *Motion of Debtors Requesting Entry of an Order (i) Approving Debtors' Proposed Form of Adequate Assurance of Payment to Utility Providers, (ii) Establishing Procedures for Determining Adequate Assurance of Payment for Future Utility Services, and (iii) Prohibiting Utility Providers From Altering, Refusing, or Discontinuing Utility Service*, filed contemporaneously herewith.

that in the event that the Debtors generate new Business Forms and/or checks during the pendency of these cases other than from their existing stock, such Business Forms and checks will include a legend referring to the Debtors as “Debtors-In-Possession.” To the extent practicable, the Debtors also will laser print such legend on any Business Forms and checks electronically generated during these cases.

The Relief Requested Should Be Granted

A. Continuing the Cash Management System Is in the Best Interests of the Debtors, Their Creditors, and All Other Parties in Interest

29. The Cash Management System constitutes an ordinary course and essential business practice of the Debtors. The Cash Management System provides significant benefits to the Debtors including, among other things, the ability to (i) control corporate funds, (ii) ensure the maximum availability of funds when and where necessary, and (iii) reduce costs and administrative expenses by facilitating the movement of funds and the development of more timely and accurate account information.

30. The operation of the Debtors’ businesses requires that the Cash Management System continue during the pendency of these chapter 11 cases. As a practical matter, because of the Debtors’ corporate and financial structure, it would be extremely difficult and expensive to establish and maintain a separate cash management system for each Debtor. Requiring the Debtors to adopt new, segmented cash management systems at this early and critical stage of these cases would be extraordinarily disruptive and harmful to their operations. Any such disruption would have a severe and adverse impact upon the Debtors’ chapter 11 estates. Consequently, maintaining the existing Cash Management System is in the best interest of all parties in interest.

31. Section 363(c)(1) of the Bankruptcy Code authorizes the debtor in possession to “use property of the estate in the ordinary course of business without notice or a hearing.” The purpose of section 363(c)(1) is to provide a debtor in possession with the flexibility to engage in the ordinary transactions required to operate its business without unneeded oversight by its creditors or the court. *Med. Malpractice Ins. Ass’n v. Hirsch (In re Lavigne)*, 114 F.3d 379, 384 (2d Cir. 1997); *Chaney v. Official Comm. of Unsecured Creditors of Crystal Apparel, Inc. (In re Crystal Apparel, Inc.)*, 207 B.R. 406, 409 (S.D.N.Y. 1997). Included within the purview of section 363(c) is a debtor’s ability to continue the “routine transactions” necessitated by a debtor’s cash management system. *Amdura Nat’l Distrib. Co. v. Amdura Corp. (In re Amdura Corp.)*, 75 F.3d 1447, 1453 (10th Cir. 1996). Accordingly, the Debtors seek authority under section 363(c)(1) to continue the collection, concentration, and disbursement of cash pursuant to their Cash Management System.

32. Even if continuation of the Cash Management System and other relief requested herein is outside of the ordinary course, the Court may approve it pursuant to section 363(b) of the Bankruptcy Code. Section 363(b) of the Bankruptcy Code provides, in relevant part, that “[t]he [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)(1). Under section 363 of the Bankruptcy Code, a court may authorize a debtor to pay certain prepetition claims if a sound business purpose exists for doing so. *See In re Ionosphere Clubs, Inc.*, 98 B.R. 174 (Bankr. S.D.N.Y. 1989) (finding that there must be a sound business justification to justify payment of prepetition wages); *Armstrong World Indus., Inc. v. James A. Phillips, Inc. (In re James A. Phillips, Inc.)*, 29 B.R. 391, 397 (S.D.N.Y. 1983) (relying on section 363 of the Bankruptcy Code to allow contractor to pay prepetition claims for suppliers). The business judgment rule is satisfied where

“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.” *See, e.g., Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (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)), *appeal dismissed*, 3 F.3d 49 (2d Cir. 1993). Moreover, if “the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.” *Comm. of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986) (citation omitted). Courts in this District consistently have declined to interfere with corporate decisions absent a showing a bad faith, self-interest, or gross negligence, and have upheld a board’s decisions as long as such decisions are attributable to any “rational business purpose.” *Integrated*, 147 B.R. at 656 (quoting *CRTF Corp. v. Federated Dep’t Stores*, 683 F. Supp. 422, 436 (S.D.N.Y. 1988)).

33. The Court also may rely on its general equitable powers to grant the relief requested in this Motion. Section 105(a) of the Bankruptcy Code empowers the Court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Continuing the Debtors’ Cash Management System without interruption is vital to the Debtors’ business operations and the success of these chapter 11 cases. Therefore, it is within the Court’s equitable powers under section 105(a) to approve the continued use of the Cash Management System.

34. Indeed, courts in this and other districts specifically have authorized debtors to maintain and continue using their existing cash management systems and prepetition bank accounts. *See In re Tops Holding II Corporation*, Case No. 18-22279 (Bankr. S.D.N.Y. Feb. 23,

2018); *In Re BCBG Max Azria Global Holdings, LLC*, Case No. 17-10466 (Bankr. S.D.N.Y. Mar. 29, 2017); *In re Fairway Group Holdings Corp.*, Case No. 16-11241 (Bankr. S.D.N.Y. Jun. 1, 2016); *In re The Great Atl. & Pac. Tea Co.*, Case No. 15-23007 (Bankr. S.D.N.Y. August 11, 2015); *In re The Great Atl. & Pac. Tea Co.*, Case No. 10-24549 (Bankr. S.D.N.Y. Feb. 7, 2011); *In re Chassix Holdings, Inc.*, Case No. 15-10578 (Bankr. S.D.N.Y. Apr. 13, 2015); *In re MPM Silicones, LLC*, Case No. 14-22503 (Bankr. S.D.N.Y. May 16, 2014); *In re dELiA*s, INC.*, Case No. 14-23678 (Bankr. S.D.N.Y. Dec. 24, 2014); *In re Inversiones Alsacia S.A.*, Case No. 14-12896 (Bankr. S.D.N.Y. Dec. 4, 2014); *In re SIGA Techs., Inc.*, Case No. 14-12623 (Bankr. S.D.N.Y. Oct. 23, 2014).

35. Maintaining the existing Cash Management System is in the best interests of the Debtors' estates and all parties in interest, and, therefore, should be approved. If the Debtors are required to significantly alter the way in which they collect and disburse cash throughout the Cash Management System, their operations will experience severe disruptions, which ultimately would frustrate the Debtors' ability to maximize value for their stakeholders.

36. If the Debtors are not permitted to maintain and continue to use their Bank Accounts and Business Forms, the resulting prejudice will include (i) severe and likely irreparable disruption of the Debtors' ordinary financial affairs and business operations, (ii) delay in the administration of the Debtors' estates, and (iii) cost to the estates to set up new systems, open new accounts, and order new Business Forms. Accordingly, the Debtors request that they be permitted to maintain and continue to use their existing Bank Accounts and Business Forms to the extent set forth herein.

B. Granting Administrative Expense Priority to Postpetition Intercompany Claims Is Necessary and Appropriate

37. The Debtors' funds are aggregated in the Cash Management System. The Debtors track, or will begin tracking, all fund transfers in their accounting system and have the ability to account for all Intercompany Transactions related to cash receipts, disbursements, and the centralized distribution of goods for sale. Continuation of the Intercompany Transactions in the Cash Management System is in the best interests of the Debtors, their estates, and all parties in interest. To ensure each individual Debtor will not fund, at the expense of its creditors, the operations of another entity, the Debtors request that, pursuant to sections 503(b)(1) and 364(b) of the Bankruptcy Code, all Intercompany Claims arising after the Commencement Date be accorded administrative expense priority.

C. Honoring Certain Prepetition Obligations Related to the Cash Management System Should Be Approved

38. The Debtors incur periodic service charges and other fees from the Bank in connection with the maintenance of the Cash Management System (collectively, the "**Bank Fees**"), which average approximately \$30,000 per month for Bank of America. The Debtors estimate that they owe approximately \$30,000 in Bank Fees as of the Commencement Date. Similarly, the Debtors' credit card processors deduct service charges before transferring the Debtors credit card and debit card receivables. Such fees are, on average, approximately 1.75% per transaction plus \$0.05 (together, with the Bank Fees, the "**Service Charges**"). Payment of any prepetition Service Charges is in the best interests of the Debtors and all parties in interest in these chapter 11 cases, as it will prevent unnecessary disruptions to the Cash Management System and ensure that the Debtors' receipt of funds are not delayed. Further, because the Bank and credit and debit card processors likely have setoff rights for the Service Charges, payment of prepetition Service Charges should not alter the rights of unsecured creditors in these chapter 11 cases.

D. Maintenance of the Debtors' Existing Bank Accounts and Business Forms Is Warranted

39. The Debtors request that the Court waive the requirements of the UST Guidelines, which require, among other things, the closure of the Debtors' prepetition Bank Accounts, the opening of new bank accounts, and the immediate ordering of new business forms and checks with a legend referencing the Debtors as "Debtors-In-Possession." The Debtors seek an order authorizing the Bank, including, but not limited to those listed on Exhibit B, to continue to treat, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption and in the usual and ordinary course, and to receive, process, and honor and pay all checks, drafts, wires, or ACH Payments drawn on the Bank Accounts after the Commencement Date by the holders or makers thereof, as the case may be; provided that any payments issued or made prior to the Commencement Date will not be honored absent direction of the Debtors and an order of the Court.

40. The Debtors believe that their chapter 11 cases will be more orderly if they are permitted to maintain all Bank Accounts with the same account numbers during these chapter 11 cases. By preserving business continuity and avoiding the disruption and delay to the Debtors' disbursement obligations, all parties in interest, including employees, vendors, and customers, will be best served by the relief requested. In addition, to the extent necessary, the Debtors request authorization to open new bank accounts at their existing Bank or other authorized depositories designated by the U.S. Trustee.

41. To minimize expenses, the Debtors further request they be authorized to continue to use their Business Forms and checks, substantially in the forms existing immediately before the Commencement Date, without reference to their status as debtors in possession; provided that in the event that the Debtors generate new Business Forms and/or checks during the

pendency of these cases other than from their existing stock, such Business Forms and checks will include a legend referring to the Debtors as “Debtors-In-Possession.” To the extent practicable, the Debtors will work with their systems personnel and outside consultants to determine what computer system changes are required to reflect their status as debtors in possession on electronically generated Business Forms and checks and will implement such changes.

42. By virtue of the nature and scope of the Debtors’ business operations and the large number of suppliers of goods and services with whom the Debtors transact, it is important that the Debtors be permitted to continue to use their existing Business Forms without alteration or change, except as requested herein. Indeed, because parties doing business with the Debtors undoubtedly will be aware of the Debtors’ status as debtors in possession as a result of the publicized nature of these cases and the notice of commencement the Debtors are distributing to such parties, changing their Business Forms would be unnecessary and unduly burdensome.

Debtors Have Satisfied Bankruptcy Rule 6003(b)

43. Bankruptcy Rule 6003(b) provides that, to the extent relief is necessary to avoid immediate and irreparable harm, a Bankruptcy Court may issue an order granting “a motion to use, sell, lease, or otherwise incur an obligation regarding property of the estate, including a motion to pay all or part of a claim that arose before the filing of the petition” before twenty-one (21) days after filing of the petition. Immediate and irreparable harm exists where the absence of relief would impair a debtor’s ability to reorganize or threaten the debtor’s future as a going concern. *See In re Ames Dep’t Stores, Inc.*, 115 B.R. 34, 36 n.2 (Bankr. S.D.N.Y. 1990) (discussing the elements of “immediate and irreparable harm” in relation to Bankruptcy Rule 4001(c)(2)); *see also* Fed. R. Bankr. P. 6003, Committee Notes (noting that cases applying

Bankruptcy Rule 4001(b)(2) and (c)(2) may “provide guidance” for relief under Bankruptcy Rule 6003).

44. The Cash Management System is critical to the Debtors’ ongoing operations. Modifications of and disruptions to the Cash Management System likely would cause large-scale payment delays and impede the Debtors’ ability to efficiently track the flow of funds. Late payments could frustrate the Debtors’ relationships with vendors and cause other severe and irreparable disruptions to the Debtors’ business. Additionally, changes to the Cash Management System could impair the Debtors’ ability to obtain important financial information in a timely manner. Ultimately, these outcomes would cause a diminution in the value of the Debtors’ estates, which would have a negative impact on all parties in interest. Accordingly, the Debtors submit that the relief requested herein is necessary to avoid immediate and irreparable harm, and, therefore, Bankruptcy Rule 6003 is satisfied.

Bankruptcy Rules 6004(a) and (h)

45. To implement the foregoing successfully, the Debtors request that the Court find that notice of the Motion is adequate under Bankruptcy Rule 6004(a) under the circumstances, and waive the fourteen (14) day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h). As explained above and in the Jones Declaration, the relief requested herein is necessary to avoid immediate and irreparable harm to the Debtors. Accordingly, ample cause exists to justify finding that the notice requirements under Bankruptcy Rule 6004(a) have been satisfied and to grant a waiver of the fourteen (14) day stay imposed by Bankruptcy Rule 6004(h), to the extent such notice requirements and such stay apply.

Notice

46. Notice of this Motion has been provided to (i) the Office of the United States Trustee for Region 2, 201 Varick Street, Suite 1006, New York, NY 10014 (Attn: Susan Arbeit,

Esq. and Richard C. Morrissey, Esq.); (ii) the Debtors' twenty (20) largest unsecured creditors on a consolidated basis; (iii) counsel to the Prepetition Secured Lenders and proposed DIP Lenders, Latham & Watkins LLP, 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611 (Attn: Peter P. Knight, Esq. and Jeramy D. Webb, Esq.); (iv) the Unions;⁸ (v) the Internal Revenue Service; (vi) the United States Attorney's Office for the Southern District of New York; and (vi) Bank of America, N.A. (collectively, the "**Notice Parties**"). The Debtors respectfully submit that no further notice is required.

47. No previous request for the relief sought herein has been made by the Debtors to this or any other Court.

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⁸ The "Unions" include United Food and Commercial Workers International Union, Local 1245 (now known as Local No. 360), United Food and Commercial Workers International Union, Local 464A, United Food and Commercial Workers International Union, Local 1500, United Food and Commercial Workers International Union, Local 342, and United Food and Commercial Workers International Union, Local 371.

WHEREFORE the Debtors respectfully request entry of interim and final orders granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: August 23, 2020
New York, New York

/s/ Vincent Indelicato

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*Proposed Attorneys for Debtors
and Debtors in Possession*

Exhibit A

Proposed Interim Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

KB US Holdings, Inc., et al.,

Debtors.¹

Chapter 11

Case No. 20-22962

(Jointly Administered)

INTERIM ORDER AUTHORIZING DEBTORS TO (I) CONTINUE USING EXISTING CASH MANAGEMENT SYSTEM, BANK ACCOUNTS, AND BUSINESS FORMS, (II) IMPLEMENT CHANGES TO THE CASH MANAGEMENT SYSTEM IN THE ORDINARY COURSE OF BUSINESS, (III) CONTINUE INTERCOMPANY TRANSACTIONS, (IV) PROVIDE ADMINISTRATIVE EXPENSE PRIORITY FOR POSTPETITION INTERCOMPANY CLAIMS, AND FOR RELATED RELIEF

Upon the motion (the “**Motion**”)² of KB US Holdings, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), pursuant to sections 105(a), 363, 364, 503, and 507 of title 11 of the United States Code (the “**Bankruptcy Code**”), for an order authorizing the Debtors to (a) continue their existing cash management system, bank accounts, and business forms, (b) implement changes to their cash management system in the ordinary course of business, including opening or closing existing bank accounts, (c) continue to perform under and honor intercompany transactions, in their business judgment and at their sole discretion, (d) provide administrative expense priority for postpetition intercompany claims, and for related relief, all as more fully set forth in the Motion; and the Court

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: KB US Holdings, Inc. (1000), KB Holding, Inc. (3082), AG Kings Holdings Inc. (8681), AG Holdings II Inc. (3828), Kings Super Markets, Inc. (6769), Balducci’s Holdings LLC (1913), Balducci’s Connecticut LLC (1945), Balducci’s Maryland LLC (1926), Balducci’s Virginia LLC (1949), and Balducci’s New York LLC (1934). The location of the Debtors’ corporate headquarters is 700 Lanidex Plaza Parsippany, NJ 07054.

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

having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and the Amended Standing Order of Reference M-431, dated January 31, 2012 (Preska, C.J.); and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having held a hearing to consider the relief requested in the Motion on an interim basis (the “**Hearing**”); and upon the Jones Declaration, filed contemporaneously with the Motion, and the record of the Hearing; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, creditors, and all parties in interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT

1. The Motion is granted on an interim basis to the extent set forth herein.
2. The Debtors are authorized and empowered pursuant to sections 105(a), 363, 364, 503, and 507 to continue using their integrated cash management system described in the Motion (the “**Cash Management System**”) and to collect, concentrate, and disburse cash in accordance with the Cash Management System, including intercompany funding among Debtor affiliates, subject to the terms of any then-applicable order approving the Debtors’ debtor-in-possession financing facility and/or use of cash collateral (the “**DIP Order**”), and the

documentation in respect of any such debtor-in-possession financing facility (the “**DIP Documents**”), including, without limitation, the then-applicable Approved Budget under, and as defined in, the DIP Order.

3. The Debtors are authorized, upon prior notice to the DIP Agents, to implement changes to the Cash Management System in the ordinary course of business, including the opening of any new bank accounts and the closing of any existing bank accounts (the “**Bank Accounts**”) as they may deem necessary and appropriate in their sole discretion; provided that such actions are not prohibited or restricted by the terms of the DIP Order and the DIP Documents; provided, further, (A) any such new account is with a bank that is (i) insured with the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and (ii) designated as an authorized depository by the U.S. Trustee pursuant to the U.S. Trustee’s Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees, and (B) the Debtors provide notice to the U.S. Trustee of the opening of such account.

4. The relief, rights, and responsibilities provided for in this Interim Order shall be deemed to apply to any and all Bank Accounts maintained in the Debtors’ names, including any new bank accounts, whether or not such Bank Accounts are identified on **Exhibit B** to the Motion, and any Banks at which new accounts are opened shall be subject to the rights and obligations of this Interim Order.

5. The Debtors are authorized to (a) continue to use, with the same account numbers, all of the Bank Accounts in existence as of the Commencement Date, including those accounts identified on **Exhibit B** to the Motion; (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; and (c) use, in their present form, all correspondence and business forms (including, but not limited to, letterhead, purchase orders, and

invoices) (collectively, the “**Business Forms**”), as well as checks and all other documents related to the Bank Accounts existing immediately before the Commencement Date, without reference to the Debtors’ status as debtors in possession; provided that in the event the Debtors generate new Business Forms and/or checks during the pendency of these chapter 11 cases, such Business Forms and checks shall include a legend referring to the Debtors as “Debtors-In- Possession,” and, to the extent practicable, the Debtors shall laser print such legend on any Business Forms and checks electronically generated during these cases.

6. The Debtors are authorized and empowered to continue performing under and honoring Intercompany Transactions; provided that the Debtors shall not be authorized to undertake any Intercompany Transactions that are (a) not on the same terms as, or materially consistent with, the Debtors’ operation of their business in the ordinary course during the prepetition period, or (b) prohibited or restricted by the terms of the DIP Order or the DIP Documents, including, without limitation, the then-applicable Approved Budget under, and as defined in, the DIP Order; provided, further, that the Debtors shall (a) keep records of any postpetition Intercompany Transactions that occur during the chapter 11 cases and (b) implement accounting procedures to identify and distinguish between prepetition and postpetition Intercompany Transactions.

7. In accordance with sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code, all Intercompany Claims arising after the Commencement Date shall be accorded administrative expense priority, subject and junior to the claims, including adequate protection claims, granted in connection with the Debtors’ debtor-in-possession financing facility in accordance with the DIP Order.

8. Except as otherwise expressly provided in this Interim Order, all banks at which the Bank Accounts are maintained (collectively, the “**Banks**”) are authorized to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor and pay any and all checks, drafts, wires, and ACH Payments issued by the Debtors and drawn on the Bank Accounts after the Commencement Date to the extent the Debtors have sufficient funds standing to their credit with such Bank; provided that any payments drawn, issued or made prior to the Commencement Date shall not be honored absent direction of the Debtors and a separate order of the Court authorizing such prepetition payment.

9. The Banks and Card Companies are authorized to charge and the Debtors are authorized to pay and honor, both prepetition and postpetition service and other fees, costs, charges, and expenses to which the Banks or Card Companies may be entitled under the terms of and in accordance with their contractual arrangements with Debtors (collectively, the “**Service Charges**”).

10. Each of the Banks is authorized to debit the Debtors’ accounts in the ordinary course of business without need for further order of this Court for: (i) all checks, items, and other payment orders drawn on the Debtors’ accounts that are cashed at such Bank’s counters or exchanged for cashier’s checks by the payees thereof prior to the Bank’s receipt of notice of filing of the Petition; (ii) all checks, automated clearing house entries, and other items deposited or credited to one of the Debtors’ accounts with such Bank prior to the Commencement Date that have been dishonored, reversed, or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such costs and fees prior to the Commencement Date; and (iii) all undisputed prepetition amounts outstanding as of

the date hereof, if any, owed to any Bank as Service Charges for the maintenance of the Cash Management System.

11. As of the Commencement Date, the Banks may rely on the representations of the Debtors with respect to whether any check, item, or other payment order drawn or issued by the Debtors prior to filing of the Petition should be honored pursuant to this or any other order of this Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein, and shall not be liable to any party on account of (a) following the Debtors' representations, instructions, directions, or presentations as to any order of the Court (without any duty of further inquiry), (b) honoring of any prepetition checks, drafts, wires or ACH Payments in a good faith belief or upon a representation by the Debtors that the Court has authorized such prepetition check, draft, wire or ACH Payments or (c) an innocent mistake made despite implementation of reasonable handling procedures.

12. The Debtors' credit and debit card providers are authorized and directed to transfer all credit card receivables payable to the Debtors and to deduct any Service Charges, whether arising before or after the Commencement Date, payable by the Debtors from such transfers.

13. Subject to the DIP Order and the DIP Documents, nothing contained herein shall prevent the Banks from modifying or terminating any Bank Accounts or related services in accordance with the agreements governing such accounts or services subject to their compliance with applicable law.

14. Those certain existing deposit agreements between the Debtors and the Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and all of the provisions of such agreements, including, without limitation, the

termination and fee provisions, shall remain in full force and effect. Either the Debtors or the Banks may, without further order of this Court, implement changes to the Debtors' Cash Management System in the ordinary course of business pursuant to the terms of those certain existing deposit agreements, including the opening and closing of bank accounts, in accordance with the terms of the DIP Order and the DIP Documents.

15. As soon as practicable after the entry of this Interim Order, the Debtors shall serve a copy of this Interim Order on those Banks that make disbursements pursuant to the Debtors' Cash Management System.

16. Nothing in the Motion or this Interim Order shall be deemed to authorize the Debtors to accelerate any payments not otherwise due prior to the date of the final hearing to consider the relief requested in the Motion (the "**Final Hearing**").

17. Nothing contained in the Motion or this Interim Order, nor any payment made pursuant to the authority granted by this Interim Order, is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors, (iii) a waiver of any claims or causes of action which may exist against any creditor or interest holder, or (iv) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party under section 365 of the Bankruptcy Code.

18. Nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by any party.

19. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

20. Under the circumstances of these chapter 11 cases, notice of the Motion is adequate under Bankruptcy Rule 6004(a).

21. Notwithstanding Bankruptcy Rule 6004(h), this Interim Order shall be immediately effective and enforceable upon its entry.

22. This Interim Order is effective only from the date of entry through this Court's disposition of the Motion on a final basis; provided that the Court's ultimate disposition of the Motion on a final basis shall not impair or otherwise affect any action taken pursuant to this Interim Order.

23. Notwithstanding anything to the contrary contained herein, any payment made or to be made under this Interim Order, and any authorization contained in this Interim Order, shall be in compliance with and subject to the terms and conditions of the DIP Order and the DIP Documents, including, without limitation, the then-applicable Approved Budget under, and as defined in, the DIP Order.

24. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Interim Order.

25. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Interim Order.

26. The Final Hearing shall be held on _____, **2020**, at _____ (**Prevailing Eastern Time**) and any objections or responses to the Motion shall be in writing, filed with the Court, and served upon (i) the proposed attorneys for the Debtors, Proskauer Rose LLP, Eleven Times Square, New York, New York 10036 (Attn: Vincent Indelicato, Esq. and Timothy Q. Karcher, Esq.), One International Place, Boston, Massachusetts 02110 (Attn: Charles A. Dale, Esq.), and 2029 Century Park East, Suite 2400, Los Angeles, California 90067-3010 (Attn: Steve

Y. Ma, Esq.); (ii) the Office of the United States Trustee for Region 2, 201 Varick Street, Suite 1006, New York, NY 10014 (Attn: Susan Arbeit, Esq. and Richard C. Morrissey, Esq.); (iii) counsel to the Prepetition Secured Lenders and proposed DIP Lenders, Latham & Watkins LLP, 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611 (Attn: Peter P. Knight, Esq. and Jeramy D. Webb, Esq.), in each case, so as to be actually received on or prior to **4:00 p.m. (Prevailing Eastern Time) on _____ 2020.**

Dated: _____, 2020
White Plains, New York

UNITED STATES BANKRUPTCY JUDGE

Exhibit B

Bank Accounts

Debtor	Financial Institution	Account Number	Account Type	Description
Kings Supermarkets Inc.	Bank of America	3812660305	Concentration	Central Account for King's
Kings Supermarkets Inc.	Bank of America	3359802595	Controlled Disbursement	Account for disbursement
Kings Supermarkets Inc.	Bank of America	3812660389	Master Deposit	Depository + Master account for all stores
Kings Supermarkets Inc.	Bank of America	12-3812660392	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	21-3812660428	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	28-3812660431	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	29-3812660460	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	35-3812660473	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	37-3812660509	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	38-3812660512	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	39-3812660541	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	40-3812660554	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	41-3812660583	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	42-3812660596	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	43-3812660622	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	44-3812660635	Store Deposit	Individual Store Account
Kings Supermarkets Inc.	Bank of America	49-3812660677	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	51-3812660703	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	56-3812660758	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	57-3812660787	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	58-3812660790	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	59-3812660826	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	60-3812660839	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	61-3812660868	Store Deposit	Individual Location Account

Debtor	Financial Institution	Account Number	Account Type	Description
Kings Supermarkets Inc.	Bank of America	64-3812660871	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	66-3812660910	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	67-381032719525	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	68-381032715215	Store Deposit	Individual Location Account
Kings Supermarkets Inc.	Bank of America	3812660318	Credit Card Deposit	Merchant Credit Card
Kings Supermarkets Inc.	Bank of America	3812660347	Payroll	Payroll Account
Kings Supermarkets Inc.	Bank of America	3812660350	Payroll	Special Payroll Account
Kings Supermarkets Inc.	Bank of America	381023394166	Disbursement	ACH Account
Kings Supermarkets Inc.	Bank of America	3812667531	Deposit	NG Account
Kings Supermarkets Inc.	Bank of America	381032707197	Disbursement	401K Funding Account
Kings Supermarkets Inc.	Bank of America	3812671886	Disbursement	Insurance Claims Payments
Kings Supermarkets Inc.	Bank of America	381032778993	Disbursement	2019 Golf Charity Account
Kings Supermarkets Inc.	Bank of America	381032791527	Disbursement	2020 Golf Charity Account
Balducci Holdings, LLC	Bank of America	381017776826	Concentration	Central Account for Balducci's
Balducci Holdings, LLC	Bank of America	2220015433	Controlled Disbursement	Account for disbursement
Balducci Holdings, LLC	Bank of America	381017776745	Master Deposit	Depository + Master account for all stores
Balducci Holdings, LLC	Bank of America	381017776758	Store Deposit	#310 Westport Store Location
Balducci Holdings, LLC	Bank of America	381017776757	Store Deposit	#311 Greenwich Store Location
Balducci Holdings, LLC	Bank of America	381017776774	Store Deposit	#102 Bethesda Store Location
Balducci Holdings, LLC	Bank of America	381017776787	Store Deposit	#103 Alexandria Store Location
Balducci Holdings, LLC	Bank of America	381017776790	Store Deposit	#116 McLean Store Location
Balducci Holdings, LLC	Bank of America	381017776800	Store Deposit	#314 Scarsdale Store Location
Balducci Holdings, LLC	Bank of America	381032706428	Store Deposit	#201 Balducci's TG Hearst Store Location

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Debtor	Financial Institution	Account Number	Account Type	Description
Balducci Holdings, LLC	Bank of America	381032709823	Store Deposit	#202 John Hopkins Store Location
Balducci Holdings, LLC	Bank of America	381032767056	Store Deposit	#117 Reston Virginia Store Location
Balducci Holdings, LLC	Bank of America	381032750966	Store Deposit	#315 Rye Brook Store Location
Balducci Holdings, LLC	Bank of America	381017776732	Payroll	Payroll Account
Balducci Holdings, LLC	Bank of America	381017776813	Deposit	Merchant Account
Balducci Holdings, LLC	Bank of America	381017778484	Deposit	Balduccis Holdings Merchant Acct (Web Site)
Balducci Holdings, LLC	Bank of America	381030235920	Deposit	ACH Account
Balducci Holdings, LLC	Bank of America	381030236550	Disbursement	401K Funding Account
Balducci Holdings, LLC	Bank of America	381017778471	Disbursement	Wine Accounts
Balducci Holdings, LLC	Bank of America	381032779002	Disbursement	Wine Accounts

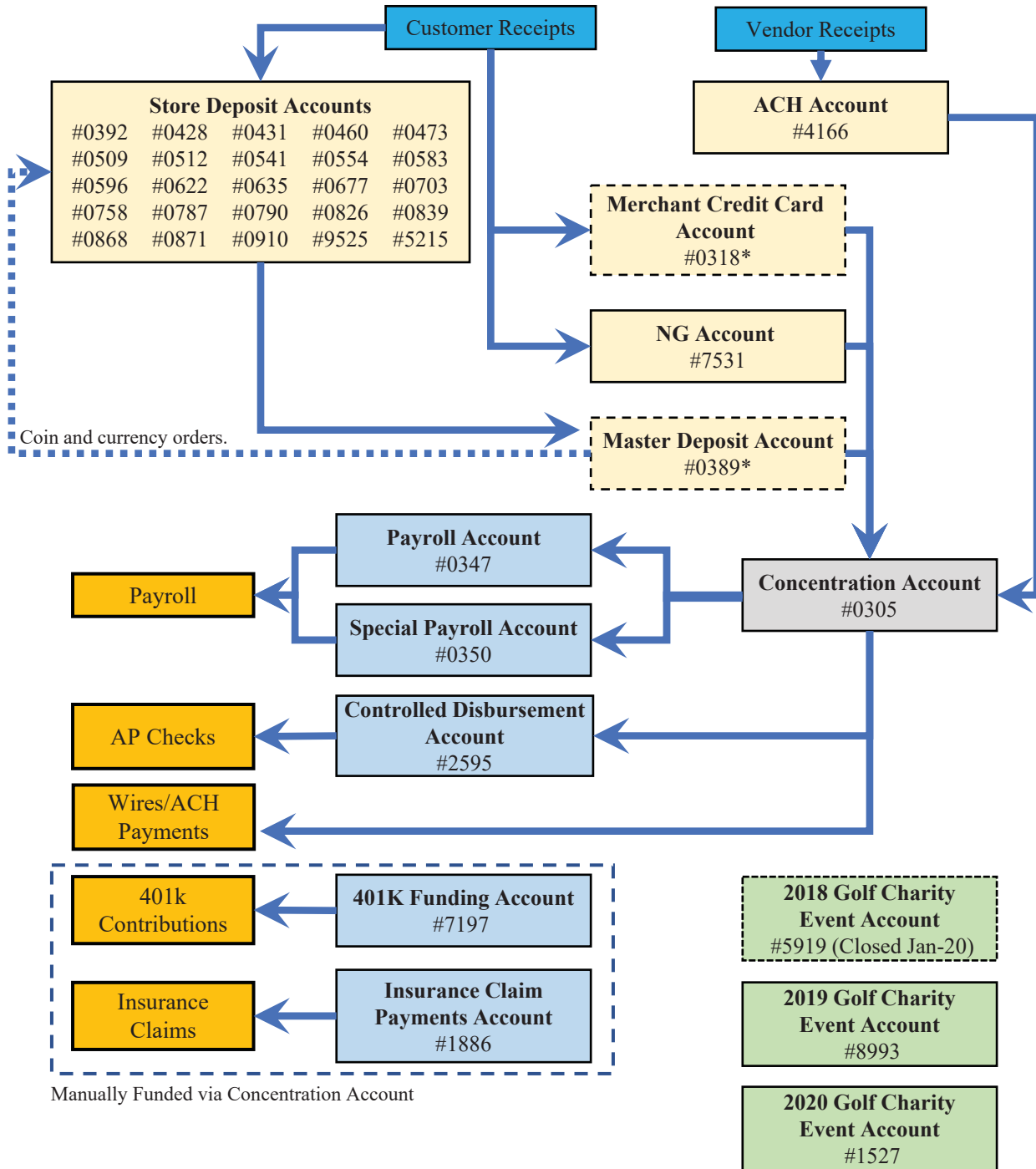
Doc 7-2 Filed 08/23/20 Entered 08/23/20 23:44:57 Exhibit B
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Exhibit C

Cash Management System Diagrams

Kings Supermarkets Inc.

All accounts are at Bank of America unless otherwise specified

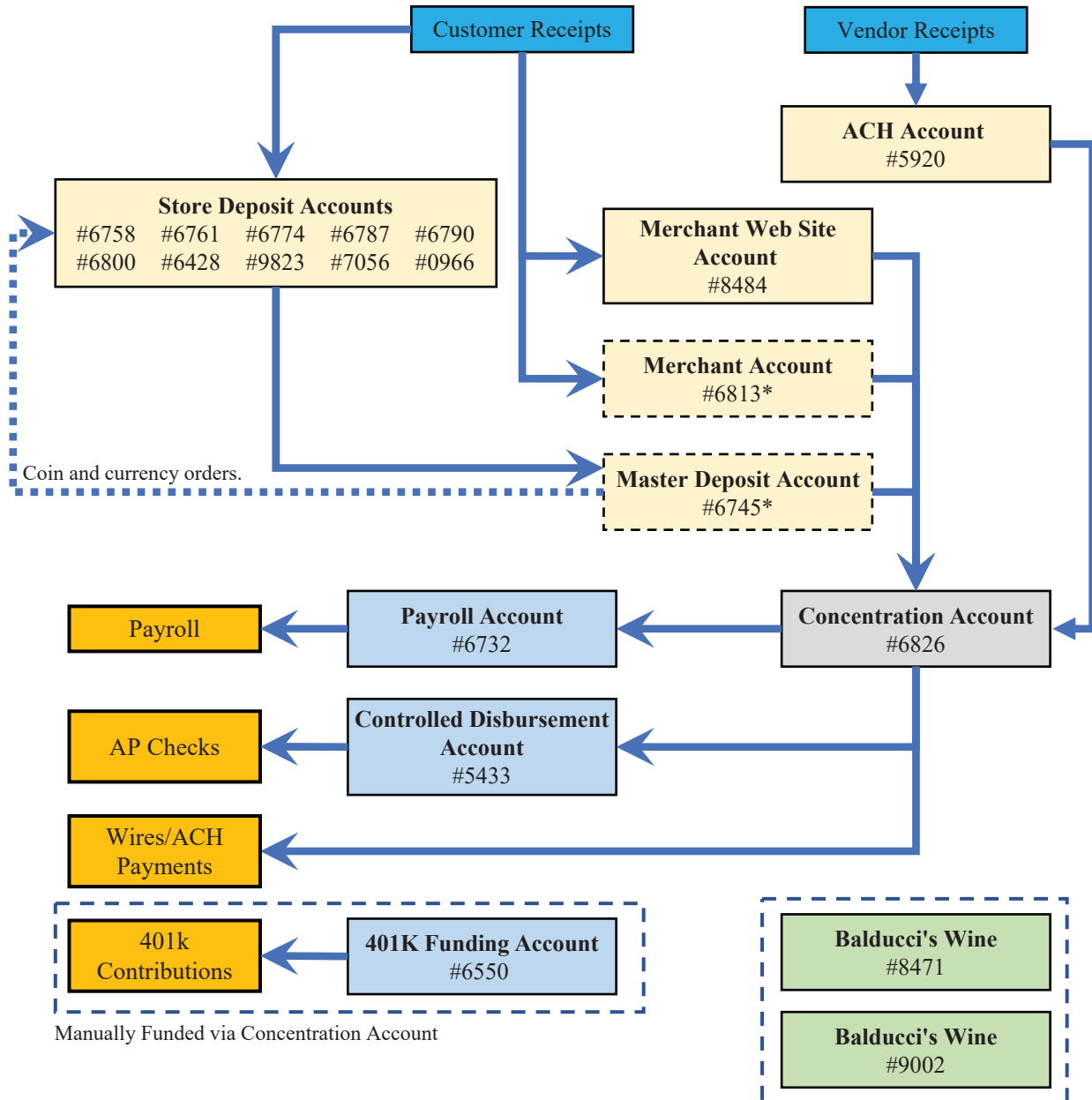


Manually Funded via Concentration Account

* DACA provision applies to account.
 - - - - - Manually Funded via Concentration Account.

Balducci's Holdings, LLC

All accounts are at Bank of America unless otherwise specified



* DACA provision applies to account.
 - - - - - Manually Funded via Concentration Account.