

ENTERED

December 05, 2023

Nathan Ochsner, Clerk

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

In re:)	
)	Chapter 11
)	
ANAGRAM HOLDINGS, LLC, <i>et al.</i> , ¹)	Case No. 23-90901 (MI)
)	
Debtors.)	(Jointly Administered)
)	Re: Docket No. 5

**FINAL ORDER (I) AUTHORIZING THE PAYMENT OF
CERTAIN TAXES AND FEES AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Final Order”) (a) authorizing, but not directing, the Debtors to remit or pay or (or use tax credits to offset or otherwise satisfy) all Taxes and Fees due and owing to various state, local, and other applicable Authorities that arose prior to the Petition Date (including any Assessment determined by Audit or otherwise to be owed for periods prior to the Petition Date), and to remit, pay or (to the extent already paid for on the Debtors’ behalf) reimburse for (or use tax credits to offset or otherwise satisfy) all Taxes and Fees due and owing to various state, local, and other applicable Authorities or Party City, as applicable, that arise after the Petition Date (including any Assessment subsequently determined by Audit or otherwise to be owed for periods after the Petition Date) and (b) granting related relief, all as more

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Anagram Holdings, LLC (8535); Anagram International, Inc. (2523) and Anagram International Holdings, Inc. (5837). The location of the Debtors’ service address for purposes of these chapter 11 cases is: 7700 Anagram Drive, Eden Prairie, MN 55344. For the avoidance of doubt, the Debtors’ chapter 11 cases are not proposed to be consolidated with the Party City debtors which emerged from chapter 11 cases in this Court on October 12, 2023. *See In re Party City Holdco Inc., et al.*, Case No. 23-90005 (MI) (Bankr. S.D. Tex). Any reference herein to the Debtors does not include the debtor-entities that were administered in the Party City chapter 11 cases.

² Capitalized terms used but not defined herein have the meanings ascribed to them in the Motion.



fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. § 1408; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Debtors are authorized, but not directed, to remit or pay (or use tax credits to offset or otherwise satisfy) all Taxes and Fees due and owing to various state, local, and other applicable Authorities that arose prior to or after the Petition Date (including any Assessment determined by Audit or otherwise to be owed for periods prior to the Petition Date and, for the avoidance of doubt, posting collateral or a letter of credit in connection with any dispute related to Assessments), in each case, solely to the extent that such Taxes and Fees become payable in accordance with applicable law.

2. Subject to paragraph 4 herein, the Debtors are authorized, but not directed, to make the Party City Tax Payments in the ordinary course of business; *provided* that the Debtors shall not

make any Party City Tax Payments for any Taxes and Fees actually paid by Party City on behalf of the Debtors prior to the Petition Date, absent entry of a separate order of the Court approving such reimbursements.

3. The Debtors are further authorized, but not directed, to settle some or all of the prepetition Taxes and Fees for less than their face amount without further notice or hearing; *provided*, that the Debtors will consult with the Official Committee of Unsecured Creditors (the “Committee”), the Ad Hoc Group and the Second Lien Notes Trustee with respect to any such settlement involving Taxes and Fees in excess of \$100,000.

4. The Debtors are not authorized hereunder to pay any prepetition obligations owing to a non-Debtor affiliate; *provided* that all rights of setoff (and defenses thereto) are fully preserved.

5. Notwithstanding the relief granted herein or any actions taken hereunder, nothing contained in the Motion or this Final Order shall create any rights in favor of, or enhance the status of any claim held by, any of the Authorities.

6. Notwithstanding anything to the contrary herein or in the Motion, in the event the Debtors make a payment with respect to any Taxes and Fees for the prepetition portion of any “straddle” amount, and this Court subsequently determines such amount was not entitled to priority or administrative treatment under section 507(a)(8) or 503(b)(1)(B) of the Bankruptcy Code, the Debtors may (but shall not be required to) seek an order from the Court requiring a return of such amounts and the payment of such amount shall, upon order of the Court, be refunded to the Debtors.

7. To the extent that the Debtors have overpaid any Taxes and Fees, the Debtors are authorized, but not directed, to seek a refund or credit.

8. Nothing in the Motion or this Final Order shall be deemed to authorize the Debtors to accelerate any payments not otherwise due.

9. The Debtors shall maintain a matrix/schedule of amounts remitted, satisfied, or paid (including tax credits used to offset) on account of Taxes and Fees subject to the terms and conditions of this Final Order, including the following information: (a) the names of the payee; (b) the category as further described and classified in the Motion; (c) the date and the aggregate amount of the payment by category; and (d) the Debtor or Debtors that made the payment. The Debtors shall provide, on a confidential basis, a copy of such matrix/schedule to the U.S. Trustee and the advisors to each of the Ad Hoc Group, the DIP ABL Agent (as defined in the DIP Order (as defined below)), the Second Lien Notes Trustee and the Committee by the last day of each calendar month.

10. The banks and financial institutions on which checks were drawn or electronic fund transfer requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic fund transfer requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic fund transfer requests as approved by this Final Order.

11. The Debtors are authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these chapter 11 cases with respect to prepetition amounts owed in connection with the relief granted herein.

12. Notwithstanding the relief granted herein and any actions taken pursuant to such relief, nothing in this Final Order shall be deemed: (a) an admission as to the amount of, basis for,

or validity of any claim against a Debtor entity under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in the Motion or any order granting the relief requested by the Motion or a finding that any particular claim is an administrative expense claim or other priority claim; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors', or any other party in interest's, rights under the Bankruptcy Code or any other applicable law; or (h) a concession by the Debtors that any liens (contractual, common law, statutory, or otherwise) that may be satisfied pursuant to the relief requested in the Motion are valid, and the rights of all parties in interest are expressly reserved to contest the extent, validity, or perfection or seek avoidance of all such liens.

13. Notwithstanding the relief granted in this Final Order, any payment made or to be made by the Debtors pursuant to the authority granted herein, and any relief or authorization granted herein, shall be subject to and in compliance with the interim [Docket No. 128] and final order entered by the Court in respect of the *Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Superpriority Administrative Expense Claims, (II) Granting Adequate Protection to Certain Prepetition Secured Parties, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 7] (collectively, such interim and final orders, the "DIP Order"), including compliance with any budget or cash

flow forecast in connection therewith and any other terms and conditions thereof. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of the DIP Order, the DIP Notes Documents (as defined in the DIP Order), or the DIP ABL Agreement (as defined in the DIP Order). To the extent there is any inconsistency between the terms of the DIP Order and the terms of this Final Order or any action taken or proposed to be taken hereunder, the terms of the DIP Order shall control.

14. Notice of the Motion as provided therein is hereby deemed good and sufficient notice of such Motion, and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

15. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

16. The Debtors are authorized, but not directed, to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

17. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

Signed: December 05, 2023

A handwritten signature in black ink, appearing to read 'M Isgur', is written over a horizontal line.

Marvin Isgur
United States Bankruptcy Judge

United States Bankruptcy Court
Southern District of Texas

In re:
Anagram Holdings, LLC
Anagram International, Inc.
Debtors

Case No. 23-90901-mi
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0541-4
Date Rcvd: Dec 05, 2023

User: ADIuser
Form ID: pdf002

Page 1 of 3
Total Noticed: 10

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Dec 07, 2023:

Recip ID	Recipient Name and Address
db	+ Anagram Holdings, LLC, 7700 Anagram Drive, Eden Prairie, MN 55344-7305
db	+ Anagram International Holdings, Inc., 7700 Anagram Drive, Eden Prairie, MN 55344-7307
db	+ Anagram International, Inc., 7700 Anagram Drive, Eden Prairie, MN 55344-7307
aty	+ Daniel S Holzman, Quinn Emanuel et al, 51 Madison Ave, 22nd Fl, New York, NY 10010-1603
aty	+ Kate Scherling, Quinn Emanuel et al, 51 Madison Ave, 22nd Fl, New York, NY 10010-1603
aty	Susheel Kirpalani, Quinn Emanuel Urquhart & Sullivan LLP, 51 Madison Ave, 22nd Floor, New York, NY 10010-1603
cr	+ CenterPoint Energy Resources Corp., c/o Law Firm of Russell R. Johnson III., 2258 Wheatlands Drive, Manakin-Sabot, VA 23103, UNITED STATES 23103-2168
intp	+ Kurtzman Carson Consultants LLC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, CA 90245-5614
cr	+ Silver Point Capital, c/o Quinn Emanuel Urquhart & Sullivan, L, 51 Madison Avenue, 22nd Floor, New York, NY 10010-1603
cr	+ Symmetry Energy Solutions LLC, c/o Law Firm of Russell R. Johnson III., 2258 Wheatlands Drive, Manakin-Sabot, VA 23103, UNITED STATES 23103-2168

TOTAL: 10

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI).

NONE

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

Recip ID	Bypass Reason	Name and Address
cr		Ad Hoc Group of Anagram Noteholders
sutr		Computershare Corporate Trust, National Associatio
intp		GLAS Trust Company LLC
crcm		Official Committee Of Unsecured Creditors
intp		Party City Reorganized Debtors
intp		Summerhouse Bidco Limited
intp		Wells Fargo Bank, National Association, in its cap
cr		Wilmington Savings Fund Society, FSB, as successor

TOTAL: 8 Undeliverable, 0 Duplicate, 0 Out of date forwarding address

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

District/off: 0541-4
Date Rcvd: Dec 05, 2023

User: ADIuser
Form ID: pdf002

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Total Noticed: 10

Date: Dec 07, 2023

Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on December 5, 2023 at the address(es) listed below:

Name	Email Address
Andrew Jimenez	on behalf of U.S. Trustee US Trustee andrew.jimenez@usdoj.gov
Andrew I Silfen	on behalf of Successor Trustee Computershare Corporate Trust National Association andrew.silfen@afslaw.com, lisa.indelicato@afslaw.com
Beth M Brownstein	on behalf of Successor Trustee Computershare Corporate Trust National Association beth.brownstein@arentfox.com, nicholas.marten@afslaw.com
Brenda Lynn Funk	on behalf of Creditor Committee Official Committee Of Unsecured Creditors bfunk@munsch.com CourtMail@munsch.com;clujano@munsch.com;hvalentine@munsch.com
Evan Gershbein	on behalf of Interested Party Kurtzman Carson Consultants LLC ECFpleadings@kccllc.com ecfpleadings@kccllc.com
Jason Lee Boland	on behalf of Creditor Ad Hoc Group of Anagram Noteholders jason.boland@nortonrosefulbright.com
Jayson B. Ruff	on behalf of U.S. Trustee US Trustee jayson.b.ruff@usdoj.gov
Jeremy M Downs	on behalf of Interested Party Wells Fargo Bank National Association, in its capacity as Prepetition ABL Agent and DIP ABL Agent jeremy.downs@goldbergkohn.com
John F Higgins, IV	on behalf of Interested Party Party City Reorganized Debtors jhiggins@porterhedges.com emoreland@porterhedges.com;eliana-garfias-8561@ecf.pacerpro.com;mwebb@porterhedges.com
Maria Barbara Mokrzycka	on behalf of Creditor Ad Hoc Group of Anagram Noteholders maria.mokrzycka@nortonrosefulbright.com
Michael Fishel	on behalf of Interested Party GLAS Trust Company LLC mfishel@kslaw.com michael-fishel-2874@ecf.pacerpro.com
Robert Bernard Bruner	on behalf of Creditor Ad Hoc Group of Anagram Noteholders bob.bruner@nortonrosefulbright.com
Thomas A Howley	on behalf of Debtor Anagram International Inc. tom@howley-law.com, roland@howley-law.com;eric@howley-law.com
Thomas A Howley	on behalf of Debtor Anagram International Holdings Inc. tom@howley-law.com, roland@howley-law.com;eric@howley-law.com
Thomas A Howley	on behalf of Debtor Anagram Holdings LLC tom@howley-law.com, roland@howley-law.com;eric@howley-law.com
Todd C Meyers	on behalf of Creditor Wilmington Savings Fund Society FSB, as successor, in its capacity as trustee and collateral trustee for the 10.00% Second Lien Notes due 2026 tmeyers@kilpatricktownsend.com, kmoynihn@kilpatricktownsend.com;gfinizio@kilpatricktownsend.com;jborey@kilpatricktownsend.com
Travis A. McRoberts	on behalf of Interested Party Summerhouse Bidco Limited travis.mcroberts@squirepb.com sarah.conley@squirepb.com;travis-a-mcroberts-1747@ecf.pacerpro.com
US Trustee	USTPRegion07.HU.ECF@USDOJ.GOV
Weldon Leslie Moore, III	on behalf of Creditor Symmetry Energy Solutions LLC wmoore@csmlaw.net prussell1965@hotmail.com;lifelongproducts@sbcglobal.net
Weldon Leslie Moore, III	on behalf of Creditor CenterPoint Energy Resources Corp. wmoore@csmlaw.net prussell1965@hotmail.com;lifelongproducts@sbcglobal.net

District/off: 0541-4

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Date Rcvd: Dec 05, 2023

Form ID: pdf002

Total Noticed: 10

William Alfred Wood, III

on behalf of Interested Party Wells Fargo Bank National Association, in its capacity as Prepetition ABL Agent and DIP ABL Agent Trey.Wood@bracewell.com, mary.kearney@bracewell.com

Zachary J. . Garrett

on behalf of Interested Party Wells Fargo Bank National Association, in its capacity as Prepetition ABL Agent and DIP ABL Agent zachary.garrett@goldbergkohn.com

TOTAL: 22