

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ALABAMA  
SOUTHERN DIVISION**

**IN RE:  
BRUNO'S SUPERMARKETS, LLC,**  
  
**Debtor.**

**Chapter 11  
Case No. 09-00634**

**ORDER PURSUANT TO 11 U.S.C. §§ 105(A) AND 363(B) AND (C) AUTHORIZING  
DEBTOR TO CONTINUE DEBTOR'S WORKERS' COMPENSATION PROGRAMS,  
ALL OTHER INSURANCE POLICIES, ALL AGREEMENTS RELATING THERETO,  
AND PAY ALL OBLIGATIONS IN RESPECT THEREOF**

This matter came to be heard upon the motion (the "Motion") (Docket No. 7) of Bruno's Supermarkets, LLC ("Bruno's" or "Debtor") as debtor and debtor in possession, pursuant to §§ 105(a) and 363(b) and (c) of Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code") for authorization to: (a) to continue to pay all pre-petition amounts, if any, related to all Insurance Programs (unless otherwise defined, capitalized terms shall be used herein as they are defined in the Motion), including among other things: premiums, deductibles, and other amounts due, including retroactive adjustments; (b) to maintain and continue on an uninterrupted basis pre-petition practices with respect to all Insurance Programs, including *inter alia*, allowing claimants to proceed directly against any Insurance Carrier(s) and/or Broadspire to the extent that such claimants have valid claims under the respective insurance program or policy; (c) to continue to pay all amounts due and owing with respect to the Workers' Compensation Program, including funding the Broadspire Escrow relating to Workers' Compensation Claims up to the amount of up \$600,000 for the first six (6) months following the Petition Date; (d) continue to maintain the Workers' Compensation Security and any other security maintained in respect of the Insurance Programs (collectively, the "Insurance Security"); (e) to continue to pay all amounts due and owing with respect to the Automobile and General Liability Programs, including funding the Broadspire Escrow relating to Workers' Compensation Claims up to the amount of up \$600,000 for the first six (6) months following the Petition Date; and (f) maintain and continue to make post-petition

payments with respect to the Insurance Programs, including, among other things, paying premiums, deductibles, and paying other amounts due on an uninterrupted basis.

Upon consideration of the *Affidavit of James Grady in Support of the Chapter 11 Petition and First Day Motions*; the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; due notice of this Motion has been provided to (1) the Office of the Bankruptcy Administrator for the United States Bankruptcy Court for the Northern District of Alabama, Southern Division; (2) counsel to Regions Bank, Debtor's pre-petition lender; (3) counsel for Debtor's proposed post-petition lender; (4) the holders of Debtor's equity interests; (5) Debtor's twenty (20) largest unsecured creditors; and (6) the District Director of the Internal Revenue Service for the Northern District of Alabama; and it appearing that no other or further notice need be provided; the Court having determined that the relief sought in the Motion is in the best interests of Debtor, its creditors, and all parties in interest; upon the Motion and all of the proceedings before the Court; and after due deliberation and sufficient cause appearing therefore, it is hereby

**ORDERED** that Debtor may, on account of those matters described in the Motion and in the manner described in the Motion, without prejudice to Debtor's right to seek additional or further relief in the future, in the ordinary course of business: (a) to continue to pay all pre-petition amounts, if any, related to all Insurance Programs, including among other things: premiums, deductibles, and other amounts due, including retroactive adjustments; (b) to maintain and continue on an uninterrupted basis pre-petition practices with respect to all Insurance Programs, including *inter alia*, allowing claimants to proceed directly against any Insurance Carrier(s) and/or Broadspire to the extent that such claimants have valid claims under the respective insurance program or policy; (c) to continue to pay all amounts due and owing with respect to the Workers' Compensation Program, including funding the Broadspire Escrow relating to Workers' Compensation Claims up to the amount of up \$600,000 for the first six (6) months following the Petition Date; (d) continue to maintain the Workers' Compensation Security and any other security maintained in respect of the

Insurance Programs (collectively, the "Insurance Security"); (e) to continue to pay all amounts due and owing with respect to the Automobile and General Liability Programs, including funding the Broadspire Escrow relating to Workers' Compensation Claims up to the amount of up \$600,000 for the first six (6) months following the Petition Date; and (f) maintain and continue to make post-petition payments with respect to the Insurance Programs, including, among other things, paying premiums, deductibles, and paying other amounts due on an uninterrupted basis; and it is further

**ORDERED** that Debtor is authorized to maintain and continue on an uninterrupted basis any and all pre-petition practices and payments on a post-petition basis with respect to the Insurance Programs, including without limitation, renewal and/or continuation, if Debtor so elects in the exercise of its business judgment, of any of the Insurance Programs that may expire post-petition; and it is further

**ORDERED** that Debtor is authorized to issue new post-petition checks, or effect new fund transfers, on account of the Pre-Petition Insurance Program Obligations to replace any pre-petition checks or fund transfer requests that may be dishonored or rejected; and it is further

**ORDERED** that Debtor's banks and financial institutions that process, honor, and pay any and all checks, or fund transfers, on account of obligations to be paid pursuant to this Order are authorized to do so and may rely on the representations of Debtor as to which checks are issued and authorized to be paid or funds are transferred in accordance with this Order without any duty of further inquiry and without liability to any party for following Debtor's instructions; and it is further

**ORDERED** that to the extent that the Insurance Programs, or any related contract or agreement, are deemed executory contracts, the relief granted hereby shall not be deemed an assumption of any such contract pursuant to Bankruptcy Code § 365; and further

That nothing in this Order or the Motion is intended or shall be construed to constitute relief from the automatic stay pursuant to Bankruptcy Code § 362.

Dated: February 6, 2009

/s/Benjamin Cohen  
BENJAMIN COHEN  
United States Bankruptcy Judge

This order prepared by:  
Burr & Forman  
205-251-3000

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 Case: 09-00634-BGC11

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TOTAL: 8

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