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7 [Proposed] General Insolvency
8 Counsel for Lorna Jane USA, Inc.

9 **UNITED STATES BANKRUPTCY COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **LOS ANGELES DIVISION**

12 In re:
13 LORNA JANE USA, INC., a California
14 corporation,

15 Debtor-in-Possession.

Case No. 2:21-bk-17267-NB
Chapter 11 Proceeding

**DEBTOR’S MOTION FOR ENTRY OF ORDER
AUTHORIZING: (I) REJECTION OF CERTAIN
UNEXPIRED LEASES OF NONRESIDENTIAL
REAL PROPERTY PURSUANT TO 11 U.S.C. §
365 AND FED. R. BANKR. P. 6006, EFFECTIVE
AS OF THE PETITION DATE; (II)
ABANDONMENT OF PERSONAL PROPERTY,
EFFECTIVE AS OF THE PETITION DATE; AND
(III) GRANTING RELATED RELIEF;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT THEREOF**

[Declaration of Richard Munro Filed Separately in
Support Hereof]

Date: TBD
Time: TBD
Place: 255 East Temple Street,
Courtroom 1545
Los Angeles, CA 90012

1 **TO THE HONORABLE NEIL W. BASON, UNITED STATES BANKRUPTCY**
2 **JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE, AND PARTIES-IN-**
3 **INTEREST:**

4 Lorna Jane USA, Inc., a California corporation, the debtor and debtor-in-possession herein
5 (“Debtor”), hereby files its motion (“Employee Obligations Motion” or the “Motion”) and states as
6 follows:

7 **I.**

8 **RELIEF REQUESTED**

9 The Debtor seeks entry of an order authorizing the Debtor to (a) reject certain unexpired
10 leases of non-residential real property (each, a “Lease” and collectively, the “Leases”), a list of which
11 is annexed as the Schedule to Exhibit “1” attached hereto, (b) abandon certain fixtures, fittings,
12 furniture, or other personal property that may be located at the premises (collectively the “Personal
13 Property”), with rejection of the Leases and abandonment of the Personal Property to be effective as
14 of the petition date, and (c) granting related relief.

15 **II.**

16 **STATEMENT OF FACTS**

17 **A. General and Brief Description of Background Facts**

18 On September 16, 2021 (“Petition Date”), the Debtor filed a voluntary petition for relief
19 (“Chapter 11 Case”) under Chapter 11 of the Bankruptcy Code. The Debtor continues to operate its
20 business and property as a debtor-in-possession in accordance with Sections 1107 and 1108 of the
21 Bankruptcy Code.

22 Additional factual background relating to the Debtor’s business, capital structure, and the
23 circumstances giving rise to the filing of this Chapter 11 Case are set forth in detail in the *Declaration*
24 *of Richard Munro in Support of First Day Motions* (“Munro Declaration”), filed contemporaneously
25 herewith and incorporated herein by reference. Capitalized terms used but not defined herein shall
26 have the meanings given to them in the Munro Declaration.

27 As detailed in the Munro Declaration, the Debtor is a women’s athletic apparel and
28 accessories retail chain that was established to sell and promote the internationally renowned Lorna

1 Jane products brand in the United States through retail boutiques in several states, and its website.
2 Like most retailers in the United States, the Debtor has been impacted by the COVID-19 and related
3 Delta variant pandemic, which has significantly limited retail operations throughout the country and
4 suppressed consumer willingness to shop in person. Indeed, the Debtor's retail revenue for its fiscal
5 year beginning July 1, 2021 year to date (July to August 2021), and in the twelve months ending Jun
6 30, 2021 decreased by 57% and 55%, respectively, compared to FY2019 (pre-pandemic era). The
7 Debtor believes that these changes in consumer shopping habits will endure even after the pandemic
8 subsides, continuing to impact brick-and-mortar retail into the future

9 The profound and sustained impact of the pandemic has forced the Debtor to more
10 aggressively address the rapidly widening gulf between its brick-and-mortar retail revenue and its
11 substantial lease obligations, which no longer reflect the market. To this end, the Debtor diligently
12 attempted to negotiate new lease terms with its landlords in the hope of achieving an out-of-court
13 restructuring. Landlords, however, have been reluctant to negotiate the type of long-term adjustments
14 to leases that are necessary to ensure the Debtor's continued viability.

15 In particular, due to state and local emergency orders issued during the pandemic, the vast
16 majority of the Debtor's retail boutiques were either operating with reduced hours or capacity, or
17 were closed entirely for extended periods. Due to the pandemic and the resulting government
18 restrictions, the Debtor made the business decision to close all of its stores in mid-March 2020.
19 Between June 2020 and September 2020, most of the Debtor's retail boutiques gradually re-opened
20 depending on the status of local restrictions and conditions. When locations were re-opened, virtually
21 all were operating with reduced hours and capacity limitations based on local restrictions and
22 conditions. Consequently, as noted above, retail sales from the brick-and-mortar locations
23 precipitously declined by 55% over the 12 months ending June 30, 2021 in comparison to the same
24 period in 2019. Sales during June to August 29, 2021 declined 55% when compared to the same time
25 in 2019.

26 The pandemic, and its economic impact, has accelerated the need for a long-term strategic
27 solution, as provided in this chapter 11 case. Accordingly, the Debtor filed a voluntary petition for
28

1 relief under chapter 11 of the Bankruptcy Code in order to restructure its business and strengthen its
2 financial position for its go-forward online business.

3 **B. Leases to Be Rejected**

4 Prior to the Petition Date, the Debtor and its advisors began a comprehensive review and
5 store-by-store analysis of its lease portfolio and the performance of each of its stores analyzing
6 various aspects of the Debtor's operations in connection with the Debtor's restructuring efforts. An
7 integral part of this analysis included evaluating the profitability of the Debtor's unexpired leases and
8 identifying and shedding unnecessary and burdensome leases. Based on this analysis, the Debtor has
9 identified all of its retail store leases as burdensome that it wishes to reject at the outset of its Chapter
10 11 case for the benefit of the Debtor and its estate.

11 Accordingly, the Debtor files this Motion seeking to reject the unexpired leases of non-
12 residential real property, any amendments, modifications, or subleases thereto (each, a "Lease" and
13 collectively, the "Leases"), for all twenty-one (21) remaining retail boutique locations, a list of which
14 is annexed as the Schedule to Exhibit "1" attached hereto and incorporated herein by this reference,
15 ("Rejected Leases"). By this Motion, the Debtor seeks to reject the Rejected Leases set forth on the
16 Schedule, to be effective as of the Petition Date.

17 Although the Debtor was experiencing a shift to e-commerce sales prior to the COVID-19
18 pandemic, the trend greatly accelerated during the pandemic due to emergency government orders
19 closing or limiting retail store operations for prolonged periods and general consumer reluctance to
20 shop in person. In 2019, brick-and-mortar retail sales comprised 69% of the Debtor's overall sales.
21 However, for 2020, a time nearly entirely encompassing the pandemic, brick-and-mortar retail sales
22 declined by 56% and comprised just 49% of the Debtor's total sales. Meanwhile, in 2020, the
23 Debtor's e-commerce sales dramatically increased by 62%, having gone from comprising 18% of the
24 Debtor's overall sales (in 2019) to 47%.

25 Given the seismic shift away from brick-and-mortar sales to internet sales is likely to be long-
26 lasting, the Leases to be rejected provide no benefit to the Debtor's estate or the chapter 11 case. By
27 rejecting the Leases, the Debtor believes that it will save approximately \$4,382,000 per year and
28 \$365,263 per month in rent and associated costs (such as real property taxes, insurance, and utilities,

1 where applicable), and a total of approximately \$14,913,000 of remaining lease liability from the
2 rejection of the Leases.

3 Prior to the Petition Date, the Debtor vacated and surrendered all the retail locations for the
4 Rejected Leases and has contacted the landlords in writing seeking instruction for the overnight
5 delivery of keys to the premises for all Rejected Leases. Absent rejection, the Debtor would be
6 obligated to pay rent under the Rejected Leases even though they have ceased operations at, and are
7 no longer in possession of, such boutique locations.

8 Therefore, in an effort to reduce unnecessary post-petition rent and administrative costs, the
9 Debtor has determined, in its reasonable business judgment, that it is in its best interest of its estate to
10 reject the Rejected Leases set forth on the Schedule, effective as of the Petition Date.

11 **C. Personal Property to be Abandoned**

12 Prior to the Debtor vacating and surrendering the various Rejected Lease locations, the Debtor
13 reviewed and evaluated the Personal Property to determine whether (i) the Personal Property is of
14 inconsequential value or (ii) the cost of removing and storing the Personal Property for future use,
15 marketing or sale exceeds its value to the Debtor's estate.

16 The Debtor has determined that the Personal Property is of inconsequential value or a burden
17 to the Debtor's estate. Accordingly, the Debtor has decided, in its business judgment, to abandon it.
18 Therefore, to reduce the post-petition administrative costs and in the exercise of its sound business
19 judgment, the Debtor believes that abandonment of the Personal Property as of the Petition Date is
20 appropriate and in the best interest of the Debtor, its estate and its creditors.

21 **III.**

22 **GOOD CAUSE EXISTS TO AUTHORIZE THE REJECTION OF THE LEASES**

23 **A. The Debtor's Decision to Assume or Reject is Subject to the Business Judgment**

24 **Rule**

25 Section 365 of the Bankruptcy Code authorizes a trustee and, therefore, a debtor-in-
26 possession, subject to court approval, to reject any executory contract or unexpired lease of the debtor.
27 Bankruptcy Code section 365 states in pertinent part:
28

1 (a) ... the trustee, subject to the court's approval, may assume or reject any
2 executory contract or unexpired lease of the debtor.

3 11 U.S.C. § 365(a).

4 In examining whether rejection is appropriate in a given case, bankruptcy courts only
5 engage in a cursory review as to whether or not the proposed rejection is within the sound "business
6 judgment" of the trustee or debtor in possession.

7 In making its determination, a bankruptcy court need engage in "only a cursory
8 review of a [debtor]'s decision to reject the contract. Specifically, a bankruptcy court
9 applies the **business judgment rule** to evaluate a [debtor]'s rejection decision"

10 In re Pomona Valley Medical Group, Inc., 476 F.3d 665, 670 (9th Cir. 2007).

11 Under the business judgment test, the Court gives great deference to the debtor's business
12 decision to assume or reject. See, In re A.H. Robins Co., 68 B.R. 705, 710 (Bankr.E.D.Va. 1986)
13 ("[C]ourt will give **great deference** to the business judgment of the debtor-in-possession regarding its
14 decision to assume or reject"); In re JFD Enterprises, 215 F.3d 1312, 2000 WL 560189, *5 (1st Cir.
15 2000) ("[T]rustee's business judgment is subject to **great judicial deference.**"); In re Trans World
16 Airlines, 2001 WL 1820019, *4 (Bankr.D.Del. 2001) ("Rejection Motion is based on a **very**
17 **deferential standard**"); In re First Wellington Canyon Associates, 1989 WL 165028, *1 (N.D.Ill.
18 1989) ("[D]ebtor's judgment on whether or not to reject an executory contract is to be accorded **great**
19 **deference** under the business judgment rule").

20 The "business judgment" test provides a flexible standard for determining whether a debtor
21 may reject an executory contract or unexpired lease. Courts addressing the question of whether
22 rejection would be advantageous to the estate must start with the proposition that the debtor's
23 decision is to be accorded the deference mandated by the sound business-judgment rule as generally
24 applied by courts to discretionary actions or decisions of corporate directors. Lubrizol Enters., 756
25 F.2d at 1045. As stated by the Fourth Circuit:

26 As generally formulated and applied in corporate litigation, the rule is that
27 courts should defer to--should not interfere with--decisions of corporate directors
28 upon matters entrusted to their business judgment except upon a finding of bad
faith or gross abuse of their "business discretion." Transposed to the bankruptcy
context, the rule as applied to a bankrupt's decision to reject an executory contract
because of perceived business advantage requires that the decision be accepted by

1 courts unless it is shown that the bankrupt's decision was one taken in bad faith or
2 in gross abuse of the bankrupt's retained business discretion.

3 In bankruptcy litigation the issue is of course first presented for judicial
4 determination when a debtor, having decided that rejection will be beneficial
5 within contemplation of § 365(a), moves for approval of the rejection. The issue
6 thereby presented for first instance judicial determination by the bankruptcy court
7 is whether the decision of the debtor that rejection will be advantageous is so
8 manifestly unreasonable that it could not be based on sound business judgment, but
9 only on bad faith, or whim or caprice. That issue is one of fact to be decided as
10 such by the bankruptcy court by the normal processes of fact adjudication. And the
11 resulting fact determination by the bankruptcy court is perforce then reviewable up
12 the line under the clearly erroneous standard.

13 Id. at 1046-1047

14 Here, the Debtor seeks to reduce its operating overhead and expenses, and has determined that
15 the Leases are not necessary to the Debtor's reorganization and are burdensome to the estate.

16 Accordingly, the rejection of the Leases is within the sound business judgment of the Debtor.

17 **B. The Leases Should Be Deemed Retroactively Rejected**

18 It is well established that the Bankruptcy Court has discretion to order the effective date of a
19 rejection to be retroactive. In re At Home Corporation, 392 F.3d 1064, 1072 (9th Cir. 2004); In re
20 New Meatco Provisions, LLC, 2014 WL 2446314 (B.A.P. 9th Cir. May 30, 2014) (affirming
21 retroactive rejection); BP Energy Co. v. Bethlehem Steel Corp., 2002 WL 31548723, *6 (S.D.N.Y.
22 Nov. 15, 2002) (affirming bankruptcy court order authorizing retroactive rejection); In re Amber's
23 Stores, 193 B.R. 819, 827 (Bankr.N.D.Tex. 1996) ("the Court finds that nothing precludes a
24 bankruptcy court, based on the equities of the case, from approving the trustee's rejection of a non-
25 residential real property lease retroactively to an earlier date"); In re New Valley Corp., Case No. 98-
26 982, 2000 WL 1251858, *7 (D.N.J. Aug. 31, 2000) (district court affirmed the bankruptcy court's
27 ruling authorizing retroactive rejection of lease); In re O'Neil Theatres, 257 B.R. 806, 808
28 (Bankr.E.D.La. 2000) ("lease will be rejected retroactive to the petition date."). Courts allow
retroactive rejection to the petition date or date of surrender. See, In re New Meatco Provisions,
LLC, 2013 WL 3760129, at *5 (Bankr. C.D. Cal. July 16, 2013), aff'd, 2014 WL 2446314 (BAP 9th
Cir. May 30, 2014) (rejection retroactive to date of surrender which was 14 days prior to filing of
motion, observing "there is nothing in either *At Home* or the line of authority relied upon by the
Ninth Circuit in adopting its retroactive lease rejection standard that expressly limits the bankruptcy

1 court's equitable authority to establish a retroactive rejection date no earlier than the motion filing
2 date.”) (note: the BAP decision erroneously characterizes the bankruptcy court as ordering rejection
3 effective as of the filing of the motion); In re O'Neil Theaters, Inc., 257 B.R. 806, 808
4 (Bankr.E.D.La. 2000); In re Amber's Stores, Inc., 193 B.R. 819, 827 (Bankr.N.D.Tex. 1996); In re
5 Manis Lumber Co., 430 B.R. 269, 271–72, 280 (Bankr.N.D.Ga. 2009) (where debtor filed motion to
6 reject 6 days after debtor vacated leased premises and 2 days after court approved sale of
7 substantially all of the debtor's assets, rejection of lease would be effective retroactive to date debtor
8 vacated premises, as landlord had unequivocal notice of estate's intent to reject, had possession of
9 the premises, and could commence the re-letting process).

10 In At Home Corporation, the Ninth Circuit identified four non-exclusive factors to be applied
11 by a bankruptcy court in making a determination whether circumstances warranted retroactive
12 rejection: (1) the debtor's immediate filing of a motion to reject the lease; (2) a debtor's prompt action
13 in setting that motion for hearing; (3) the vacancy of the leased premises; and (4) the landlord's
14 conduct and motivation in opposing a retroactive rejection of the lease. Id. at 1072.

15 Here, retroactive rejection is appropriate as the Debtor has satisfied the factors identified in
16 the At Home decision.

17 (1) The debtor's immediate filing of a motion to reject the lease. The Debtor has promptly
18 filed the Motion upon the filing of the petition.

19 (2) A debtor's prompt action in setting that motion for hearing. The Debtor has filed the
20 Motion requesting a hearing on an emergency basis.

21 (3) The vacancy of the leased premises. As of the Petition Date, the Debtor vacated and
22 surrendered the premises for the Leases, and thereafter provided written notice to the respective
23 lessors that the Debtor has vacated and surrendered, and requested instruction for delivery of the keys
24 to the respective lessors.

25 (4) The landlord's conduct and motivation in opposing a retroactive rejection of the lease.
26 The Debtor is not presently aware that any of the lessors intend to oppose the retroactive rejection,
27 and does not believe there is any good faith basis to make such an objection.
28

1 IV.

2 **ABANDONMENT OF THE PERSONAL PROPERTY IS PROPER**
3 **BECAUSE IT IS BURDENSOME AND OF INCONSEQUENTIAL**
4 **VALUE AND BENEFIT TO THE ESTATE**

5 Section 554(a) of the bankruptcy Code provides that, “[a]fter notice and a hearing, the
6 [debtor] may abandon any property of the estate that is burdensome to the estate or that is of
7 inconsequential value and benefit to the estate.” 11 U.S.C. § 554(a). The right to abandon
8 property is extensive, almost unfettered, unless (i) abandonment of the property will contravene
9 laws designed to protect public health and safety, or (ii) the property poses an imminent
10 threat to the public’s welfare. See, In re Midlantic Bank, 474 U.S. 494, 501 (1986).

11 Before ordering abandonment, the bankruptcy court must find either: (1) the property is
12 burdensome of the estate; or (2) the property is both of inconsequential value and inconsequential
13 benefit to the estate. In Re K.C. Mach and Tool Co., 816 F.2d 238 (6th Cir. 1987) (emphasis in
14 original). Bankruptcy courts have also recognized that “[s]ection 554 of the Code serves the purpose
15 of expeditious and equitable distribution by permitting the trustee to abandon property that consumes
16 the resources and drains the income of the estate.” In re Smith Douglass, Inc., 856 F.2d 12, 16 (4th Cir.
17 1988).

18 As discussed above, prior to the Petition Date the Debtor vacated and surrendered the premises
19 for the Leases, and thereafter provided written notice to the respective lessors that the Debtor has
20 vacated and surrendered, and requested instruction for delivery of the keys to the respective lessors.
21 Consequently, as the Debtor will no longer be operating the premises for the Leases, it has no use for
22 the Personal Property.

23 As set forth in detail above, the Debtor has reviewed the Personal Property at the various retail
24 boutiques subject to rejection and has determined in its reasonable business judgment that the
25 Personal Property is of inconsequential value to the Debtor’s estate. Further, the cost to retrieve the
26 property, move it, and market it and resell it, will exceed the recovery, if any, that the Debtor and its
27 estate could reasonably obtain in exchange for the Personal Property. Accordingly, this Court
28 should approve abandonment of the Personal Property because it is burdensome and of

1 inconsequential value and benefit to the estate.

2 V.

3 **THE MOTION COMPLIES WITH BANKRUPTCY RULE 6006**

4 Under Rule 6006(e) of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rule(s)”), a
5 debtor may join requests for authority to reject multiple executory contracts or unexpired leases
6 in one motion, subject to Bankruptcy Rule 6006(f). Fed. R. Bankr. P. 6006(e). Bankruptcy Rule
7 6006(f) sets forth six (6) requirements that motions to assume or reject multiple leases must meet.
8 These requirements are procedural in nature. A motion to assume or reject multiple executory
9 contracts or unexpired leases that are not between the same parties shall:

- 10 (1) state in a conspicuous place that parties receiving the omnibus motion
11 should locate their names and their leases or leases listed in the motion;
- 12 (2) list parties alphabetically and identify the corresponding contract or lease;
- 13 (3) specify the terms, including the curing of defaults, for each requested
14 assumption or assignment;
- 15 (4) specify the terms, including the identity of each assignee and the adequate
16 assurance of future performance by each assignee, for each requested
17 assignment;
- 18 (5) be numbered consecutively with other omnibus motions to assume, assign,
19 or reject executory contracts or unexpired leases; and
- 20 (6) be limited to no more than 100 executory contracts or unexpired
21 leases. Fed. R. Bankr. P. 6006(f).

22 The clear purpose of Bankruptcy Rule 6006(f) is to protect the due process rights of
23 counterparties to leases and contracts. Counterparties must be able to locate their leases and contracts
24 and readily determine whether their leases and contracts are being rejected. The Debtor has complied
25 with all applicable procedural requirements of Bankruptcy Rule 6006(f). The list of Rejected Leases
26 annexed hereto in the Schedule meets all procedural requirements of Bankruptcy Rule 6006(f)
27 affording counterparties all necessary protections of due process, and this Motion conspicuously
28 informs the counterparties of the Leases to refer to the Schedule for a list of the Rejected Leases.

1 VI.

2 **RELIEF IS JUSTIFIED ON AN EXPEDITED BASIS**

3 Courts consistently have recognized that emergency relief on "first day" motions relating to
4 rejection of burdensome executory contracts and unexpired leases is necessary after a case is filed.
5 See, In re Center Wholesale, Inc., 759 F. 2d 1440, 1444 (9th Cir. 1985) ("We realize that 'in certain
6 circumstances the entire reorganization effort may be thwarted if emergency relief is withheld' and
7 that reorganization under the Bankruptcy Code 'is a perilous process, seldom more so than at the
8 outset of the proceedings...."); In re Sullivan Ford Sales, 2 B.R. 350, 355 (Bankr.D.Me.1980).

9 As indicated above, the Debtor's primary goal in chapter 11 is to right-size its United States
10 presence in part by rejecting all retail boutique store Leases to enable the Debtor to better adapt and
11 cultivate sustained profitability in light of the increasing shift to online purchasing and the impact of
12 the COVID-19 pandemic on brick-and-mortar retail sales. To preserve the Debtor's going concern
13 value and eliminate unnecessary costs of operation, the Debtor needs immediate relief from this
14 Court so that the Debtor can reject the Leases and abandon the Personal Property. On these facts
15 and circumstances, good cause exists for an expedited hearing on limited notice.

16 VII.

17 **PROPOSED NOTICE PARTIES AND NOTICE OF THE MOTION**
18 **IS APPROPRIATE UNDER THE FACTS AND CIRCUMSTANCES OF THIS CASE**

19 The Debtor has separately filed an application for an order shortening time requesting that
20 this Motion be heard on shortened notice. The Debtor submits that the parties affected by the relief
21 requested in this Motion, consist of: (a) the Office of the United States Trustee; (b) the landlords
22 and/or their representatives for the Rejected Leases; (c) the twenty (20) largest unsecured creditors of
23 the Debtor (as identified in the list filed pursuant to Bankruptcy Rule 1007(d); and (d) the Subchapter
24 V trustee, once appointed. The Debtor further respectfully submits that a copy of this Motion, the
25 Munro Declaration, and notice of a hearing thereof provided by overnight courier, e-mail or hand-
26 delivery, at the discretion of the Debtor, is fair, reasonable, and appropriate notice and comports with
27 the requirements of the Bankruptcy Rules and the Local Bankruptcy Rules ("LBR"). See,
28 Bankruptcy Rule 2002; Bankruptcy Rule 9006(c); LBR Rule 9075-1.

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VIII.

CONCLUSION

WHEREFORE, the Debtor respectfully requests that the Court grant the Motion and enter an order:

1. Authorizing the Debtor to reject the Rejected Leases pursuant to 11 U.S.C. § 365, effective as of the Petition Date;
2. Authorizing the Debtor to abandon its Personal Property, effective as of the Petition Date; and
3. Granting the Debtor such other and further relief as the Court deems just and proper.

DATED: September 16, 2021

WINTHROP GOLUBOW HOLLANDER, LLP

By: /s/ Richard H. Golubow

Richard H. Golubow

Peter W. Lianides

[Proposed] General Insolvency Counsel for
Lorna Jane USA, Inc., a California corporation

EXHIBIT 1

Schedule

List of Leases to be Rejected

Landlord/Counterparty	Address of Landlord	Real Property Address
213 Manhattan Beach Blvd. Partners, LLC c/o Cardinal Investments, LLC	213 Manhattan Beach Blvd. Partners, LLC c/o Cardinal Investments, LLC 2301 Rosecrans Avenue, Suite 4194 El Segundo, CA 90245 Attention: Nicole Fitzgerald	213 Manhattan Beach Boulevard Manhattan Beach, CA 90266
Bella Terra Associates, LLC c/o DJM Capital Partners	Bella Terra Associates, LLC c/o DJM Capital Partners 60 South Market Street, Suite 1120 San Jose, CA 95113 Attention: Eric Sahn	Store #7777-150 Bella Terra 7777 Edinger Avenue Huntington Beach, CA 92647
Bellevue Square, LLC	Bellevue Square, LLC Post Office Box 908 Bellevue, Washington 98009 Attention: Corporate Officer	Store #1085 Bellevue Square 575 Bellevue Square Bellevue, WA 98004
Biltmore Shopping Center Partners LLC c/o Macerich	Biltmore Shopping Center Partners LLC c/o Macerich P.O. Box 2172 401 Wilshire Boulevard, Suite 700 Santa Monica, California 90407 Attention: Legal Department	Store #181 Biltmore Shopping Centre 2502 E Camelback Road Phoenix, AZ 85016
Century City Mall, LLC	Century City Mall, LLC 2049 Century Park East 41st Floor Los Angeles, California 90067 Attention: Legal Department	Store #2755 Westfield Century City 10250 Santa Monica Boulevard Los Angeles, CA 90067
City Creek Center Associates LLC	City Creek Center Associates LLC P.O. Box 674566 Detroit, MI 48267-4566 Attention: Corporate Officer	Store #134 City Creek Center 50 South Main Street Salt Lake City, UT 84150
El Paseo Premier Centre	El Paseo Premier Centre 5900 Wilshire Boulevard, Suite 400 Los Angeles, California 90036 Attention: Corporate Officer	73-655 El Paseo, Suite E Palm Desert, CA 92260
Irvine Spectrum Center LLC	Irvine Spectrum Center LLC Attention: General Counsel, Retail Properties The Irvine Company LLC 110 Innovation Irvine, California 92617	Store #751 Irvine Spectrum Center 751 Spectrum Center Drive Irvine, CA 92618
Kierland Greenway, LLC c/o Macerich	Kierland Greenway, LLC c/o Macerich P.O. Box 2172 401 Wilshire Boulevard, Suite 700 Santa Monica, California 90407 Attention: Legal Department	Store # 150C1B Kierland Commons 15205 N. Kierland Boulevard Scottsdale, AZ 85254
Macerich Santa Monica LP c/o Macerich	Macerich Santa Monica LP c/o Macerich P.O. Box 2172 401 Wilshire Boulevard, Suite 700 Santa Monica, California 90407 Attention: Legal Department	Store #100 Santa Monica Place 395 Santa Monica Place Santa Monica, CA 90401
Mission Viejo Associates, L.P. c/o M.S. Management Associates Inc.	Mission Viejo Associates, L.P. c/o M.S. Management Associates Inc. 225 West Washington Street Indianapolis, Indiana 46204-3438 Attention: Legal Department	Room 12D The Shops at Mission Viejo 555 Shops at Mission Viejo Mission Viejo, CA 92691

Schedule

List of Leases to be Rejected

Landlord/Counterparty	Address of Landlord	Real Property Address
Northpark Partners LP	Northpark Partners LP 8080 North Central Expressway, Suite 1100 Dallas, TX 75206 Attention: Corporate Officer	Store # 2R1-2248 NorthPark Center 8687 North Central Expressway Dallas, TX 75225
Premium Outlet Partners LP c/o Simon Property Group	Premium Outlet Partners LP c/o Simon Property Group 225 West Washington Street Indianapolis, Indiana 46204-3438 Attention: Legal Department	Store #1012 Camarillo Premium Outlets 740 Ventura Boulevard Los Angeles, CA 93010
Santa Anita Fashion Park LLC	Santa Anita Fashion Park LLC 11601 Wilshire Boulevard, 11th Floor Los Angeles, California 90025 Attention: Legal Department	Store # 1200 Westfield Santa Anita 400 S. Baldwin Avenue Arcadia, CA 91007
Sherman Oaks Fashion Associates LP	Sherman Oaks Fashion Associates LP 11601 Wilshire Boulevard, 11th Floor Los Angeles, California 90025 Attention: Legal Department	Store # 36 Westfield Fashion Square 14006 Riverside Drive Sherman Oaks, CA 91423
The Irvine Company LLC	The Irvine Company LLC Attention: General Counsel, Retail Properties The Irvine Company LLC 110 Innovation Irvine, California 92617	Store # 807 Fashion Island 807 Newport Centre (Fashion Island) Newport Beach, CA 92660
The Retail Property Trust c/o M.S. Management Associates Inc.	The Retail Property Trust c/o M.S. Management Associates Inc. 225 West Washington Street Indianapolis, Indiana 46204-3438 Attention: Legal Department	Store #1106 Brea Mall 1065 Brea Mall Brea, CA 92821
Union Street Property Trust 1	Union Street Property Trust 1 63 Paul Avenue San Rafael, California 94903 Attention: Corporate Officer	2090 Union Street San Francisco, CA 94124
UTC Venture LLC	UTC Venture LLC 2049 Century Park East 41st Floor Los Angeles, California 90067 Attention: Legal Department	Store #E-25 Westfield UTC 4545 La Jolla Village Drive San Diego, CA 92122
Valencia Town Center Venture, L.P.	Valencia Town Center Venture, L.P. 2049 Century Park East 41st Floor Los Angeles, California 90067 Attention: Legal Department	Store #2730 Westfield Valencia Town Center 24201 Valencia Boulevard Valencia, CA 91355
Westcor Santan Village LLC Santan c/o Macerich	Westcor Santan Village LLC Santan c/o Macerich P.O. Box 2172 401 Wilshire Boulevard, Suite 700 Santa Monica, California 90407 Attention: Legal Department	Store #316 SanTan Village 2218 E Williams Field Road Gilbert, AZ 85295

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 1301 Dove Street, Suite 500, Newport Beach, CA 92660

A true and correct copy of the foregoing document entitled (*specify*): **DEBTOR’S MOTION FOR ENTRY OF ORDER AUTHORIZING: (I) REJECTION OF CERTAIN UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY PURSUANT TO 11 U.S.C. § 365 AND FED. R. BANKR. P. 6006, EFFECTIVE AS OF THE PETITION DATE; (II) ABANDONMENT OF PERSONAL PROPERTY, EFFECTIVE AS OF THE PETITION DATE; AND (III) GRANTING RELATED RELIEF; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **September 16, 2021**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Richard H Golubow rgolubow@wghlawyers.com, jmartinez@wghlawyers.com; mweinberg@wghlawyers.com
- Dare Law dare.law@usdoj.gov
- United States Trustee (LA) ustpregion16.la.ecf@usdoj.gov

2. SERVED BY UNITED STATES MAIL: On (*date*) _____, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

3. SERVED BY EMAIL: Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **September 16, 2021**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

4. SERVED BY OVERNIGHT MAIL: Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **September 17, 2021**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

September 16, 2021	Jeannie Martinez	/s/ Jeannie Martinez
<i>Date</i>	<i>Printed Name</i>	<i>Signature</i>

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United States Trustee
915 Wilshire Blvd., Suite 1850
Los Angeles, CA 90017

Lorna Jane USA, Inc.
1475 W. 139th St
Gardena, CA 90249

LORNA JANE – Landlords - 20 LARGEST– UST – SECURED – RSN - NEF

US Small Business Administration
Attn: Ben Raju, District Director
425 Walnut Street
Cincinnati, OH 45202
lado@sba.gov

Macerich Santa Monica LP
Hayley Rable VP Leasing
395 Santa Monica Place
Santa Monica, CA 90401
[Hayley Rable VP, Leasing Macerich
Hayley.Rable@macerich.com](mailto:Hayley.Rable@macerich.com)

Carlsbad Premium Outlets, LLC
Rocky McMurtray
5620 Paseo del Norte
Suite 100
Carlsbad, CA 92008
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Bellevue Square, LLC
Attn: Corp Officer/Manager
Jana Koeberle
Post Office Box 908
Bellevue, WA 98009
jana.koeberle@kemperdc.com

Sherman Oaks Fashion Assc, LP
Virginia Bergman Loo
11601 Wilshire Boulevard, 11th Fl.
Los Angeles, CA 90025
virginia.bergmanloo@urw.com
[Virginia Bergman Loo - VP, Business Affairs](mailto:Virginia.Bergman.Loo-VP.BusinessAffairs)

Valencia Town Ctr Venture LP
Attn: Virginia Bergman Loo
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Los Angeles, CA 90067
virginia.bergmanloo@urw.com
[Virginia Bergman Loo - VP, Business Affairs](mailto:Virginia.Bergman.Loo-VP.BusinessAffairs)

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c/o Kennedy Wilson Properties, Ltd
151 S. El Camino Drive
Beverly Hills, CA 90212
Edmond A. Sachse/lan deLaat
idlaat@kennedywilson.com

Mission Viejo Associates, LP
c/o M.S. Management Associates Inc.
225 West Washington Street
Indianapolis, IN 46204-3438
RockvMcMurtray
rmcmurtray@simon.com

Biltmore Shopping Center Ptnrs LLC
2502 E. Camelback Rd, #216
Phoenix, AZ 85016
Hayley Rable VP, Leasing
[Hayley Rable VP, Leasing Macerich
Hayley.Rable@macerich.com](mailto:Hayley.Rable@macerich.com)

20 Largest / Landlord – Manhattan Beach
213 Manhattan Beh Blvd Ptnrs, LLC
c/o Cardinal Investments, LLC
Attn: Nicole Fitzgerald
Kyle Ransford Cardinal Investments
Attn: 2301 Rosecrans Ave., Suite 4194
El Segundo, CA 90245
kyle@cardinalinvestments.com

The Retail Property Trust
c/o M.S. Management Associates Inc
225 West Washington Street
Indianapolis, IN 46204-3438
RockvMcMurtray
rmcmurtray@simon.com

The Irvine company, LLC
Attn: Kenneth M. Gillett, Sr. VP
110 Innovation
Irvine, CA 92617
kengillett@irvinecompany.com

Century City Mall, LLC
Virginia Bergman Loo, VP
2049 Century Park East, 41st Floor
Los Angeles, CA 90067
Legal Dpt
virginia.bergmanloo@urw.com
[Virginia Bergman Loo - VP, Business Affairs](mailto:Virginia.Bergman.Loo-VP.BusinessAffairs)

Premium Outlet Partners LP
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RockvMcMurtray
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Irvine Spectrum Center, LLC
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110 Innovation
Irvine, CA 92617
Kenneth M. Gillett Senior Vice Pre
kengillett@irvinecompany.com

Avalara Inc.
Attn: Corporate Officer
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Palatine, IL 60055
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UTC Venture, LLC
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virginia.bergmanloo@urw.com
[Virginia Bergman Loo - VP, Business Affairs](mailto:Virginia.Bergman.Loo-VP.BusinessAffairs)

Rakuten Marketing
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575 Bellevue Square 1085
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Santa Anita Fashion Park LLC
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[Virginia Bergman Loo - VP, Business Affairs](mailto:Virginia.Bergman.Loo-VP.BusinessAffairs)

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Attn: Michelle Briggs
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Secured
Kemper Development Company
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NEF Service List
United States Trustee
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Los Angeles, CA 90017

US Bank
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VP Deposit/Payment Relationship Manager
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Los Angeles, CA, 90071
john.wong@usbank.com

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Paypal, Inc –
2211 N 1st St,
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**(Kumarika Chaudhuri Senior Director - Global
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**Scott Stirrup – Client Manager Global Merchant
and Network Services
scott.stirrup@aexp.com**

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Counsel for Bellevue
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Phone: 425-289-5555
Brian Muchinsky - bmuchinsky@noldmuchlaw.com

LANDLORD – STORE 7777-150

Bella Terra Associates, LLC
c/o DJM Capital Partners
Attention: Eric Sahn
60 South Market Street, Suite 1120
San Jose, CA 95113
Grace Huang - General Manager -
ghuang@djmcapital.com

LANDLORD – STORE 1085

Bellevue Square, LLC
Attention: Corporate Officer
Post Office Box 908
Bellevue, Washington 98009
Jana Koeberle
Senior Vice President Leasing - Kemper Development
Company
jana.koeberle@kemperdc.com

LANDLORD – STORE 181

Biltmore Shopping Center Partners LLC
c/o Macerich - Attention: Legal Department
P.O. Box 2172
401 Wilshire Boulevard, Suite 700
Santa Monica, California 90407
Havley.Rable@macerich.com

LANDLORD – STORE 2755

Century City Mall, LLC
Attention: Legal Department
2049 Century Park East, 41st Floor
Los Angeles, California 90067
virginia.bergmanloo@urw.com
Virginia Bergman Loo – VP, Business Affairs

LANDLORD – STORE 134

City Creek Center Associates LLC
Attention: Corporate Officer
P.O. Box 674566
Detroit, MI 48267-4566
**Francesca A. Lousia - Senior Attorney,
Lease Compliance - Taubman –
flousia@taubman.com**

LANDLORD – STORE 73-655

El Paseo Premier Centre
Attention: Corporate Officer
5900 Wilshire Boulevard, Suite 400
Los Angeles, California 90036
**Amv Smith - Senior Vice President
Chartwell Properties, Inc.
asmith@chartwellproperties.net**

LANDLORD – STORE 751

Irvine Spectrum Center LLC
Attention: General Counsel, Retail Properties
The Irvine Company LLC
110 Innovation
Irvine, California 92617
**Kenneth M. Gillett - Senior Vice President, Operations
Irvine Company Retail Properties
kengillett@irvinecompany.com**

LANDLORD – STORE 150C1B

Kierland Greenway, LLC
c/o Macerich
Attention: Legal Department
P.O. Box 2172
401 Wilshire Boulevard, Suite 700
Santa Monica, California 90407
**Havley Rable VP, Leasing Macerich
Havley.Rable@macerich.com**

LANDLORD – STORE 100

Macerich Santa Monica LP
c/o Macerich
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P.O. Box 2172
401 Wilshire Boulevard, Suite 700
Santa Monica, California 90407
**Havley Rable VP, Leasing Macerich
Havley.Rable@macerich.com**

LANDLORD – STORE 12D

Mission Viejo Associates, L.P.
c/o M.S. Management Associates Inc.
Attention: Legal Department
225 West Washington Street
Indianapolis, Indiana 46204-3438
**Rocky McMurtrav Leasing Simon
rmcmurtrav@simon.com**

LANDLORD – STORE 2R1-2248

Northpark Partners LP
Attention: Corporate Officer
8080 North Central Expressway, Suite 1100
Dallas, TX 75206
**Angela Boots Director of Leasing
NorthPark Center
aboosts@northparkentr.com**

LANDLORD – STORE 1012

Premium Outlet Partners LP
c/o Simon Property Group
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**Rocky McMurtrav – Leasing Simon
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LANDLORD – STORE 1200

Santa Anita Fashion Park LLC
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Los Angeles, California 90025
**Virginia Bergman Loo VP, Business Affairs
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virginia.bergmanloo@urw.com**

LANDLORD – STORE 36

Sherman Oaks Fashion Associates LP
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Los Angeles, California 90025
**Virginia Bergman Loo VP, Business Affairs
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virginia.bergmanloo@urw.com**

LANDLORD – STORE 807

The Irvine Company LLC
Attention: General Counsel, Retail Properties
The Irvine Company LLC
110 Innovation
Irvine, California 92617
**Kenneth M. Gillett Senior Vice President, Operations
kengillett@irvinecompany.com**

LANDLORD – STORE 1106

The Retail Property Trust
c/o M.S. Management Associates Inc.
Attention: Legal Department
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Indianapolis, Indiana 46204-3438
**Rocky McMurtrav – Leasing Simon
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LANDLORD – STORE

Union Street Property Trust 1
Attention: Corporate Officer
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San Rafael, California 94903
**Reno D Rossi -
renorossi@marincheese.com**

LANDLORD – STORE E25

UTC Venture LLC
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LANDLORD – STORE 2730

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41st Floor
Los Angeles, California 90067
**Virginia Bergman Loo VP, Business Affairs
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virginia.bergmanloo@urw.com**

LANDLORD – STORE 316

Westcor Santan Village LLC Santan
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