

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re:

PERFECT BROW ART, INC., *et al.*

Debtors.<sup>1</sup>

)  
) Chapter 11  
)  
) Case No. 19-01811  
) (Jointly Administered)  
)  
) Honorable Donald R. Cassling  
)

**NOTICE OF FILING**

PLEASE TAKE NOTICE that on August 29, 2019, Perfect Brow Art, Inc., and its debtor affiliates, the debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), filed their *Declaration of Michael S. Friman in Support of Debtors’ Motion for Entry of Order (A) Granting Relief from Judgment from Sale Order and (B)(I) Approving the Asset Purchase Agreement Among Seller and New Buyer, (II) Authorizing the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (III) Authorizing Assignment of Certain Executory Contracts and Leases in Connection Therewith, and (IV) Granting Related Relief*, a copy of which is hereby served upon you.

Dated: August 29, 2019

Respectfully submitted,  
**PERFECT BROW ART, INC., ET AL.**

By: /s/ Harold D. Israel

Harold D. Israel  
Jamie L. Burns  
**LEVENFELD PEARLSTEIN, LLC**  
2 North LaSalle Street, Suite 1300  
Chicago, Illinois 60602  
Telephone: (312) 346-8380  
Facsimile: (312) 346-8434

*Attorneys for the Debtors*

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal taxpayer-identification number, are: (i) Perfect Brow Art, Inc. (5731), (ii) Perfect Brow Florida, Inc. (5602), (iii) Perfect Brow Puerto Rico, Inc. (3497), (iv) Perfect Brow New York, Inc. (2041), (v) Locks Rock, Inc. (5046), (vi) P.B. Art Franchise, Inc. (0026), (vii) Perfect Brow Oakland, Inc. (5727), and (viii) Ooh La La Beauty Bar Franchise, Inc. (0714).

**CERTIFICATE OF SERVICE**

I, Harold D. Israel, an attorney, certify that on the 29th day of August, 2019, I caused the foregoing *Notice of Filing* and *Declaration of Michael S. Friman in Support of Debtors' Motion for Entry of Order (A) Granting Relief from Judgment from Sale Order and (B)(I) Approving the Asset Purchase Agreement Among Seller and New Buyer, (II) Authorizing the Sale of Certain of the Debtors' Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (III) Authorizing Assignment of Certain Executory Contracts and Leases in Connection Therewith, and (IV) Granting Related Relief*, to be filed electronically, via the Court's CM/ECF System thereby served upon the parties listed below, to whom the System automatically delivered an electronic copy of each such filing at the following electronic mail addresses:

- **Dustin P. Branch** – [dustin.branch@kattenlaw.com](mailto:dustin.branch@kattenlaw.com); [donna.carolo@kattenlaw.com](mailto:donna.carolo@kattenlaw.com); [jessica.mickelsensimon@kattenlaw.com](mailto:jessica.mickelsensimon@kattenlaw.com); [lora.anderson@kattenlaw.com](mailto:lora.anderson@kattenlaw.com); [ecf.lax.docket@kattenlaw.com](mailto:ecf.lax.docket@kattenlaw.com)
- **Michael A. Brandess** – [mbrandess@sfgf.com](mailto:mbrandess@sfgf.com); [bkdocket@sfgf.com](mailto:bkdocket@sfgf.com)
- **Scott R. Clar** – [sclar@cranesimon.com](mailto:sclar@cranesimon.com); [mjoberhausen@cranesimon.com](mailto:mjoberhausen@cranesimon.com); [asimon@cranesimon.com](mailto:asimon@cranesimon.com)
- **Andrew S. Conway** – [aconway@taubman.com](mailto:aconway@taubman.com)
- **Michael K. Desmond** – [mdesmond@fslegal.com](mailto:mdesmond@fslegal.com)
- **Jonathan P. Friedland** – [jfriedland@sfgf.com](mailto:jfriedland@sfgf.com); [bkdocket@sfgf.com](mailto:bkdocket@sfgf.com)
- **Steven A. Ginther** – [ndilecf@dor.mo.gov](mailto:ndilecf@dor.mo.gov)
- **Ronald E. Gold** – [rgold@fbtlaw.com](mailto:rgold@fbtlaw.com); [awebb@fbtlaw.com](mailto:awebb@fbtlaw.com); [eseverini@fbtlaw.com](mailto:eseverini@fbtlaw.com); [bmparker@fbtlaw.com](mailto:bmparker@fbtlaw.com)
- **Jeffrey M. Goldberg** – [jeffg@goldmclaw.com](mailto:jeffg@goldmclaw.com)
- **Caleb T. Holzapfel** – [caleb.holzaepfel@huschblackwell.com](mailto:caleb.holzaepfel@huschblackwell.com); [LegalSupportTeam-Lookout-CHT@huschblackwell.com](mailto:LegalSupportTeam-Lookout-CHT@huschblackwell.com); [caleb-holzaepfel-9767@ecf.pacerpro.com](mailto:caleb-holzaepfel-9767@ecf.pacerpro.com)
- **Patrick S. Layng** – [USTPRegion11.ES.ECF@usdoj.gov](mailto:USTPRegion11.ES.ECF@usdoj.gov)
- **Tara T. LeDay** – [tleday@mvalaw.com](mailto:tleday@mvalaw.com)
- **Michael Joseph Linneman** – [linnemanm@jbltd.com](mailto:linnemanm@jbltd.com)
- **William F. McCormick** – [bill.mccormick@ag.tn.gov](mailto:bill.mccormick@ag.tn.gov)
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- **Scott N. Schreiber** – [sschreiber@clarkhill.com](mailto:sschreiber@clarkhill.com); [blambert@clarkhill.com](mailto:blambert@clarkhill.com)
- **Robert D. Tepper** – [rtepper@satclaw.com](mailto:rtepper@satclaw.com); [agamble@satclaw.com](mailto:agamble@satclaw.com); [heilmanl@ballardspahr.com](mailto:heilmanl@ballardspahr.com); [RoglenL@ballardspahr.com](mailto:RoglenL@ballardspahr.com)
- **Elizabeth B. Vandesteeg** – [evandesteeg@sfgf.com](mailto:evandesteeg@sfgf.com); [bkdocket@sfgf.com](mailto:bkdocket@sfgf.com)

/s/ Harold D. Israel  
Harold D. Israel

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re: )  
 ) Chapter 11  
 )  
PERFECT BROW ART, INC., *et al.* ) Case No. 19-01811  
 ) (Jointly Administered)  
 )  
Debtors.<sup>1</sup> ) Honorable Donald R. Cassling  
 )

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**DECLARATION OF MICHAEL S. FRIMAN IN SUPPORT OF DEBTORS' MOTION  
FOR ENTRY OF ORDER (A) GRANTING RELIEF FROM JUDGMENT FROM SALE  
ORDER AND (B)(I) APPROVING THE ASSET PURCHASE AGREEMENT AMONG  
SELLER AND NEW BUYER, (II) AUTHORIZING THE SALE OF CERTAIN OF THE  
DEBTORS' ASSETS FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND  
ENCUMBRANCES, (III) AUTHORIZING ASSIGNMENT OF CERTAIN EXECUTORY  
CONTRACTS AND LEASES IN CONNECTION THEREWITH,  
AND (IV) GRANTING RELATED RELIEF**

I, Michael S. Friman, being duly sworn, state the following under penalty of perjury.

1. I am an attorney in the law firm of Schoenberg Finkel Newman & Rosenberg, LLC, which is located at 222 South Riverside Plaza, Suite 2100, Chicago, Illinois 60606.

2. I represent the Debtors in the above-captioned proceedings and in connection with the closing of the sale to Brow Art 23 LLC ("*Buyer*").

3. On August 20, 2019, the Debtors sent the notice of default ("*Default Letter*") to Buyer given its failure to close by the August 19, 2019 drop dead date under the Asset Purchase Agreement ("*APA*"). A true and correct copy of the Default Letter is attached hereto as *Exhibit*

*I*

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are: (i) Perfect Brow Art, Inc. (5731), (ii) Perfect Brow Florida, Inc. (5602), (iii) Perfect Brow Puerto Rico, Inc. (3497), (iv) Perfect Brow New York, Inc. (2041), (v) Locks Rock, Inc. (5046), (vi) P.B. Art Franchise, Inc. (0026), (vii) Perfect Brow Oakland, Inc. (5727), and (viii) Ooh La La Beauty Bar Franchise, Inc. (0714).

4. After sending the Default Letter, the Buyer was informed that the Debtors would move forward with a closing under the APA if Buyer paid a \$1.0 million deposit by noon on August 22, 2019, among other things.

5. The \$1.0 million was not received from Buyer by noon on August 22, 2019, and on August 22, 2019, the Debtors sent a letter (the "*Termination Letter*") to Buyer's counsel terminating the APA. A true and correct copy of the Termination Letter is attached hereto as *Exhibit 2*.

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

Executed this 27 day of August, 2019

  
\_\_\_\_\_  
Michael S. Friman

# EXHIBIT 1

**SCHOENBERG FINKEL**  
**NEWMAN & ROSENBERG, LLC**

**Attorneys at Law**

MICHAEL S. FRIMAN  
Direct Dial Number  
312.327.3374  
Michael.Friman@sfnr.com

222 South Riverside Plaza  
Suite 2100  
Chicago, Illinois 60606-6101  
Telephone 312.648.2300  
Facsimile 312.648.1212  
www.sfnr.com

Our File Number

August 20, 2019

**VIA FEDERAL EXPRESS and ELECTRONIC MAIL**

Pamela J. Mills (pamela@pamelamillslaw.com)  
Law Offices of Pamela J. Mills  
175 Bradwell Road  
Inverness, Illinois 60010

***Re: Notice of Default***

Dear Pamela:

Reference is made to that certain Asset Purchase Agreement dated as of July 9, 2019, as amended (“**APA**”), by and between BROW ART 23 LLC, a Delaware limited liability company (“**Buyer**”), or its affiliated assignee, and PERFECT BROW ART, INC., an Illinois corporation, together with its affiliates PERFECT BROW FLORIDA, INC., a Florida corporation, PERFECT BROW PUERTO RICO, INC., a Puerto Rico Corporation, PERFECT BROW NEW YORK, INC., an Illinois corporation, PERFECT BROW OAKLAND, INC., an Illinois corporation, P.B. ART FRANCHISE, INC., a Florida corporation and OOH LA LA BEAUTY BAR FRANCHISE, INC., an Illinois corporation (collectively, “**Seller**”). Capitalized and undefined terms used herein shall have the same meaning ascribed to such terms as in the APA.

Buyer has failed to close the transaction contemplated by the APA on August 19, 2019, the Drop Dead Date set forth in Section 5.1 of the APA. Seller has fulfilled all material obligations under the APA, including, but not limited to, Article XI thereof, and stands ready, willing and able to close.

**SCHOENBERG FINKEL**  
**NEWMAN & ROSENBERG, LLC**

**Attorneys at Law**

Pamela J. Mills  
Page Two  
August 20, 2019

All other rights and remedies of Seller under the APA are reserved, including, but not limited to, the right to terminate the APA under Section 13.1(c)(iii) and retain the Good Faith Deposit pursuant to Section 13.2 of the APA.

Very truly yours,  
Schoenberg Finkel Newman & Rosenberg, LLC



Michael S. Friman

**Copy via Federal Express to:**

Brow Art 23, LLC  
2<sup>nd</sup> Floor  
2721 Devon Avenue  
Chicago, Illinois 60659

**Copies via Electronic mail to:**

Elizabeth Porikos-Gorgees - [omorffi@aol.com](mailto:omorffi@aol.com)  
Harold D. Israel - [hisrael@lplegal.com](mailto:hisrael@lplegal.com)  
William Hackney - [WHackney@salawus.com](mailto:WHackney@salawus.com)  
Jonathan P. Friedland - [jfriedland@sfggh.com](mailto:jfriedland@sfggh.com)  
Michael A. Brandess - [mbrandess@sfggh.com](mailto:mbrandess@sfggh.com)  
Elizabeth B. Vandesteeg - [evandesteeg@sfggh.com](mailto:evandesteeg@sfggh.com)  
Gretchen Silver - [Gretchen.Silver@usdoj.gov](mailto:Gretchen.Silver@usdoj.gov)

MSF:vhw

# EXHIBIT 2



**SCHOENBERG FINKEL**  
**NEWMAN & ROSENBERG, LLC**

**Attorneys at Law**

MICHAEL S. FRIMAN  
Direct Dial Number  
312.327.3374  
Michael.Friman@sfnr.com

222 South Riverside Plaza  
Suite 2100  
Chicago, Illinois 60606-6101  
Telephone 312.648.2300  
Facsimile 312.648.1212  
www.sfnr.com

Our File Number

August 22, 2019

**VIA FEDERAL EXPRESS and ELECTRONIC MAIL**

Pamela J. Mills (pamela@pamelamillslaw.com)  
Law Offices of Pamela J. Mills  
175 Bradwell Road  
Inverness, Illinois 60010

***Re: Notice of Termination***

Dear Pamela:

Reference is made to that certain Asset Purchase Agreement dated as of July 9, 2019, as amended ("APA"), by and between BROW ART 23 LLC, a Delaware limited liability company ("**Buyer**"), or its affiliated assignee, and PERFECT BROW ART, INC., an Illinois corporation, together with its affiliates PERFECT BROW FLORIDA, INC., a Florida corporation, PERFECT BROW PUERTO RICO, INC., a Puerto Rico Corporation, PERFECT BROW NEW YORK, INC., an Illinois corporation, PERFECT BROW OAKLAND, INC., an Illinois corporation, P.B. ART FRANCHISE, INC., a Florida corporation and OOH LA LA BEAUTY BAR FRANCHISE, INC., an Illinois corporation (collectively, "**Seller**").

Buyer failed to close the transaction contemplated by the APA on August 19, 2019, the Drop Dead Date set forth in Section 5.1 of the APA. Seller fulfilled all material obligations under the APA, including, but not limited to, Article XI thereof. Accordingly, pursuant to Article XIII of the APA, Seller hereby terminates the APA. The Good Faith Deposit shall be immediately released to Seller and Seller hereby requests that you sign and return the enclosed

**SCHOENBERG FINKEL**  
**NEWMAN & ROSENBERG, LLC**

**Attorneys at Law**

Pamela J. Mills  
Page Two  
August 22, 2019

Direction to Disburse on or before the close of business on August 22, 2019. The Seller's bankruptcy estate reserves all of its rights and remedies under the APA and applicable law.

Very truly yours,  
Schoenberg Finkel Newman & Rosenberg, LLC



Michael S. Friman

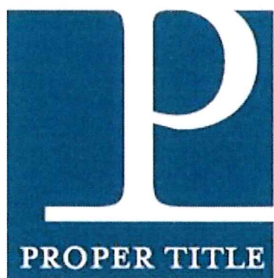
**Copy via Federal Express to:**

Brow Art 23, LLC  
2<sup>nd</sup> Floor  
2721 Devon Avenue  
Chicago, Illinois 60659

**Copies via Electronic mail to:**

Elizabeth Porikos-Gorgees - [omorffi@aol.com](mailto:omorffi@aol.com)  
Harold D. Israel - [hisrael@lplegal.com](mailto:hisrael@lplegal.com)  
William Hackney - [WHackney@salawus.com](mailto:WHackney@salawus.com)  
Jonathan P. Friedland - [jfriedland@sfgf.com](mailto:jfriedland@sfgf.com)  
Michael A. Brandess - [mbrandess@sfgf.com](mailto:mbrandess@sfgf.com)  
Elizabeth B. Vandesteeg - [evandesteeg@sfgf.com](mailto:evandesteeg@sfgf.com)  
Gretchen Silver - [Gretchen.Silver@usdoj.gov](mailto:Gretchen.Silver@usdoj.gov)

MSF:vhw  
Enclosure



Corporate Headquarters 1530 E. Dundee Rd., Suite 250, Palatine, IL 60074

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## STRICT JOINT ORDER ESCROW LETTER OF DIRECTION

DATE: August 22, 2019  
ESCROW NO.: PT19-52550EM  
PROPERTY: 3330 Skokie valley Rd., Highland Park, IL 60035  
SELLER: Perfect Brow Art, Inc.  
BUYER: BROW ART 23 LLC

**To Proper Title:**

You are hereby authorized to disburse the sum of Eighty Thousand and No/100 Dollars (\$80,000) from this escrow trust. The undersigned acknowledges that if applicable, this payment will be less escrow fees and investment fees, if any. This payment will be made by wire transfer as follows:

Bank Name: JPMorgan Chase NA

Routing Number: 071000013

Bank Address, City & State: 513 Central Ave., Highland Park, IL 60035

Beneficiary Account number: 4214307749

Beneficiary Name: Perfect Brow Art, Inc.

Required Reference/Memo: Delivery of Good Faith Deposit.

**SELLER: PERFECT BROW ART, INC.**

BY: \_\_\_\_\_  
NAME:  
ITS:

**BUYER: BROW ART 23 LLC**

BY: Michael S. Friman  
NAME: Michael Friman, its attorney  
ITS: