UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY
**Caption in Compliance with D.N.J. LBR 9004-1**

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*Counsel to Emerald Capital Advisors in its capacity as Liquidating Trustee*

**Order Filed on December 12, 2024
by Clerk,
U.S. Bankruptcy Court
District of New Jersey**

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| In re:<br><br>SAM ASH MUSIC CORPORATION, *et al.*<br><br>Debtors.[1] | Chapter 11<br><br>Case No. 24-14727 (SLM)<br><br>(Jointly Administered) |

**STIPULATION AND CONSENT ORDER BY AND BETWEEN THE LIQUIDATING TRUSTEE AND HOSHINO (U.S.A.) INC. REGARDING THE APPLICATION OF HOSHINO (U.S.A.) INC. FOR ALLOWANCE OF AN ADMINISTRATIVE EXPENSE CLAIM PURSUANT TO 11 U.S.C. §§ 546(C) AND 503(b)(9)**

The relief set forth on the following pages, numbered two (2) through three (3), is hereby **ORDERED.**

**DATED: December 12, 2024**

Stacey L. Meisel
Honorable Stacey L. Meisel
United States Bankruptcy Judge

[1] The debtors in these chapter 11 cases, along with the last four digits of each debtor's federal tax identification number, are: Sam Ash Music Corporation (3915); Samson Technologies Corp. (4062); Sam Ash Megastores, LLC (9955); Sam Ash California Megastores, LLC (3598); Sam Ash Florida Megastores, LLC (7276); Sam Ash Illinois Megastores, LLC (8966); Sam Ash Nevada Megastores, LLC (6399); Sam Ash New York Megastores, LLC (7753); Sam Ash New Jersey Megastores, LLC (8788); Sam Ash CT, LLC (5932); Sam Ash Music Marketing, LLC (2024); and Sam Ash Quikship Corp. (7410). The location of debtor Sam Ash Music Corporation's principal place of business is 278 Duffy Avenue, P.O. Box 9047, Hicksville, NY 11802.

This stipulation and consent order (the "Stipulation") is entered by and among Emerald Capital Advisors in its capacity as the Trustee for the Liquidating Trust (the "Liquidating Trustee") established pursuant to above Debtors' Second Amended Joint Plan of Liquidation, which was confirmed by the Bankruptcy Court Order dated August 15, 2024, and Hoshino (U.S.A.) Inc. ("Hoshino", and together with the Liquidating Trustee, collectively, the "Parties").

**RECITALS**

**WHEREAS**, On September 9, 2024, Hoshino filed the Application of Hoshino (U.S.A.) Inc. for Allowance of an Administrative Expense Claim Pursuant to 11 U.S.C. §§ 546(c) and 503)(b)(9) (the "Hoshino Application") [ECF No. 509]. Pursuant to the Hoshino Application, Hoshino asserted that Hoshino had a right to an administrative expense claim in the amount of $366,930.15 (the "Asserted Hoshino Administrative Expense Claim") against the above bankruptcy estate of Sam Ash Music Corporation, et al., (collectively, the "Debtors");

**WHEREAS,** the Asserted Hoshino Administrative Expense Claim was based upon reclamation rights relating to certain musical instruments and related goods (the "Hoshino Goods") that were delivered to the Debtors within 45 days of May 8, 2024, the date the Debtors filed Chapter 11 petitions in the United States District Court for the District of New Jersey (the "Petition Date");

**WHEREAS**, the Asserted Hoshino Administrative Expense Claims included goods in the amount of $98,734.38 that Hoshino asserted qualified as an administrative expense under 11 U.S.C. § 503(b)(9) (the "Hoshino 503(b)(9) Claim");

**WHEREAS,** the Liquidating Trustee reviewed the Hoshino 503(b)(9) Claim, had no objection to it, and has paid the Hoshino 503(b)(9) Claim thereby reducing the Asserted Hoshino Administrative Expense Claim from $366,930.15 to $268,195.77;

**WHEREAS**, the Liquidating Trustee asserts that Tiger Finance, LLC ("Tiger") held a prior, first-priority perfected "floating" lien on all of the Debtors' inventory and other goods, including the Hoshino Goods, until Tiger's lien was paid off and extinguished on July 23, 2024 (the "Tiger Payoff Date");

**WHEREAS,** based upon review of the books and records of the Debtor, the Liquidating Trustee has determined that on the Tiger Payoff Date, the Debtors' books and records showed that the book value of the remaining Hoshino Goods totaled $71,317.58;

**NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED,** by and among the Parties, through their undersigned counsel, as follows:

1. The recitals set forth above are hereby made an integral part of the Parties' Stipulation and are incorporated herein.

2. Hoshino shall have an allowed Administrative Expense Claim against the Debtors' estates pursuant to 11 U.S.C. § 546(c) in the amount of $71,317.58.

3. The remaining net portion of the Asserted Hoshino Administrative Expense Claim in the amount of $196,878.19 that is not included as part of the allowed Hoshino Administrative Claim, nor included in the Hoshino 503(b)(9) Claim, shall be and hereby is allowed as part of Hoshino's general unsecured claim.

4. This Court retains jurisdiction and power to construe, interpret, enforce, and implement this Stipulation and Consent Order.

Dated: December 11, 2024

**PORZIO, BROMBERG & NEWMAN, P.C.**

*/s/ Brett S. Moore*
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