

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK

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In re:	:	Chapter 11
	:	
	:	Case No.
RUBIE’S COSTUME COMPANY, INC., <i>et al.</i>	:	(Pending Joint Administration)
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Debtors.	:	
	:	
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**DECLARATION OF MARC P. BEIGE PURSUANT TO  
RULE 1007-4 OF THE LOCAL BANKRUPTCY RULES FOR  
THE EASTERN DISTRICT OF NEW YORK AND IN SUPPORT  
OF DEBTORS’ FIRST DAY MOTIONS AND APPLICATIONS**

I, MARC P. BEIGE, hereby declare as follows:

1. I am the President of Rubie’s Costume Company, Inc. (“Rubie’s”). Rubie’s is the sole owner of Forum Novelties Inc. (“Forum”), of which I am a Director. Rubie’s is also the sole owner, and managing member of, Buyseasons Enterprises, LLC (“Buyseasons”). Rubie’s is also the sole owner and managing member of Kramer Funding, LLC, which is the sole manager of Masquerade, LLC (“Masquerade”).

2. I am also the President of Rubietoys Company, Inc., which is the sole member of The Diamond Collection, LLC (“Diamond Collection”). Additionally, I am a member of Rubie’s Masquerade Company, LLC (“Rubie’s Masquerade,” and together with Rubie’s, Forum, Buyseasons, Masquerade, and Diamond Collection, the “Debtors”).

3. Rubie’s, a New York corporation, is a designer, manufacturer and distributor of costumes and related accessories with a wide ranging portfolio of non-exclusive licenses including, but not limited to: Marvel, Warner Brothers, Nickelodeon, Disney and Lucasfilm. Historically, the Company’s growth has been through sales of products with designs driven by the strength of these

non-exclusive third-party licensing agreements, as well as rising interest among both adults and children in dressing up as authentic movie and television characters. The remaining Debtors are each in the costume and party supply industry, as set forth in more detail below.

4. Rubie's operates or contracts with manufacturing facilities throughout the world and has worldwide wholesale distribution of its products. It often licenses widely recognized designs from leading worldwide content providers such as Warner Brothers, Disney, and Marvel and currently maintains approximately 75 licenses in the United States.

5. Rubie's is part of a corporate structure consisting of approximately twenty-eight companies and entities that are referred to herein collectively as the "Rubie's Group."

6. On the date hereof (the "Petition Date"), the Debtors filed petitions under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

7. I submit this Declaration on behalf of the Debtors pursuant to Rule 1007-4 of the Local Bankruptcy Rules for the Eastern District of New York (the "Local Rules") for the purpose of apprising the Court and parties in interest of the circumstances that compelled the filing of these chapter 11 cases and in support of (i) the Debtors' chapter 11 petitions and (ii) the motions and applications that the Debtors have filed or will shortly file with the Court, including, but not limited to, the typical chapter 11 case first-day motions (the "First-Day Motions").

8. I joined Rubie's in 1965 and became President and CEO in 1972.

9. In my role as President of Rubie's and managing the other Debtors, and with the assistance of the Debtors' employees and advisors, I have been extensively involved in the Debtors' chapter 11 preparations and the events leading up to the Petition Date. I also have extensive knowledge of, and experience with, the business and financial affairs of each of the Debtors and related companies, and the industry in which they operate.

10. I am authorized to submit this Declaration on behalf of the Debtors.

11. Except as otherwise indicated herein, the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, information provided to me by employees working under my supervision, or my opinion based upon my experience, knowledge, and information concerning the operations of the Debtors and related companies. If called upon to testify, I would testify competently to the facts set forth in this Declaration. Unless otherwise indicated, the financial information contained herein is unaudited.

**I. OVERVIEW OF THE DEBTORS AND THEIR BUSINESSES  
AND THE REASONS FOR THE CHAPTER 11 CASES**

**A. Introduction; Background of Companies and Businesses; Overview of Corporate Structure and Indebtedness**

12. Rubie's has been in business for nearly 70 years.

13. The Rubie's Group is the one of the world's largest designer, manufacturer and distributor of costumes and related accessories with an impressive portfolio of non-exclusive licenses including, but not limited to: Marvel, Warner Brothers, Nickelodeon, Disney and Lucasfilm. Historically, the Company's growth has been driven by the strength of these exclusive third-party licensing agreements, as well as rising interest among both adults and children in dressing up as authentic movie and television characters.

14. Forum is a distributor of non-licensed costumes and accessories, which tends to have sales year round focused on all major holidays, not just Halloween. Forum also supplies souvenir shops and related vendors with gifts and novelty items.

15. Masquerade operates 4 retail costume stores in Manhattan, Queens, and Long Island and has some online operations through sales on Amazon.

16. Buyseasons is an e-commerce retailer selling costumes, party goods, and accessories through a variety of its own websites, Amazon and other online marketplaces, and “drop shipping” fulfilling customer orders for costume and party supplies made on Walmart, Target, and other retailers websites.

17. Diamond Collection is a manufacturer of high end costumes and is strictly a wholesaler. Diamond Collection’s customer base is different than that of Rubie’s.

18. Finally, Rubie’s Masquerade is a United States based holding company for ownership interests in various European and Asian entities involved in the costume and party supplies industry.

19. Rubie’s and its affiliates operate globally, with significant operations in 15 countries and distribution and sales into 52 countries across 6 continents.

20. The Debtors maintain strong relationships with in excess of 2,000 retail accounts worldwide, both brick-and-mortar and e-commerce, including, but not limited to, Amazon, Target, Walmart, and Party City, with more than 14,500 shipment destinations. On average, the Debtors have maintained relationships with retail accounts for in excess of 24 years and approximately 99% of the Debtors’ sales are to repeat customers.

21. The Debtors also maintain strong, extensive relationships with Asian contract manufacturers, which permit the Debtors to streamline its sourcing operations and improve margins. As a result of the Debtors’ strong relationships with manufacturers, and the close working relationship between such manufacturers and the Debtors’ China-based team, the Debtors have been afforded preferred status with their manufacturers enabling the Debtors to rush production to meet the needs of its customers.

22. In addition, the Debtors possess extensive in-house knowledge with respect to design and production, enabling the Debtors to work closely with customers to ensure their design needs are met and with manufacturers to ensure smooth operations and proactively control quality.

**B. Financial Performance and Cash Position**

23. The Debtors' operating results have deteriorated in recent years primarily due to shifts in the industry. Independent customers have declined and the average order per existing customer also has declined. For the fiscal year ending December 31, 2018 ("FY 2018") net sales and Adjusted EBITDA were approximately \$310 million and \$2 million, respectively. As a result of the decline in independent customers, for fiscal year ending December 31, 2019 ("FY 2019"), the Company generated net sales and Adjusted EBITDA of approximately \$268 million (\$42 million decline) and \$3 million (\$5 million decline), respectively. In FY 2019, in order to offset the recent decline in sales, the Debtors implemented a series of payroll and other expense reductions, resulting in approximately \$4 million of partial year expense savings. The resulting expense savings is expected to impact the fiscal year ending December 31, 2020 ("FY 2020") by up to an additional \$5 million resulting in an \$8 to \$9 million full year impact.

**C. Prepetition Indebtedness**

24. A bank group consisting of Bank of America, NA, Wells Fargo Bank, NA, JP Morgan Chase Bank, NA, TD Bank, NA, Citibank, NA, and HSBC Bank, USA, NA (the "Bank Group"), for which HSBC serves as Administrative Agent ("HSBC"), provided a credit facility to Rubie's under a 3-Year Credit Agreement, dated as of July 22, 2016 and amended by (i) that certain Amendment No. 1 and Waiver, dated as of July 9, 2017, and (ii) that certain Amendment No. 2 and Waiver, dated as of October 18, 2018 (the "Credit Agreement").

25. The Credit Agreement provided for various lending facilities for funding in an aggregate amount in excess of \$150 million.

26. The obligations under the Credit Agreement and related documents were guaranteed by certain members of the Rubie's Group, including the Debtors, pursuant to the terms of that certain Guaranty Agreement dated as of July 22, 2016.

27. Subsequent to the origination of the loan under the Credit Agreement, in the context of a series of loan restructuring negotiations with the Bank Group resulting in a series of forbearance agreements, certain members of the Rubie's Group also granted to the Bank Group a security interest and lien in certain of their assets pursuant to a Security Agreement, dated June 27, 2019.

28. The Debtors' unsecured debt owed to general trade creditors, primarily vendors, is approximately \$24.5 million, of which approximately \$3 million is owed to entities owned or controlled by insiders who lease real property to the Debtors.

**D. Overview of Reasons for Chapter 11 Cases**

29. The filing of these cases has been caused by a number of factors, including the COVID-19 worldwide crisis, that began in China in late 2019 with worldwide effects starting in January, 2020.

30. In 2019, even before the start of the COVID-19 crisis, the Debtors implemented comprehensive cost cutting programs to bring operating expenses in line with revenue, which program produced an immediate positive cost reduction impact for that year and will have beneficial impacts on the Debtors' finances on a going-forward basis.

31. Thus, the Debtors are well positioned to respond to changes in consumer spending brought about by the COVID crisis. The Debtors' current financial projections are conservative and account for these potential impacts.

32. However, the COVID crisis has had an impact on the Debtors' ability to obtain new financing from the Bank Group. The Bank Group has declined to provide continued financing and the Debtors' efforts to obtain replacement financing on an asset based lending structure have been slowed by the crisis. Notwithstanding, as further explained below, the Debtors are optimistic that a financing package will become available for them over the next 60 to 90 days.

33. The Bank Group's refusal to extend the existing financing, notwithstanding a series of forbearance agreements, extensive discussions with the Debtors' management and advisors and significant concessions by the Debtors to the Bank Group in the form of the payment of significant fees, the granting of additional collateral and the granting of releases, has forced the Debtors into a liquidity crisis.

34. Beginning early in 2019, the Debtors and the Bank Group entered into an intensive and extensive series of discussions concerning certain operational declines that the Debtors' businesses were experiencing and the resulting effect on their financial performance and cash flow liquidity.

35. These discussions resulted in a series of forbearance agreements (collectively, the "Forbearance Agreements") between such parties executed in June, September and December of 2019 along with a series of extension letter agreements that preserved the status quo up to May 4, 2020.

36. The Forbearance Agreements included a number of amendments to the Credit Agreement including the execution of the Security Agreement, reaffirmation of the guaranties

provided by the members of the Rubie's Group, including the other Debtors, and the granting of releases to the Bank Group.<sup>1</sup>

37. Under such Agreements, Rubie's agreed to, and did, implement the hiring of an independent financial advisor, the Business Restructuring Services group of BDO USA, LLP ("BDO").

38. During this time, the Debtors and certain members of the Bank Group had been having serious on-going discussions for these Banks, possibly with another new lender, to provide an asset based lending facility to replace the existing Bank Group facility. However, in early April, one of the Bank Group members that had been participating in such discussions, and spearheading the effort to put together a new asset based lending facility for the Debtors to replace the existing facility, substantially lowered the amount of the commitment that it was willing to make, thus making it more difficult for the Debtors to complete this arrangement. More recently, on April 15, 2020, that lender, Wells Fargo, advised the Debtors that it would not participate further in the effort to construct replacement financing for the Debtors in the form of an asset based lending facility. It advised the Debtors that its decision was based on the conditions in the global lending market due to the COVID-19 crisis and internal restrictions on its current lending, and was not a reflection on the Debtors' creditworthiness.

39. On or about April 15, 2020, the Debtors hired SSG Capital Advisors ("SSG"), a premier middle-market investment banking firm, to pursue other financing opportunities for the Debtors outside of the money-center banks. In the past few weeks, SSG has located and

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<sup>1</sup> All recitations contained herein of the dealings and agreements between the Bank Group, the Debtors and the Rubie's Group are for informational purposes only and are not to be construed as an admission of any fact or concession as to any issue. The Debtors and the members of the Rubie's Group hereby reserve all rights, claims, remedies and potential challenges to the claims and security position of the Bank Group and otherwise.



communicated with various potential lenders who have expressed interest in lending to the Debtors. Both the Debtors and SSG are optimistic about such opportunities.

40. Following this sudden and unexpected news from Wells Fargo, the Debtors obtained further extensions of the Forbearance Agreement, parsed out in two week increments, the latest providing an extension through May 4, 2020, with no additional advances from the Bank Group, so that the Debtors could finalize its engagement with SSG and prepare and present to the Bank Group the Debtors' plan, on a going forward basis, to obtain a new asset based lending facility to replace the Bank Group's facility.

41. The Debtors then entered into negotiations with the Banks on the terms for continued lending under a proposed extended Forbearance Agreement. These negotiations continued on an intensive basis through approximately April 29, 2020.

42. The Debtors demonstrated the viability of their business to the Banks in a number of ways including through the business plan implemented over the last year with the assistance of BDO, the continued value of their inventory which exceeds the debt owed to the Banks and even most recently the fact that major national account clients placed firm orders for the Halloween season.

43. By April 29, 2020 it had become apparent to the Debtors that an agreement could not be reached with the Bank Group. Without a binding Forbearance Agreement in place, placing the Debtors at risk of having the Banks exercising their remedies, the Debtors believed they had no choice but to file these chapter 11 cases in order to preserve the value of their businesses as a going concern.

44. Other factors contributing to the chapter 11 filings include a downturn in sales due to a more general change in the business environment, insolvency of a number of the Debtors'

major trading partners, and the decision of many of Rubie's licensors to grant non-exclusive licenses thereby allowing a multitude of other manufacturers/wholesalers to obtain licenses for certain popular designs and images.

45. These chapter 11 filings give the Debtors the essential breathing space that they need to overcome this short term liquidity crisis caused by the COVID-19 crisis and the actions of the Bank Group. These chapter 11 cases allow for the Debtors to access the use of cash collateral to fund operations and payroll immediately and obtain a DIP financing facility, all pending the placement of an asset based lending facility as exit financing. The Debtors have undertaken extensive efforts, with the aid of consultants and advisors, to obtain same and are confident that it will be achieved. The Debtors anticipate that obtaining a replacement facility, while continuing to operate in the ordinary course, will take between 90 and 120 days and is likely to be achieved given the streamlining of the Debtors' operations and cost structure that they have achieved in the last year, their very strong base of existing inventory and its continued receipt of significant Halloween season orders from its national client accounts.

## **II. THE DEBTORS' CHAPTER 11 CASES**

46. The Debtors intend to operate their businesses in the ordinary course during these chapter 11 cases.

47. For fiscal year 2020, the Debtors forecast net sales and Adjusted EBITDA of approximately \$220 to \$230 million and \$7 to \$8 million, respectively. These amounts are estimates due to the impact of COVID-19 and represent an approximate 18% decline in sales from FY 2019. Despite the forecasted decline in sales, the first quarter of fiscal year 2020 yielded higher year over year purchase orders from key customers. These key customers have placed the majority of their orders for the year and have historically placed the majority of their order in the first quarter.

The increase in Adjusted EBITDA is the direct result of the Debtors' concerted effort to reconfigure its business strategy and implement cost savings initiatives in fiscal year 2019. Additionally, in the first quarter of fiscal year 2020, the Debtors have taken the initiative to implement additional payroll cost savings of approximately \$6 million and plan on initiating an additional \$3 million of cost savings which were included in the fiscal year 2020 Adjusted EBITDA budget mentioned above. The Debtors believe these additional initiatives will help maintain profitability in fiscal year 2020 despite a projected decline in net sales. The changes implemented by the Debtors in fiscal year 2019 and the first quarter of fiscal year 2020 will result in a stronger company and position the business to capture a larger share of an evolving market for licensed costumes and accessories.

### **III. THE DEBTORS' FIRST DAY MOTIONS**

48. The Debtors have or will shortly file motions for approval of certain relief typically sought at the initiation of the chapter 11 process ("First-Day Motions"). I have reviewed the Petition and First-Day Motions, or have otherwise had their contents explained to me, and it is my belief that the relief sought therein is essential to ensure the uninterrupted operation of the Debtors' businesses and success of the Debtors' reorganization. Receiving this Court's approval of the relief sought in the First-Day Motions is essential to transitioning the Debtors into chapter 11 which will provide the Debtors an opportunity to work towards a successful restructuring that will benefit the Debtors' constituents and stakeholders.

#### **A. Motion for Joint Administration of the Debtors' Chapter 11 Cases**

49. The Debtors request entry of an order directing the joint administration of these Debtors' chapter 11 cases for procedural purposes only, pursuant to Bankruptcy Rule 1015(b), and maintain one file and one docket for each of the chapter 11 cases under the lead case, Rubie's.

Joint administration of these chapter 11 cases will provide significant administrative efficiencies without impacting the substantive rights of any party in interest. Many of the motions, hearings, and orders that will be filed in these chapter 11 cases will affect each of the Debtors and their estates. The entry of an order directing joint administration of the chapter 11 cases will reduce costs, and promote judicial economy, by avoiding duplicative filings, objections, notices, and hearings, and will allow all parties in interest to monitor the chapter 11 cases with greater ease and efficiency.

**B. Motion Extending Time to File Schedules and SOFAs:**

50. The Debtors request entry of an order granting a 30-day extension (without prejudice to further extension) to file their schedules of assets and liabilities, schedules of executory contracts and unexpired leases (the “Schedules”), and statements of financial affairs (the “SOFA”).

51. To prepare the Schedules, the Debtors must carefully review and compile information from their books and records. This task requires a substantial expenditure of time and effort on the part of the Debtors. While the Debtors, with the assistance of their professional advisors, are mobilizing to work diligently and expeditiously on preparing the Schedules, the Debtors’ resources are limited and strained.

52. The number of creditors likely to be involved in these chapter 11 cases, the geographical spread of the Debtors’ operations, and the numerous critical operational matters that must be addressed by the Debtors’ management all contribute to the load that the Debtors must carry at the beginning of these cases. An extension to file the Schedules is necessary and appropriate and will ultimately maximize the value of the Debtors’ estates for the benefit of their creditors and all other parties in interest.

**C. Motion of Debtors for an Order Authorizing Them to Pay Certain Prepetition Wages, Compensation, an Employee Benefits and Related Relief**

53. The Debtors request the entry of interim and final orders authorizing, but not directing, the Debtors to (a) pay wages, salaries, and all costs incident to the foregoing, including, without limitation, related prepetition withholding and payroll-related taxes; (b) to maintain and continue to honor their practices, programs, and policies for the Employees and (each as defined below), and as such may be modified, amended, or supplemented from time to time in the ordinary course, including, without limitation, the continuation and maintenance of all employee benefit programs in the ordinary course; and (c) directing all banks to honor prepetition checks for payment of prepetition employee obligations; and (d) granting related relief.

54. The relief requested includes compensation for the Debtors' full-time and part-time Employees. The Debtors pays their Employees on a weekly or bi-weekly basis. The Debtors' payroll obligations generally include wages, salaries, benefit programs, and payments on account of used vacation time and other paid time off.

55. The Debtors estimate that as of the Petition Date, they will owe approximately \$395,000 to Employees on account of prepetition payroll obligations, incurred in the weeks ending April 24 and May 1, 2020 including accrued but unpaid wages and salaries (the "Unpaid Compensation") (excluding issued but uncashed checks). The Debtors do not believe that any Employee is owed Unpaid Compensation in an amount exceeding the \$13,650 priority cap imposed by section 507(a)(4) of the Bankruptcy Code. However, a substantial number of employees have been placed on furlough due primarily to the COVID-19 crisis, but are expected to be recalled. Accordingly, the Debtors' weekly gross payroll on a going forward, post-petition basis, is expected to increase.

56. Notwithstanding the current furlough, the majority of the Debtors' Employees rely heavily on the Debtors' compensation, benefits, and reimbursement of expenses to satisfy daily living expenses. The workforce will be exposed to significant financial difficulties if the Debtors are not permitted to honor obligations for unpaid compensation, benefits, and reimbursable expenses. Moreover, if the Debtors are unable to satisfy such obligations, morale and loyalty will be jeopardized at a time when such support is critical. In the absence of such payments, Employees may seek alternative employment opportunities, hindering the Debtors' ability to meet their customer obligations and likely diminishing customer confidence. Employee attrition, whether now or upon the end of the furlough, would cause the Debtors to incur additional expenses to find appropriate and experienced replacements. Additionally, loss of valuable employees would distract the Debtors from focusing on their operations and administering these chapter 11 cases at this critical juncture.

**D. Debtors' Motion for Entry of an Interim Order Authorizing Use of Cash Collateral and Scheduling a Hearing to Consider the Entry of a Final Order Authorizing Use of Cash Collateral**

57. By way of their Motion to Use Cash Collateral, the Debtors seek entry of an Interim Order authorizing the Debtors' use of cash collateral of the Bank Group. The Debtors require immediate authority to use cash collateral in order to continue their business operations (including paying their employees) without interruption towards the objective of the eventual reorganization of their businesses and secured debt through, *inter alia*, obtaining a new ABL facility. The Debtors are confident that they have the ability to successfully reorganize and, with the assistance of SSG, to obtain a new ABL facility, enabling them to make substantial distributions to creditors, but such a reorganization will not be possible if the Debtors are forced to shut their doors and discontinue serving their customers.

58. To enable the Debtors to continue fulfilling the needs of their customers and to avoid a disruption of their and their clients' business operations and any potential impact on their clients' reputations in their respective industries, the Debtors require the use of cash collateral for the continuation of their operations. Without authorization to use cash collateral in accordance with the Debtors' budget, the Debtors' operations will cease to the detriment of all parties involved, including the Bank Group, the Debtors' employees, customers, and creditors.

59. The need for the Debtors' immediate use of the Cash Collateral and for the relief requested in the Interim Order is best illustrated by the Debtors' expenditures forecast in the Budget.

60. The Debtors' Budget, as further described in the Cash Collateral Motion, demonstrate that during the initial four-week period after the filing of these chapter 11 cases (the "Interim Period"), the Debtors anticipate that they will collect approximately \$7.228 million in cash. The Budget also set forth the weekly expenditures required by the Debtors and project cash disbursements totalling \$14.736 million in operating disbursements during the Interim Period. The bulk of these disbursements represent payments related to payroll and other employee-related obligations, utilities, the purchase of inventory and supplies, royalty payments, and all other expenses necessary for the Debtors' continued post-petition operations. The Budget demonstrate the Debtors' need for use of Cash Collateral during the Interim Period. The Debtors believes that they can operate their businesses during the Interim Period using Cash Collateral alone. Without the Court's authorization to use Cash Collateral, the Debtors will be unable to satisfy the administrative expenses attendant with the reorganization of their businesses under chapter 11.

61. Moreover, the Debtors have a strong base of existing inventory whose value will continue to increase as the Halloween season approached as evidenced by the Debtors' recent receipt of firm orders from their national client accounts.

62. In short, there is a substantial, viable business with a multitude of employees to preserve and a likelihood that the Debtors will be able to obtain a new ABL facility, thereby provided the Debtors with the necessary operating capital. However, the Debtors' businesses have no chance of surviving if the Debtors are not authorized to use Cash Collateral and do not receive any of the revenues resulting from the post-petition goods and services to its customers. If the Debtors' chapter 11 cases are converted to chapter 7 cases, unsecured creditors will likely receive greatly diminished recoveries. On the other hand, if the Debtors are permitted to use cash collateral and can survive until a successful reorganization, such reorganization will enhance the value of the collateral and improve results for all creditors.

**E. Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Operate Their Cash Management Systems, (B) Honor Certain Prepetition Obligations Related Thereto, (C) Maintain Existing Business Forms, and (II) Granting Related Relief (the "Cash Management Motion")**

63. Pursuant to the Cash Management Motion, the Debtors seek entry of interim and final orders: (a) authorizing the Debtors to (i) continue to operate their Cash Management systems; (ii) honor certain prepetition obligations related thereto; (iii) maintain existing Business Forms in the ordinary course of business; and (b) granting related relief.

64. The Debtors' Cash Management Systems are similar to the centralized cash management systems used by other comparably sized companies to manage cash flow. The Debtors use their Cash Management Systems in the ordinary course to transfer and distribute funds and to facilitate cash monitoring, forecasting, and reporting, including funding of the Debtors'



non-Debtor affiliates. The bank accounts maintained by each of the Debtors are set forth in Exhibit K attached hereto.

65. The Debtors routinely deposit, withdraw, and otherwise transfer money to, from, and between certain of the Bank Accounts by various methods (collectively, the “Ordinary Transfer Methods”), including, but not limited to, wires, checks, and other electronic funds transfers. The Debtors are able to account for and reconcile payments made to third parties and affiliates.

66. Because of the disruption that would result if the Debtors were forced to close their existing bank accounts, I believe that it is critical that the existing Cash Management Systems remain in place. I believe that the relief requested in the Cash Management Motion is in the best interests of the Debtors’ estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11.

**F. Debtors’ Motion for (I) Authorization to (A) Continue to Maintain Their Insurance Policies and Programs and Surety Bond Program and (B) Honor All Obligations With Respect Thereto; and (II) Related Relief (the “Insurance Motion”)**

67. By the Insurance Motion, the Debtors request (i) authority, but not direction to (a) continue to maintain, and renew, in their sole discretion, their Insurance Policies and Programs, (b) honor its Insurance and Surety Obligations (as defined below) in the ordinary course of business during the administration of these chapter 11 cases; and (ii) related relief.

68. The Debtors’ Insurance Policies are essential to the preservation of the value of the Debtors’ businesses, properties, and assets. I understand that, in many cases, insurance coverage such as that provided by the Insurance Policies, is required by diverse regulations, laws, and contracts. Failure to make payments required by the Debtors’ Insurance Policies could have a significant negative impact on the Debtors’ operations.

69. The Debtors incur approximately \$1,532,000 in the aggregate in annual Insurance Obligations, including Brokers' Fees. Of this amount, the Debtors anticipate approximately \$108,000 will become due and owing in the month following Petition Date. In order to preserve the value of the Debtors' estates and to protect against uninsured loss, the Debtors seek authority to pay any prepetition Insurance and Surety Obligations.

70. I believe that the relief requested in the Insurance Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption.

**G. Debtors' Motion for (I) Authorization to Pay Certain Critical Vendors and (II) Related Relief (the "Critical Vendor Motion")**

71. By the Critical Vendor Motion, the Debtors request authority to pay the pre-petition claims of certain of certain vendors (the "Critical Vendors") with whom continued business is critical to maintaining the Debtors' businesses. The Debtors propose that such payments to Critical Vendors would be made in the ordinary course, as such amounts become due.

72. The Debtors' wide-ranging operations require close coordination and integration among numerous parties, including the Critical Vendors who provide essential goods and services that cannot be easily replaced or substituted without disrupting the Debtors' operations. Because of this leverage, the Debtors believe that the Critical Vendors may make credible and actionable threats that, unless paid on account of their prepetition Critical Vendor claims, they will cease to supply the Debtors with the essential goods and services necessary to maintain the Debtors' operations and specifically to provide the Debtors with the inventory it needs for the upcoming Halloween season.

73. As set forth in the Critical Vendor Motion, the Critical Vendors fall into three categories: (i) certain foreign companies that provide necessary manufacturing services that cannot

be replaced during this purchase cycle (the “Critical Manufacturers”); (ii) licensors of certain intellectual property, including Warner Brothers, Disney, Marvel, Sony, Universal, and Netflix, which is used by the Debtors and their affiliates in the production of certain products (the “Critical Licensors”); and (iii) certain third-party sales representatives who are essential to the Debtors’ effective distribution (the “Critical Representatives”).

74. In order to adequately prepare for the Halloween season, the Debtors incur the majority of their costs in late winter and early spring. Therefore, in order to ensure that the Debtors’ businesses do not falter and to foster the Debtors’ reorganization, the Debtors require the authority to pay these Critical Vendor Claims in the ordinary course. Any defaults in said payments would seriously jeopardize the Debtors business operations.

75. I believe that the relief requested in the Critical Vendor Motion is in the best interest of the Debtors’ estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in chapter 11 without disruption.

**H. Debtors’ Motion for (I) Authorization to Prepare a List of Creditors in Lieu of a Formatted Mailing Matrix; (II) Approving the Form and Manner of Notice of Commencement of the Debtors’ Chapter 11 Cases; and (III) Related Relief (the “Creditor Notice Motion”)**

76. By the Creditor Notice Motion, the Debtors seek the entry of an Order (i) authorizing the Debtors to maintain and file a consolidated mailing matrix of creditors and other parties in interest (the “Consolidated Creditor Matrix”); (ii) authorizing the Debtors to file a consolidated list of top thirty (30) unsecured creditors (the “Top 30 Consolidated List”) in lieu of filing a separate list of top twenty (20) creditors who have unsecured claims for each of the Debtors; and (iii) authorizing the Debtors to establish certain procedures for providing notice to parties of the commencement of these Chapter 11 Cases and of the meeting of creditors (the “Notice of Commencement”) pursuant to section 341 of Bankruptcy Code.

77. The Debtors estimate that there are hundreds of creditors and parties-in-interest that will be entitled to receive notices in the Debtors' bankruptcy cases. The Debtors maintain computerized lists of such parties and have prepared that list as the Consolidated Creditor Matrix containing the names and addresses of those creditors and parties-in-interest who were readily ascertainable as of the Petition Date. The Debtors have provided the Consolidated Creditor Matrix to the Clerk of the Court and the Debtors' proposed claims agent.

78. The Consolidated Creditor Matrix is in a format ordinarily used by Debtors' counsel and might not comply with all or some of the various creditor matrix requirements. Under the circumstances, re-formatting the Consolidated Creditor Matrix, preparing and filing a separate formatted creditor matrix, and otherwise complying with the creditor matrix requirements under the Bankruptcy Rules will impose unnecessary administrative burdens on the Debtors without any corresponding benefit to the estates, especially in light of the fact that the Debtors intend to retain a claims agent well versed in the procedures of this Court.

79. Moreover, permitted the Debtors to submit a Top 30 Consolidated List, rather than separate lists of the 20 largest unsecured creditors of each Debtor, will enable the Debtors to avoid substantial administrative burdens while still enabling the UST to identify and appoint members of an unsecured creditors' committee.

80. Finally, the Debtors propose that the Notice of Commencement, in the form proposed by the Debtors, satisfies all relevant rules and guidelines and will enable the Debtors to give notice of these chapter 11 cases to their creditors and other parties-in-interest in a manner that reduces administrative burden, thereby facilitating the Debtors' reorganization and preserving value for creditors..

81. I believe that the relief requested in the Creditor Notice Motion is in the best interests of the Debtors' estates, their creditors, and parties-in-interest and will enable the Debtors to properly provide notice to all necessary parties without overburdening the Debtors.

**I. Debtors' Application for an Order Appointing Kurtzman Carson Consultants ("KCC") as Claims and Noticing Agent for the Debtors (the "Claims Agent Application")**

82. By the Claims Agent Application, the Debtors seek authority to retain KCC as claims and noticing agent for the Debtors.

83. Although the Debtors have not yet filed their schedules of assets and liabilities, they anticipate that there will be in excess of approximately 700 entities to be noticed. In view of the number of anticipated claimants and the complexity of the Debtors' businesses, the Debtors submit that the appointment of a claims and noticing agent is both necessary and in the best interests of both the Debtors' estate and their creditors.

84. By appointing KCC as the claims and noticing agent in this chapter 11 cases, the distribution of notices and the processing of claims will be expedited, and the Office of the Clerk of the Court (the "Clerks Office" or "Clerk") will be relieved of the administrative burden of processing what may be an overwhelming number of claims.

85. I have been informed by counsel that the Debtors' selection of KCC to act as the claims and noticing agent has satisfied the Court's *Protocol for the Employment of Claims and Noticing Agents under 28 U.S.C. § 156(c)*, in that the Debtors have obtained and reviewed engagement proposals from at least two (2) other court-approved claims and noticing agents to ensure selection through a competitive process.

86. The scope of KCC's retention is more fully set forth in Claims Agent Application.

87. It is my belief that the retention of KCC, and related relief sought by the Claims Agent Application, is in the best interests of the Debtors' estates, their creditors, and parties-in-

interest, as it will relieve the Debtors from significant burdens associated with providing notice and processing proofs of claim.

**IV. Information Required by Local Bankruptcy Rule 1007-4**

88. Rule 1007-4 requires certain information related to the Debtors, which I have provided in the exhibits and/or below. Specifically, these exhibits and the other exhibits contain the following information with respect to the Debtor:

(a) I have been informed by counsel that the Debtors are not small business debtors within the meaning of Bankruptcy Code § 101(51D).

(b) I have also been informed by counsel that the Debtors are not single asset real estate debtors within the meaning of Bankruptcy Code § 101(51B).

(c) The nature of the Debtors' businesses and a statement concerning the circumstances leading to the Debtors' filings under chapter 11 is contained in Section I, *supra*.

(d) **Exhibit A** attached hereto provides the following information with respect to each of the holders of the Debtors' collective 30 largest unsecured claims excluding claims of insiders: the creditor's name, address (including the number, street, apartment, or suite number, and zip code, if not included in the post office address) and telephone number; the name(s) of person(s) familiar with the Debtors' account; the nature and approximate amount of the claim; and an indication of whether the claim is contingent, unliquidated, disputed or partially secured.

(e) **Exhibit B** attached hereto provides the following information with respect to each of the holders of secured claims against the Debtors (i.e. the Bank Group): the secured creditor's name, address (including the number, street, apartment or suite number, and zip code, if not included in the mailing address), telephone number, e-mail address, amount of the claim, a

description and an estimate of the value of the collateral securing the claim, and whether the claim or lien is disputed.

(f) **Exhibit C** attached hereto are balance sheets providing a summary of the Debtors' respective assets and liabilities.

(g) The Debtors have no publicly traded securities.

(h) The Debtors represent that there is no property in the possession or custody of any custodian, public officer, mortgagee, pledgee, assignee of rents, or secured creditors, or agent for such entity, provided, however that the Debtors maintains bank accounts which are subject to restrictions as provided in the Credit Agreement, Security Agreement and Forbearance Agreements. The balance in such accounts as of the Petition Date was approximately \$17 million.

(i) **Exhibit D** attached hereto provides a list of the premises owned, leased or held under other arrangement from which the Debtors operates their businesses.

(j) The Debtors' books and records are located at Rubie's Costume Company, Inc., 601 Cantiague Rock Road, Jericho, New York 11753.

(k) **Exhibit E** attached hereto provides the location of the Debtors' significant assets and the nature, and location of any assets held by the Debtors outside the territorial limits of the United States.

(l) **Exhibit F** attached hereto provides a list of the nature and present status of each action or proceeding, pending or threatened, against the Debtors or its property where a judgment or seizure of its property may be imminent.

(m) **Exhibit G** attached hereto sets forth a list of the names of the individuals who comprise the Debtors' existing senior management, their tenure with the Debtors, and a brief summary of their relevant responsibilities and experience.

(n) **Exhibit H** attached hereto provides the estimated amount of payroll to the Debtors' respective employees (not including officers, directors and stockholders) and the estimated amounts to be paid to officers, stockholders, directors, and financial and business consultants retained by the Debtors, for the 30-day period following the Petition Date.

(o) **Exhibit I** attached hereto provides a schedule for the 30-day period following the Petition Date, of estimated cash receipts and disbursements, net cash gain or loss, obligations and receivables expected to accrue but remain unpaid, other than professional fees, and any other information relevant to an understanding of the foregoing.

(p) **Exhibit J** attached hereto provides a schedule of the Debtors' current insurance policies, including the identity of the insurer, policy period and type of insurance for each insurance policy listed.

(q) **Exhibit K** attached hereto provides a schedule of the Debtors' bank accounts, including the name and address of the banking institution where the accounts are held, the name on the account, and the nature of the account for each bank account listed.

*[signature page follows]*



89. Pursuant to 28 U.S.C. § 1746, I hereby declare under penalty of perjury under the laws of the United States of America that the foregoing statements are true and correct to the best of my knowledge, information and belief.

Executed on this 30<sup>th</sup> day of April, 2020

Marc P. Beige,  
President and Authorized Signatory

*s/ Marc P. Beige*

**EXHIBIT A**

**LIST OF 30 LARGEST UNSECURED CREDITORS EXCLUSIVE OF INSIDERS**

## Consolidated Top 30 Unsecured Creditors - Rubies Costume Co. Inc. et al.

(\$ in USD)

Rank	Entity	Essential Vendors' Name	Street Address 1	Street Address 2	City	State	ZIP Code	Country/Region	Nature of the Claim	Amount of Prepetition claim (\$)
1	Rubie's	WARNER BROS.	4000 WARNER BOULEVARD		BURBANK	CA	91522		Licensing Fees	1,859,225.75
2	Rubie's	WUYI JINGJIE CLOTHING CO., LTD.	NO. 41 KAI FA AVENUE	BAI HUA SHAN INDUSTRIAL ZONE	ZHEJIANG		321200	CN	Foreign Vendor	1,114,567.98
3	Rubie's	SUN WAH JIAN XING PLASTIC MANUFACTORY	NO. 38 SAU SUN NEW VILKGE	INDUSTRIAL AREA	SHENZHEN			CN	Foreign Vendor	1,083,562.71
4	Rubie's	MARS HILL INTERNATIONAL LIMITED	3RD FLOOR NO. 10 TANGXIACHONG INDUSTRY STREET	SONGGANG TOWN	GUANGDONG			CN	Foreign Vendor	1,073,248.20
5	Buyseasons	FEDEX	942 SHADY GROVE ROAD		MEMPHIS	TN	38120		Trade Debt	1,031,939.14
6	Rubie's	MARVEL	500 S. BUENA VISTA STREET		BURBANK	CA	91505		Licensing Fees	880,608.75
7	Buyseasons	AMSCAN	80 GRASSLANDS ROAD		ELMSFORD	NY	10523		Trade Debt	574,324.42
8	Rubie's	CHANGZHOU SUNWOOD INTERNATIONAL TRADING CO., LTD.	ROOM #2101	XINHUI BUILDING #301 TONGJIANG AVENUE	JIANGSU			CN	Foreign Vendor	545,132.87
9	Rubie's	JINHUAZHIHOU GARMENT CO., LTD.	SMALL COMMODITIES INDUSTRIAL PARK, XIAOSHUN T	JINDONG DISTRICT, JINHUA	ZHEJIANG		321035	CN	Foreign Vendor	515,141.15
10	Rubie's	ADRENAL LLC	415 9TH AVENUE N		SEATTLE	WA	98109		Third Party Sales Commission	453,874.66
11	Rubie's	ZHEJIANG CHINABASE IMPEX CO., LTD.	UNIT C 12F MING YANG BL.	18 JIEFANG ROAD	SHANGHAI			CN	Foreign Vendor	433,705.27
12	Rubie's	ZHEJIANG WELLFULL IMPORT AND EXPORT CO. LTD.	2/F HANGBAO BUILDING	XING YI ROAD YU HANG DISTRICT	HANGZHOU		311100	CN	Foreign Vendor	431,128.91
13	Rubie's	SHENZHEN XINHUA LITE PLASTICS PRODUCTS LIMITED COMPANY	NO. 37 XIA PO VILLAGE,	LONG TIAN, KENGZHPINGSHAN	SHENZHEN GUANGDONG			CN	Foreign Vendor	404,805.76
14	Rubie's	HUANGSHAN SEA AND SAND CO., LTD.	22 XIN HANG ROAD	CHENG BEI INDUSTRIAL ZONE	AN HUI PROVINCE			CN	Foreign Vendor	391,842.35
15	Rubie's	PANAN RIKANG COSTUME CO., LTD.	2321 OGDEN AVE		DOWNERS GROVE	IL	60515		Foreign Vendor	387,749.89
16	Rubie's	ZHEJIANG PANAN COMBAAL CLOTHING CO., LTD.	FU HUA YUAN	XINCHENG DISTRICT	ZHEJIANG			CN	Foreign Vendor	385,511.87
17	Rubie's	ACTIVE MARKETING GROUP INC	4640 GULFSTARR DRIVE		DESTIN	FL	32541		Third Party Sales Commission	369,865.00
18	Buyseasons	GOOGLE	1600 AMPHITHEATRE PARKWAY		MOUNTAIN VIEW	CA	90453		Trade Debt	254,493.47
19	Rubie's	PANAN LUOLAN ARTS AND CRAFTS CO., LTD.	NO. 19 SHANGHU INDUSTRIAL FUNCTION ZONE	PANAN COUNTY	ZHEJIANG			CN	Foreign Vendor	241,075.44
20	Rubie's	SUNRISE PARTY PRODUCTS COMPANY LIMITED	RM B1 7/F	CHEUNG FAT BUILDING	KOWLOON			HK	Foreign Vendor	228,303.65
21	Rubie's	YIWU PARTYLAND COSTUMES CO., LTD.	6TH FLOOR AREA A NO. 7 BUILDING	NAN WU ROAD	ZHEJIANG		321035	CN	Foreign Vendor	216,648.88
22	Rubie's	DONG YANG XINGBANG CULTURAL AND CREATIVE CO., LTD.	NO. 38 XINCHAO ROAD GARMENTS INDUSTRIAL ZONE	ECONOMIC DEVELOPMENT ZONE	ZHEJIANG PROVINCE		32200	CN	Foreign Vendor	215,988.22
23	Buyseasons	UNIQUE INDUSTRIES INC	4750 LEAGUE ISLAND BOULEVARD		PHILADELPHIA	PA	19112		Trade Debt	212,069.68
24	Buyseasons	CREATIVE CONVERTING	255 SPRING STREET		CLINTONVILLE	WI	54929		Trade Debt	185,960.56
25	Rubie's	ZHENJIANG LIAN YEW	NO.12 HENGYUAN ROAD	DANTU INDUSTRIAL PARK	ZHENJIANG, JIANGSU			CN	Foreign Vendor	181,413.80
26	Rubie's	NINGBO ELITER IMPORT AND EXPORT CO. LTD.	RM906, NO 311	JIANGNAN YIPIN PLAZA	NINGBO			CN	Foreign Vendor	176,838.69
27	Rubie's	ANHUI DINGHUI TOYS	288# LUCHAO ROAD	LUJIANG COUNTY	ANHUI			CN	Foreign Vendor	159,305.98
28	Rubie's	DONGYANG TANKE	100 SHHMAODADAO		DONGYANG JINHUA CITY		321000	CN	Foreign Vendor	158,018.30
29	Forum	ERRIC SORELLE STUDIOS LTD.	215 W. HOFMAN AVENUE		LINDENHURST	NY	11757		Trade Debt	154,592.82
30	Rubie's	DONGYANG KEXIN	NO. 278 HANNING RD (W)	DONGYANG CITY	ZHEJIANG			CN	Foreign Vendor	146,915.30

**EXHIBIT B****LIST OF FIVE LARGEST SECURED CREDITORS**

Bank	Borrowing Amount	LC Amount	Combined
HSBC Bank USA, NA	8,936,170.22	2,993,617.03	11,929,787.25
Bank of America, NA	7,446,808.51	2,494,680.85	9,941,489.36
Wells Fargo Bank, NA	6,329,787.23	2,120,478.72	8,450,265.95
JPMorgan Chase Bank, NA	4,840,425.53	1,621,542.55	6,461,968.08
TD Bank, NA	4,095,744.68	1,372,074.47	5,467,819.15
Citibank, NA	3,351,063.83	1,122,606.38	4,473,670.21
	<u>35,000,000.00</u>	<u>11,725,000.00</u>	<u>46,725,000.00</u>

\_\_\_\_\_

\_\_\_\_\_

The name and address of the attorneys for HSBC as Administrative Agent for the Bank Group, is:

William J. Brown, Esq.  
Phillips Lytle LLP  
One Canalside  
125 Main Street  
Buffalo, NY 14203-2887

**EXHIBIT C**

**BALANCE SHEET**

**ASSETS**

	<b>Rubie's Costume Company Inc</b>	<b>Masquerade LLC</b>	<b>Forum Novelties Inc</b>	<b>Buyseasons Enterprises LLC</b>	<b>Rubies Masquerade Co LLC</b>
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ 5,093,190	\$ 109,200	\$ 783,241	\$ 691,042	38,912
Accounts Receivable (Net of Allowance for Doubtful Accounts)	37,078,231	0	10,764,305	2,768,176	
Inventory	48,110,758	5,362,350	22,703,920	23,270,150	
Prepaid Expenses and Taxes	4,346,465	159,932	755,785	366,183	
Due from Affiliated Companies	45,986,459	0	6,011,690	6,539,203	5,951,453
Deferred Tax Asset	0	0	0	0	
Loans Receivable - Employees	0	0	0	0	
Accrued Interest Receivable	0	0	0	0	
Miscellaneous Receivables	0	1,900,938	0	1,332,734	
Investment in Marketable Securities	17,084,723	0	0	0	
Notes Receivable - affiliates	0	0	0	0	
Loans and Exchanges	104,963	0	0	0	
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 157,804,789</b>	<b>\$ 7,532,420</b>	<b>\$ 41,018,941</b>	<b>\$ 34,967,488</b>	<b>5,990,365</b>
<b>PROPERTY AND EQUIPMENT</b>					
Land	\$ 0	0	0	0	
Building	0	0	0	0	
Construction in Progress	0	0	0	0	
Machinery and Equipment	16,452,679	884,545	371,792	5,053,958	
Furniture and Fixtures	6,765,587	44,141	254,868	4,854,380	
Automotive Equipment	88,907	0	0	0	
Leasehold Improvements	18,597,150	892,438	0	3,793,572	
<b>TOTAL PROPERTY AND EQUIPMENT</b>	<b>\$ 41,904,323</b>	<b>\$ 1,821,124</b>	<b>\$ 626,660</b>	<b>\$ 13,701,910</b>	<b>0</b>
Less: Accumulated Depreciation	32,152,376	1,237,928	573,456	9,770,092	
<b>NET PROPERTY AND EQUIPMENT</b>	<b>\$ 9,751,947</b>	<b>\$ 583,196</b>	<b>\$ 53,204</b>	<b>\$ 3,931,818</b>	<b>0</b>
<b>OTHER ASSETS</b>					
Cash Surrender Value of Officers' Life Insurance (Net of Loans)	\$ 8,645,233	0	0	0	
Due from Affiliated Companies	14,172,821	0	0	0	
Notes Receivable - affiliates	0	0	0	0	
Trademarks and Patents (Net of Accumulated Amortization)	1,499,228	0	0	68,359	
Customer-Relations Intangibles(Net of Accumulated Amortization)	1,145,356	0	0	0	
Deposits and Other Assets	0	85,113	0	30,000	134,936
Deferred Tax Asset	16,364	0	0	0	
Investment in Subsidiaries	14,568,668	0	0	0	1,736
Goodwill	0	195,889	250,000	0	
<b>TOTAL OTHER ASSETS</b>	<b>\$ 40,047,670</b>	<b>\$ 281,002</b>	<b>\$ 250,000</b>	<b>\$ 98,359</b>	<b>136,672</b>
<b>TOTAL ASSETS</b>	<b>\$ 207,604,406</b>	<b>\$ 8,396,618</b>	<b>\$ 41,322,145</b>	<b>\$ 38,997,665</b>	<b>6,127,037</b>

**LIABILITIES, STOCKHOLDERS' EQUITY AND MEMBERS' CAPITAL**

	<b>Rubie's Costume Company Inc</b>	<b>Kramer Funding LLC and Subsidiary</b>	<b>Forum Novelties Inc</b>	<b>Buyseasons Enterprises LLC</b>	
<b>CURRENT LIABILITIES</b>					
Accounts Payable	\$ 16,272,119	8,830,676	2,835,052	26,938,320	
Accrued Expenses and Taxes	5,280,352	71,539	137,652	2,859,652	
Bank Overdraft	0	0	0	0	
Profit Sharing Plan Contributions Payable	0	0	0	0	
Loans Payable - Affiliate	6,011,690	25,766,562	886,416	34,203,600	3,564,290
Current Portion of Revolving Loan	35,000,000	0	0	0	
Current Portion of Long-Term Debt	6,788	0	0	57,123	
Loans and Exchanges - Related Parties	0	0	0	0	
Loans and Exchanges	35,000	0	0	0	
Deferred Expenses	0	0	0	0	
Due to Stockholders	0	0	0	2,597,266	
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 62,605,949</b>	<b>\$ 34,668,777</b>	<b>\$ 3,859,120</b>	<b>\$ 66,655,961</b>	<b>3,564,290</b>

<b>OTHER LIABILITIES</b>						
Long-Term Debt	\$	<u>0</u>	<u>0</u>	<u>0</u>	<u>172,294</u>	<u>0</u>
<b>TOTAL OTHER LIABILITIES</b>		<u>0</u>	<u>0</u>	<u>0</u>	<u>172,294</u>	<u>0</u>
<b>TOTAL LIABILITIES</b>	\$	<u>62,605,949</u>	\$ <u>34,668,777</u>	\$ <u>3,859,120</u>	\$ <u>66,828,255</u>	<u>3,564,290</u>
<b>STOCKHOLDERS' EQUITY</b>						
Common Stock	\$	2,144,074	\$ 0	14,000	0	
Retained Earnings and Members' Capital		152,207,914	(26,272,159)	37,449,025	(27,830,590)	2,562,747
Accumulated Other Comprehensive Income (Loss)						
Net Unrealized Gain on Marketable Securities		291,360	0	0	0	
Cumulative Foreign Currency Translation Adjustments		0	0	0	0	
Treasury Stock		<u>(9,644,891)</u>	<u>0</u>	<u>0</u>	<u>0</u>	
<b>TOTAL STOCKHOLDERS' EQUITY ATTRIBUTABLE RUBIES COSTUME COMPANY INC.</b>	\$	<u>144,998,457</u>	\$ <u>(26,272,159)</u>	\$ <u>37,463,025</u>	\$ <u>(27,830,590)</u>	<u>2,562,747</u>
Noncontrolling Interest		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
<b>TOTAL STOCKHOLDERS' EQUITY</b>		<u>144,998,457</u>	<u>(26,272,159)</u>	<u>37,463,025</u>	<u>(27,830,590)</u>	<u>2,562,747</u>
<b>TOTAL LIABILITIES, STOCKHOLDERS'</b>		<u>207,604,406</u>	<u>8,396,618</u>	<u>41,322,145</u>	<u>38,997,665</u>	<u>6,127,037</u>

**DIAMOND COLLECTION LLC  
BALANCE SHEET  
DECEMBER 31, 2019**

**December  
31, 2019**

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**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents	\$	229,852
Accounts Receivable (Net of Allowance for Doubtful Accounts)		4,812,994
Inventory		4,979,224
Prepaid Expenses and Taxes		82,458
Due from Affiliated Companies		<u>0</u>

**TOTAL CURRENT ASSETS** \$ 10,104,528

**PROPERTY AND EQUIPMENT**

Dies and Molds	\$	62,599
Machinery and Equipment		350,000
Furniture and Fixtures		269,653
Automotive Equipment		152,514
Leasehold Improvements		<u>26,547</u>

**TOTAL PROPERTY AND EQUIPMENT** \$ 861,313

Less: Accumulated Depreciation 730,494

**NET PROPERTY AND EQUIPMENT** \$ 130,819

**OTHER ASSETS**

Other Intangibles (Net of Accumulated Amortization)	\$	177,138
Deposits and Other Assets		90,752
Investment in Partnership		0
Goodwill		<u>107,135</u>

**TOTAL OTHER ASSETS** \$ 375,024



**TOTAL ASSETS** \$ 10,610,371

**DIAMOND COLLECTION LLC  
BALANCE SHEET  
DECEMBER 31, 2017 & 2016**

**LIABILITIES AND MEMBERS' CAPITAL**

	<b>December 31, 2019</b>
	<u>                    </u>
<b>CURRENT LIABILITIES</b>	
Accounts Payable and Accrued Expenses	\$ 307,171
Notes Payable - Affiliates	3,150,330
Loans Payable - Affiliate	<u>11,458,878</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ <u>14,916,379</u></b>
 <b>OTHER LIABILITIES</b>	
Long-Term Debt	<u>0</u>
<b>TOTAL OTHER LIABILITIES</b>	<b>\$ <u>0</u></b>
<b>TOTAL LIABILITIES</b>	<b>\$ <u>14,916,379</u></b>
 <b>MEMBERS' CAPITAL</b>	
Members' Capital	<u>(4,306,008)</u>
<b>TOTAL MEMBERS' CAPITAL</b>	<b>\$ (4,306,008)</b>
 Noncontrolling Interest	<u>0</u>
<b>TOTAL MEMBERS' CAPITAL</b>	<b><u>(4,306,008)</u></b>
 <b>TOTAL LIABILITIES AND MEMBERS' CAPITAL</b>	 <b>\$ <u><u>10,610,371</u></u></b>

(0)

**EXHIBIT D**

**Rubie's Leases**

Name and Address of Landlord	Location of Premises
Beige Family Realty 120-08 Jamaica Avenue Richmond Hill, NY 11418	One Rubie Plaza Richmond Hill, NY 11418
Richmond Associates LP One Rubie Plaza Richmond Hill, NY 11418	650 Cantiague Rock Road Westbury, NY 11590
Melville Associates LP One Rubie Plaza Richmond Hill, NY 11418	1770 Walt Whitman Road Melville, NY 11747
Paradise Lane Realty LLC One Rubie Plaza Richmond Hill, NY 11418	158 Candlewood Road Bay Shore, NY 11706
Buckeye Associates LLC One Rubie Plaza Richmond Hill, NY 11418	4215 W Lower Buckeye Rd Phoenix, AZ 85009
Buckeye 59th Avenue LLC One Rubie Plaza Richmond Hill, NY 11418	2 N. 59th Avenue Phoenix, AZ 85043
100 Pineaire Drive LLC One Rubie Plaza Richmond Hill, NY 11418	100 Pineaire Drive Bay Shore, NY 11706
Greenville Realty Group Inc One Rubie Plaza Richmond Hill, NY 11418	400 Bon Air Street Mauldin, SC 29662
Greenville Realty Group Inc One Rubie Plaza Richmond Hill, NY 11418	333 N. Pleasantburg Drive Greenville, SC 29607

Richmond Associates LP  
One Rubie Plaza  
Richmond Hill, NY 11418

601 Cantiague Rock Road  
Jericho, NY 11753

Richmond Associates LP  
One Rubie Plaza  
Richmond Hill, NY 11418

145 Candlewood Road  
Bay Shore, NY 11706

536 Broadhollow Realty LLC  
One Rubie Plaza  
Richmond Hill, NY 11418

536 Broadhollow Road  
Melville, NY 11747

536 Broadhollow Realty LLC  
One Rubie Plaza  
Richmond Hill, NY 11418

1700 Walt Whitman Road  
Melville, NY 11747

Adams & Company  
411 Fifth Avenue  
New York, NY 10016

16 Madison Square West, 9th Floor  
New York, NY 10010

**Forum Leases**

Melville Associates LP  
One Rubie Plaza  
Richmond Hill, NY 11418

1770 Walt Whitman Road  
Melville, NY 11747

Melville Associates LP  
One Rubie Plaza  
Richmond Hill, NY 11418

540 Broadhollow Road  
Melville, NY 11747

**Diamond Collection Leases**

Glick Brothers LP  
1833 E. Harmony Road  
Fort Collins, CO 80528

1833 E. Harmony Road  
Fort Collins, CO 80528

**Buyseasons Leases**

Beige New Berlin Realty LLC  
601 Cantiague Rock Road  
Jericho, NY 11753

5915 S. Moorland Road  
New Berlin, WI 53151

**Masquerade Leases**

803 Broadway Associates LLC  
One Rubie Plaza  
Richmond Hill, NY 11418

808 Broadway  
New York, NY 10003

**EXHIBIT E**

The location of the Debtors' significant assets, the location of its books and records, and the nature, and location of any assets held by the debtors outside the territorial limits of the United States:

Location of Books and Records: 601 Cantiague Rock Road, Jericho, NY 11753.

Location of Debtors' Significant Assets (Inventory):

650 Cantiague Rock Road  
Westbury, NY 11590

1770 Walt Whitman Road  
Melville, NY 11747

158 Candlewood Road  
Bay Shore, NY 11706

4215 W Lower Buckeye Rd  
Phoenix, AZ 85009

2 N. 59th Avenue  
Phoenix, AZ 85043

100 Pineaire Drive  
Bay Shore, NY 11706

400 Bon Air Street  
Mauldin, SC 29662

333 N. Pleasantburg Drive  
Greenville, SC 29607

601 Cantiague Rock Road  
Jericho, NY 11753

145 Candlewood Road  
Bay Shore, NY 11706

536 Broadhollow Road  
Melville, NY 11747

1700 Walt Whitman Road  
Melville, NY 11747

1770 Walt Whitman Road  
Melville, NY 11747

540 Broadhollow Road  
Melville, NY 11747

1833 E. Harmony Road  
Fort Collins, CO 80528

5915 S. Moorland Road  
New Berlin, WI 53151

808 Broadway  
New York, NY 10003

Assets held by the Debtors Outside the Territorial Limits of the United States: None.

**EXHIBIT F**

List of the nature and present status of each action or proceeding, pending or threatened, against the Debtors or their property where a judgment or seizure of its property may be imminent.

**NONE**



## EXHIBIT G

List of the names of the individuals who comprise the Debtors' existing senior management, their tenure with the Debtor, and a brief summary of their relevant responsibilities and experience.

**Marc P. Beige, President and Director:** Joined the Debtors in 1965 and became President and CEO in 1972. By introducing consumers to a new view of Halloween as a dress-up and party holiday, Marc has driven the tremendous growth of Rubie's. Marc recently received the Ernst & Young Entrepreneur of the Year award. Through the hard work of Marc and his siblings Howard, Joel, and Maxine, Rubie's has grown to become the largest costume company in the U.S. with subsidiaries in Europe, The United Kingdom, Canada, Hong Kong, Japan, Israel, Mexico, South America and Australia. Marc is a graduate of Queens College with a degree in Math Education and is a member of the Halloween Industry Association, National Costume Association, Toy Manufacturers Association, U.S. Holocaust Museum, the 9-11 museum, and Yad Vashem, Museum of Jewish Heritage.

**Howard J. Beige, Executive Vice President and Director:** Joined the Debtors in 1978 and holds a Bachelor of Arts from Queens College. Howard is responsible for sales, licensing and distribution for Rubie's facilities in 15 different countries. Howard is a member of Halloween Industry Association, National Costume Association and Toy Industry Association and received the Disney Lifetime Achievement Award for development of costume sales for the Disney, Marvel and Lucasfilm portfolios.

**Rubin Beige, Chief Operating Officer:** Joined the Debtors full time in 1999. Along with several jobs in unrelated companies, Rubin learned the costume business from the ground up beginning in his teenage summers. Rubin oversees the relationships with the Company's China factories and the details of costume manufacturing, as well as the entire inventory production process, from conceptual design through the final shipments to customers. Upon graduation from Tulane University in 1999, Rubin entered the family business full-time, eventually working his way up to Chief Operating Officer. Rubin is presently responsible for planning, sourcing and product sales.

**John Clausen, General Manager:** Joined the Debtors in 1979 and began his career as a cutter before managing numerous functions including human resources, IT, international operations, domestic manufacturing, planning and production. John is responsible for manufacturing, operations outside of the U.S., and general corporate production and has represented the Company at the local Chamber of Commerce.

**EXHIBIT H**

**30 Day Payroll (Exclusive of Officers and Directors):** \$562,000

**30 Day Anticipated Payments to Officers and Directors:** \$56,000

Marc Beige

Howard Beige

Maxine Beige

Rubin Beige

**EXHIBIT I**

Schedule for the 30-day period following the Petition Date, of estimated cash receipts and disbursements, net cash gain or loss, obligations and receivables expected to accrue but remain unpaid, other than professional fees, and any other information relevant to an understanding of the foregoing.

**Consolidated 4-Week Cash Flow Forecast**

April 29, 2020

(\$ in 000's)

Week #	Forecast 1	Forecast 2	Forecast 3	Forecast 4	Forecast Total
Week Ending	5/8/2020	5/15/2020	5/22/2020	5/29/2020	
<b>Subsidiary Cash Receipts</b>					
Rubie's Costume Co, Inc.	\$ 2,200	\$ 1,725	\$ 600	\$ 350	\$ 4,875
Kramer Funding LLC (Masquerade)	41	57	32	49	179
Forum Novelties Inc.	95	95	95	95	380
Buyseasons Enterprises LLC	344	403	423	438	1,607
Diamond	84	20	48	35	187
<b>Total Receipts</b>	<b>\$ 2,764</b>	<b>\$ 2,299</b>	<b>\$ 1,197</b>	<b>\$ 967</b>	<b>\$ 7,228</b>
<b>Consolidated Cash Disbursements</b>					
Inventory	(1,326)	(454)	(1,578)	(1,570)	(4,928)
Royalties	(38)	(2,100)	(1,350)	(100)	(3,588)
Shipping	(374)	(309)	(417)	(355)	(1,455)
Payroll	(480)	(291)	(449)	(283)	(1,503)
Benefits	(3)	(69)	(1)	(307)	(380)
Taxes	-	(115)	(27)	-	(142)
Advertising	-	(254)	(22)	-	(276)
Commissions	(100)	(30)	(700)	-	(830)
Utilities	(74)	(52)	(54)	(54)	(234)
Professional Fees	(13)	(6)	(27)	(25)	(71)
Travel and Entertainment	(50)	(50)	(50)	(50)	(200)
Bank Charges & Interest	(300)	(4)	(0)	(0)	(305)
Rent	(4)	(22)	-	(20)	(46)
Corporate Insurance	(115)	(0)	(4)	(0)	(119)
Custom Duties	(100)	-	(100)	-	(200)
Other	(78)	(97)	(79)	(207)	(460)
<b>Total Operating Disbursements</b>	<b>\$ (3,056)</b>	<b>\$ (3,853)</b>	<b>\$ (4,856)</b>	<b>\$ (2,970)</b>	<b>\$ (14,736)</b>
<b>Intercompany Receipts (Disbursements)</b>					
Intercompany expenses paid by Rubies	(50)	(20)	(50)	(20)	(140)
Canada <sup>(2)</sup>	(100)	-	-	(200)	(300)
Mask Illusions <sup>(2)</sup>	-	-	(100)	-	(100)
Collegeville Expenses	(100)	(100)	(100)	(100)	(400)
Other <sup>(2)</sup>	(148)	(181)	(348)	(141)	(817)
<b>Total</b>	<b>\$ (398)</b>	<b>\$ (301)</b>	<b>\$ (598)</b>	<b>\$ (461)</b>	<b>\$ (1,757)</b>
<b>Bankruptcy Disbursements:</b>					
<b>Professional Fees:</b>					
Debtor Counsel	-	-	-	(525)	(525)
Debtor Advisor	-	-	-	(200)	(200)
Lender Counsel	-	-	-	(200)	(200)
Lender Advisor	-	-	-	(100)	(100)
Committee Counsel	-	-	-	(200)	(200)
Committee Advisor	-	-	-	(100)	(100)
Claims Agent	-	-	-	(50)	(50)
<b>Total Professional Fees</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,375)</b>	<b>\$ (1,375)</b>
Professional Fee Carve-out	-	-	-	(500)	(500)
Chapter 7 Trustee Carve-out	-	-	-	(25)	(25)
US Trustee Fees	-	-	-	(200)	(200)
Utility Deposit	(125)	-	-	-	(125)
<b>Total Bankruptcy Disbursements</b>	<b>\$ (125)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,100)</b>	<b>\$ (2,225)</b>
<b>Net Cash Flow</b>	<b>\$ (815)</b>	<b>\$ (1,855)</b>	<b>\$ (4,257)</b>	<b>\$ (4,564)</b>	<b>\$ (11,490)</b>
Beginning Cash Balance	\$ 20,815	\$ 20,000	\$ 18,145	\$ 13,889	
Ending Cash Balance	\$ 20,000	\$ 18,145	\$ 13,889	\$ 9,325	
Outstanding Checks	734	916	774	821	
Bank Balance	\$ 20,735	\$ 19,062	\$ 14,663	\$ 10,146	

**Rubie's Costume Co, Inc. 4-Week Cash Flow Forecast**

April 29, 2020

(\$ in 000's)

Forecast Week #

Week Ending

	Forecast 1 5/8/2020	Forecast 2 5/15/2020	Forecast 3 5/22/2020	Forecast 4 5/29/2020	Forecast Total
<b>Cash Receipts</b>					
Wal-Mart	1,900	875	50	50	2,875
Amazon	200	650	350	100	1,300
Other Customers	100	200	200	200	700
<b>Total Receipts</b>	<b>\$ 2,200</b>	<b>\$ 1,725</b>	<b>\$ 600</b>	<b>\$ 350</b>	<b>\$ 4,875</b>
<b>Operating Disbursements</b>					
Inventory Purchases (1)	(1,200)	(200)	(1,350)	(1,350)	(4,100)
Royalties (1)	-	(2,100)	(1,350)	(100)	(3,550)
Shipping	(200)	(200)	(200)	(200)	(800)
Payroll	(400)	(80)	(400)	(80)	(960)
Benefits	-	-	-	(290)	(290)
Taxes	-	(75)	-	-	(75)
Advertising	-	-	-	-	-
Commissions (1)	(100)	-	(700)	-	(800)
Utilities	(50)	(50)	(50)	(50)	(200)
Professional Fees	-	-	-	-	-
Travel and Entertainment	(50)	(50)	(50)	(50)	(200)
Bank Charges & Interest	(300)	-	-	-	(300)
Rent- Rubies	-	-	-	-	-
Rent- Masquerade (2)	-	-	-	-	-
Rent -Buyseasons (2)	-	-	-	-	-
Corporate Insurance	(110)	-	-	-	(110)
Custom Duties	(100)	-	(100)	-	(200)
<b>Total Operating Disbursements</b>	<b>\$ (2,510)</b>	<b>\$ (2,755)</b>	<b>\$ (4,200)</b>	<b>\$ (2,120)</b>	<b>\$ (11,585)</b>
<b>Operating Cash Flow</b>	<b>\$ (310)</b>	<b>\$ (1,030)</b>	<b>\$ (3,600)</b>	<b>\$ (1,770)</b>	<b>\$ (6,710)</b>
<b>Intercompany Payments (3)</b>					
Diamond Payroll	(20)	(20)	(20)	(20)	(80)
Imagination Design Studios Payroll	(30)	-	(30)	-	(60)
Total Intercompany Payments	(50)	(20)	(50)	(20)	(140)
<b>Intercompany Cash Transfer In (Out)</b>					
Masquerade	-	-	-	-	-
Buyseasons	-	(400)	(200)	-	(600)
Forum	-	-	-	-	-
Canada	(100)	-	-	(200)	(300)
Collegeville	(100)	(100)	(100)	(100)	(400)
Mask Illusions	-	-	(100)	-	(100)
Great Eagle/Prod Services Ltd	-	-	(200)	-	(200)
Other (Carolina/Oriental/Taiwan/IDS)	(50)	(50)	(50)	(50)	(200)
Total Intercompany Cash Transfer In (Out)	<b>\$ (348)</b>	<b>\$ (681)</b>	<b>\$ (748)</b>	<b>\$ (441)</b>	<b>\$ (2,217)</b>
<b>Bankruptcy Disbursements:</b>					
<b>Professional Fees:</b>					
Debtor Counsel	\$ -	\$ -	\$ -	\$ (525)	\$ (525)
Debtor Advisor	-	-	-	(200)	(200)
Lender Counsel	-	-	-	(200)	(200)
Lender Advisor	-	-	-	(100)	(100)
Committee Counsel	-	-	-	(200)	(200)
Committee Advisor	-	-	-	(100)	(100)
Claims Agent	-	-	-	(50)	(50)
Total Professional Fees	\$ -	\$ -	\$ -	\$ (1,375)	\$ (1,375)
Professional Fee Carve-out	-	-	-	(500)	(500)
Chapter 7 Trustee Carve-out	-	-	-	(25)	(25)
US Trustee Fees	-	-	-	(200)	(200)
Utility Deposit	(125)	-	-	-	(125)
<b>Total Bankruptcy Disbursements</b>	<b>\$ (125)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,100)</b>	<b>\$ (2,225)</b>
<b>Net Cash Flow</b>	<b>\$ (833)</b>	<b>\$ (1,731)</b>	<b>\$ (4,398)</b>	<b>\$ (4,331)</b>	<b>\$ (11,292)</b>
Beginning Cash Balance (4)	19,356	18,523	16,792	12,395	19,356
Ending Cash Balance	\$ 18,523	\$ 16,792	\$ 12,395	\$ 8,064	\$ 8,064
Outstanding checks	400	400	400	400	400
Bank Balance	\$ 18,923	\$ 17,192	\$ 12,795	\$ 8,464	\$ 8,464

## Notes:

- (1) Includes critical vendor payments for foreign vendors, royalties and sales commissions.
- (2) Rent is only paid to mortgaged properties in the 4 week forecast. The landlords for these properties are related entities.
- (3) Represents expenses paid by Rubies on behalf of related entities.
- (4) Opening cash balance includes \$17M of marketable securities held in non-operating accounts.
- (5) Debtor permitted during each weekly period covered by the Budget (i) to exceed any category in the Budget by up to ten percent (10%) be rolled forward, and (ii) to exceed total outstanding disbursements as set forth in the Budget by up to ten percent (10%), which variance may be rolled forward.

**Busyseasons Enterprises LLC 4-Week Cash Flow Forecast**

April 29, 2020

(\$ in 000's)

Forecast Week #

Week Ending

	Forecast <b>1</b> <b>5/8/2020</b>	Forecast <b>2</b> <b>5/15/2020</b>	Forecast <b>3</b> <b>5/22/2020</b>	Forecast <b>4</b> <b>5/29/2020</b>	<b>Forecast Total</b>
<b>Cash Receipts</b>					
Websites	214	238	238	225	914
Marketplaces	90	125	100	128	443
Dropship Customers	40	40	85	85	250
Other	-	-	-	-	-
<b>Total Receipts</b>	<b>\$ 344</b>	<b>\$ 403</b>	<b>\$ 423</b>	<b>\$ 438</b>	<b>\$ 1,607</b>
<b>Operating Disbursements</b>					
Payroll/taxes	(22)	(122)	(22)	(124)	(290)
Benefits	(3)	(69)	(1)	(5)	(78)
Temp Agencies	(33)	(9)	(2)	(1)	(44)
Professional fees	(3)	(1)	(3)	-	(7)
Inventory	(110)	(254)	(208)	(143)	(715)
Advertising	-	(254)	(22)	-	(276)
Shipping	(35)	(48)	(207)	(120)	(410)
IT	(10)	(5)	(24)	(25)	(64)
Utilities	(23)	(1)	-	(4)	(28)
Pmt processing fees	(7)	(3)	(7)	(3)	(18)
Bank Fees	-	(3)	-	(0)	(3)
Rent	-	(14)	-	-	(14)
Royalties	(38)	-	-	-	(38)
Sales Tax	-	(40)	(10)	-	(50)
Other	(19)	(49)	(4)	(152)	(224)
<b>Total Disbursements</b>	<b>\$ (304)</b>	<b>\$ (872)</b>	<b>\$ (507)</b>	<b>\$ (576)</b>	<b>\$ (2,259)</b>
<b>Operating Cash Flow</b>	<b>\$ 40</b>	<b>\$ (469)</b>	<b>\$ (85)</b>	<b>\$ (138)</b>	<b>\$ (652)</b>
Intercompany Cash Transfers In/(Out)	-	400	200	-	600
<b>Net Cash Flow</b>	<b>40</b>	<b>(69)</b>	<b>115</b>	<b>(138)</b>	<b>(52)</b>
Beginning Cash Balance	(74)	(34)	(103)	12	
Ending Cash Balance	<b>\$ (34)</b>	<b>\$ (103)</b>	<b>\$ 12</b>	<b>\$ (126)</b>	
Outstanding checks	327	514	364	414	
Bank balance	<b>\$ 294</b>	<b>\$ 411</b>	<b>\$ 377</b>	<b>\$ 289</b>	

**Forum Enterprises LLC 4-Week Cash Flow Forecast**

April 29, 2020

(\$ in 000's)

Forecast Week #

Week Ending

	Forecast <b>1</b> <b>5/8/2020</b>	Forecast <b>2</b> <b>5/15/2020</b>	Forecast <b>3</b> <b>5/22/2020</b>	Forecast <b>4</b> <b>5/29/2020</b>	<b>Forecast Total</b>
<b>Cash Receipts</b>					
Amazon.Com.Kydc Llc	70	70	70	70	280
Toynk.Com	-	-	-	-	-
Other Customers	25	25	25	25	100
<b>Total Receipts</b>	<b>\$ 95</b>	<b>\$ 95</b>	<b>\$ 95</b>	<b>\$ 95</b>	<b>\$ 380</b>
<b>Operating Disbursements</b>					
Payroll/taxes	(25)	(25)	(25)	(25)	(100)
Commission	-	(30)	-	-	(30)
Purchase Foreign	-	-	-	-	-
Freight	(20)	(20)	-	(35)	(75)
Credit Card	-	-	-	(67)	(67)
Catalog	(10)	(10)	(10)	(10)	(40)
Rent	-	-	-	-	-
Citrin	-	-	-	(8)	(8)
Other	(35)	(35)	(35)	(35)	(140)
<b>Total Disbursements</b>	<b>\$ (90)</b>	<b>\$ (120)</b>	<b>\$ (70)</b>	<b>\$ (180)</b>	<b>\$ (460)</b>
<b>Operating Cash Flow</b>	<b>\$ 5</b>	<b>\$ (25)</b>	<b>\$ 25</b>	<b>\$ (85)</b>	<b>\$ (80)</b>
Intercompany Cash Transfers In/(Out)	-	-	-	-	-
<b>Net Cash Flow</b>	<b>\$ 5</b>	<b>\$ (25)</b>	<b>\$ 25</b>	<b>\$ (85)</b>	<b>\$ (80)</b>
Beginning Cash Balance	747	752	727	752	
Ending Cash Balance	<b>\$ 752</b>	<b>\$ 727</b>	<b>\$ 752</b>	<b>\$ 667</b>	
Outstanding checks	-	-	-	-	
Bank balance	752	727	752	667	

**Kramer Funding LLC (Masquerade) LLC 4-Week Cash Flow Forecast**

April 29, 2020

(\$ in 000's)

Forecast Week #

Week Ending

	Forecast <b>1</b> <b>5/8/2020</b>	Forecast <b>2</b> <b>5/15/2020</b>	Forecast <b>3</b> <b>5/22/2020</b>	Forecast <b>4</b> <b>5/29/2020</b>	<b>Forecast Total</b>
<b>Cash Receipts</b>					
NYC Stores	35	33	24	30	122
Other Stores Total	6	8	8	7	29
Amazon Total	-	16	-	12	28
<b>Total Receipts</b>	<b>\$ 41</b>	<b>\$ 57</b>	<b>\$ 32</b>	<b>\$ 49</b>	<b>\$ 179</b>
<b>Operating Disbursements</b>					
Inventory	(15)	-	(20)	(10)	(45)
Freight	(1)	-	(10)	-	(11)
Payroll/taxes	-	(55)	-	(53)	(108)
Utilities	(1)	(1)	(4)	-	(6)
Repairs/Maintenance	(0)	-	(4)	(0)	(4)
Insurance	(5)	(0)	-	(0)	(5)
Tax	-	-	(17)	-	(17)
Bank fees	(0)	(1)	(0)	-	(2)
Workers Compensation	-	-	(4)	-	(4)
Other	(1)	(0)	(2)	(7)	(10)
<b>Total Disbursements</b>	<b>\$ (24)</b>	<b>\$ (58)</b>	<b>\$ (61)</b>	<b>\$ (70)</b>	<b>\$ (212)</b>
<b>Operating Cash Flow</b>	<b>\$ 18</b>	<b>\$ (1)</b>	<b>\$ (29)</b>	<b>\$ (20)</b>	<b>\$ (33)</b>
Intercompany Cash Transfers In/(Out)	-	-	-	-	-
<b>Net Cash Flow</b>	<b>\$ 18</b>	<b>\$ (1)</b>	<b>\$ (29)</b>	<b>\$ (20)</b>	<b>\$ (33)</b>
Beginning Cash Balance	299	317	316	287	
Ending Cash Balance	<b>\$ 317</b>	<b>\$ 316</b>	<b>\$ 287</b>	<b>\$ 266</b>	
Outstanding checks	7	2	10	7	
Bank balance	324	318	297	273	



**Diamond Collection 4-Week Cash Flow Forecast**

April 29, 2020

(\$ in 000's)

Forecast Week #

Week Ending

	Forecast <b>1</b> <b>5/8/2020</b>	Forecast <b>2</b> <b>5/15/2020</b>	Forecast <b>3</b> <b>5/22/2020</b>	Forecast <b>4</b> <b>5/29/2020</b>	<b>Forecast Total</b>
<u>Cash Receipts</u>					
Customers	84	20	48	35	<b>187</b>
<b>Total Receipts</b>	<b>\$ 84</b>	<b>\$ 20</b>	<b>\$ 48</b>	<b>\$ 35</b>	<b>\$ 187</b>
<u>Operating Disbursements</u>					
Shipping	(118)	(41)	-	-	(159)
Inventory	(1)	-	-	-	(1)
Benefits	-	-	-	(12)	(12)
Rent	(4)	(8)	-	(12)	(24)
Other	(6)	-	(18)	-	(24)
<b>Total Disbursements</b>	<b>\$ (129)</b>	<b>\$ (49)</b>	<b>\$ (18)</b>	<b>\$ (24)</b>	<b>\$ (220)</b>
<b>Operating Cash Flow</b>	<b>\$ (45)</b>	<b>\$ (29)</b>	<b>\$ 30</b>	<b>\$ 11</b>	<b>\$ (33)</b>
Intercompany Cash Transfers In/(Out)	-	-	-	-	-
<b>Net Cash Flow</b>	<b>\$ (45)</b>	<b>\$ (29)</b>	<b>\$ 30</b>	<b>\$ 11</b>	<b>\$ (33)</b>
Beginning Cash Balance	187	142	113	143	
Ending Cash Balance	<b>\$ 142</b>	<b>\$ 113</b>	<b>\$ 143</b>	<b>\$ 154</b>	
Outstanding checks					
Bank balance	142	113	143	154	

**EXHIBIT J**

Schedule of the Debtors' current insurance policies, including the identity of the insurer, policy period and type of insurance for each insurance policy listed.

<b><u>Insurer</u></b>	<b><u>Policy Period</u></b>	<b><u>Type of Insurance</u></b>
Markel Insurance Co.	3/1/2020-3/1/2021	General Liability
National Union	3/1/2020-3/1/2021	Umbrella
American Guarantee & Liability	3/1/2020-3/1/2021	Umbrella
Federal Insurance Co.	3/1/2020-3/1/2021	Umbrella
Hartford Insurance Co. <sup>2</sup>	12/28/2020-12/28/2023	Commercial Crime
Allianz Insurance Co.	3/1/2020-3/1/2021	Commercial Property
Starr Marine Insurance Co.	3/1/2020-3/1/2021	Marine/Warehouse Stock
Sentinel Insurance Co.	3/1/2020-3/1/2021	Automobile
Radnor Insurance Co.	10/7/2020-10/7/2021	Management Liability
StarStone	2/7/2020-10/7/2021	Management Liability (Excess)
Landmark	2/7/2020-10/7/2021	Management Liability (Excess)
Beazley Insurance Co.	10/7/2020-10/7/2021	Cyber Liability
Admiral Insurance Co.	3/1/2020-3/1/2021	Products Liability
Zurich Insurance Co.	3/1/2020-3/1/2021	Foreign Umbrella

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<sup>2</sup> The named insured on this policy is the Profit Sharing Plan for Employees of Rubie's Costume Company.

**EXHIBIT K**

Schedule of the Debtors' bank accounts, including the name and address of the banking institution where the accounts are held, the name on the account, and the nature of the account for each bank account listed.

**Rubie's**

<b><u>Account Type</u></b>	<b><u>Financial Institution</u></b>	<b><u>Last 4 Digits of Account Number</u></b>	<b><u>Address of Branch</u></b>
Operating Account	HSBC	0591	534 Broadhollow Road Melville, NY 11747
Controlled Disbursement Account	HSBC	0978	
Cash Deposits Account	HSBC	6564	
RMB Currency Account	HSBC	5270	
Credit Card Receivable Account	Bank of America	6028	300 Broadhollow Road Melville, NY 11747
Credit Card Receivable Account	Bank of America	2704	
Credit Card Receivable Account	Bank of America	4491	
Credit Card Receivable Account	Bank of America	4501	
Credit Card Receivable Account	Bank of America	1081	
Credit Card Receivable Account	Bank of America	6517	
Expense Account	JP Morgan Chase	7737	395 North Service Rd

Expense Account	JP Morgan Chase	2171	Melville, NY 11747
Expense Account	JP Morgan Chase	4160	
Expense Account	JP Morgan Chase	6443	
Expense Account	JP Morgan Chase	2198	
Expense Account	JP Morgan Chase	6354	
Payroll Account	Capital One, N.A.	3894	1307 Walt Whitman Road Melville, NY 11747
Payroll Account	Capital One, N.A.	3910	
Payroll Account	Capital One, N.A.	3902	
Payroll Account	Capital One, N.A.	4223	
Payroll Account	Capital One, N.A.	2093	
Investment Account	Merrill Lynch	2659	1010 Northern Boulevard Great Neck, NY 11747
Investment Account	Merrill Lynch	2652	
Investment Account	Citibank	5138	730 Veterans Memorial Highway Hauppauge, NY 11788
Investment Account	JP Morgan Chase	1002	395 North Service Rd Melville, NY 11747
Investment Account	JP Morgan Chase	6007	
Investment Account	JP Morgan Chase	7005	
Investment Account	JP Morgan Chase	8003	
Investment Account	JP Morgan Chase	2000	

Investment Account	HSBC	2411	534 Broadhollow Road Melville, NY 11747
Investment Account	Charles Schwab	4646	50 West Jericho Turnpike Huntington Station, NY 11746
Inactive	HSBC	3986	534 Broadhollow Road Melville, NY 11747
Inactive	Citibank	2663	730 Veterans Memorial Highway Hauppauge, NY 11788
Inactive	TD Bank	4375	324 South Service Rd Melville, NY 11747
Inactive	Wells Fargo	5021	58 South Service Rd Melville, NY 11747
Inactive	JP Morgan Chase	7625	395 North Service Rd Melville, NY 11747
Inactive	JP Morgan Chase	0844	

**Buyseasons**

<b><u>Account Type</u></b>	<b><u>Financial Institution</u></b>	<b><u>Last 4 Digits of Account Number.</u></b>	<b><u>Address of Branch</u></b>
Operating Account	HSBC	3681	534 Broadhollow Road Melville, NY 11747
Health Account	HSBC	3673	
Amazon Cash Deposits	HSBC	8855	
Fee Account	Tristate Capital Bank	1554	623 5 <sup>th</sup> Avenue New York, NY 10022
Amazon Cash Deposits	Tristate Capital Bank	1661	
Amazon Cash Deposits	Tristate Capital Bank	1653	
Inactive	US Bank	9642	2537 W. Wisconsin Avenue Milwaukee, WI 53233

**Forum**

<b><u>Account Type</u></b>	<b><u>Financial Institution</u></b>	<b><u>Last 4 Digits of Account Number.</u></b>	<b><u>Address of Branch</u></b>
Operating Account	JP Morgan Chase	0941	395 North Service Rd Melville, NY 11747
CAD Currency Account	TD Bank	5046	324 South Service Rd Melville, NY 11747
Payroll	Capital One, N.A.	3944	1307 Walt Whitman Road Melville, NY 11747
Credit Card Receivables	Citibank	6429	730 Veterans Memorial Highway Hauppauge, NY 11788

**Masquerade**

<b><u>Account Type</u></b>	<b><u>Financial Institution</u></b>	<b><u>Last 4 Digits of Account Number.</u></b>	<b><u>Address of Branch</u></b>
Operating Account	TD Bank	7654	324 South Service Rd Melville, NY 11747
Receivables Account	JP Morgan Chase	1265	395 North Service Rd Melville, NY 11747
Receivables Account	JP Morgan Chase	8560	
Receivables Account	JP Morgan Chase	0720	
CAD Currency Account	HSBC	0001	534 Broadhollow Road Melville, NY 11747
Payroll	TD Bank	8355	324 South Service Rd Melville, NY 11747
Inactive	Bank of America	6140	300 Broadhollow Road Melville, NY 11747
Inactive	TD Bank	6554	324 South Service Rd Melville, NY 11747
Inactive	TD Bank	7049	

**Diamond Collection**

<b><u>Account Type</u></b>	<b><u>Financial Institution</u></b>	<b><u>Last 4 Digits of Account Number.</u></b>	<b><u>Address of Branch</u></b>
Operating Account	JP Morgan Chase	1313	395 North Service Rd Melville, NY 11747
Receivables Account	JP Morgan Chase	0650	
Receivables Account	HSBC	4887	534 Broadhollow Road Melville, NY 11747
Receivables Account	Union Bank	2232	17899 Colima Road City of Industry, CA 91748
Receivables Account	Bank of America	5853	300 Broadhollow Road Melville, NY 11747
Payroll	JP Morgan Chase	1556	395 North Service Rd Melville, NY 11747
Warehouse	JP Morgan Chase	6526	