

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
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EPAS ID: PAT3005177

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	COURT ORDER
CONVEYING PARTY DATA	
Name	Execution Date
CEREPLAST, INC.	06/20/2014
RECEIVING PARTY DATA	
Name:	TRELLIS EARTH PRODUCTS, INC
Street Address:	9125 SW RIDDER RD., UNIT D
City:	WILSONVILLE
State/Country:	OREGON
Postal Code:	97070
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	7138439
CORRESPONDENCE DATA	
Fax Number:	(503)582-1313
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>	
Phone:	5035821300
Email:	brian@trellisbioplastics.com
Correspondent Name:	BRIAN DRESBECK
Address Line 1:	9125 SW RIDDER RD., UNIT D
Address Line 4:	WILSONVILLE, OREGON 97070
NAME OF SUBMITTER:	BRIAN DRESBECK
SIGNATURE:	/Brian Dresbeck/
DATE SIGNED:	09/02/2014
This document serves as an Oath/Declaration (37 CFR 1.63).	
Total Attachments: 18	
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SO ORDERED: June 20, 2014.



Basil H. Lorch III
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
NEW ALBANY DIVISION

In re:)
)
CEREPLAST, INC.,)
) Case No. 14-90200-BHL-7A
)
Debtor.)

**ORDER UNDER 11 U.S.C. §§ 105(a) 363, 365 AND
FED. R. BANKR. P. 2002, 6004, 6006, 9014, (A) APPROVING ASSET PURCHASE
AGREEMENT WITH TRELIS EARTH PRODUCTS, INC.,
(B) AUTHORIZING (i) SALE OF SUBSTANTIALLY ALL OF DEBTOR’S ASSETS
FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS, AND
ENCUMBRANCES AND (ii) ASSUMPTION AND ASSIGNMENT OF CERTAIN
EXECUTORY CONTRACTS AND (C) GRANTING RELATED RELIEF**

This matter having come before the Court on the “Trustee’s Motion for Entry of (I) Bid Procedures Order Approving the Bid Procedures and Scheduling an Auction and Hearing to Consider the Proposed Sale; (II) an Order Approving the Sale; and (III) Granting Related Relief” [Dkt. No. 135] (the “Motion”)¹ of the Trustee for, *inter alia*, entry of an

order under 11 U.S.C. §§ 363 and 365 and Federal Rules of Bankruptcy Procedure 2002 and 6004 (the “Sale Order”) (a) authorizing (i) the Trustee’s proposed sale (the “Asset Sale”) of the Purchased Assets (as defined in the Purchase Agreement, which constitute substantially all of the Debtor’s assets) free and clear of all liens, claims, interests and encumbrances of any kind whatsoever (except for the Assumed Liabilities (as defined in the Purchase Agreement)) pursuant to and as described in the Asset Purchase Agreement dated as of May 27, 2014, as amended by that First Amendment to Asset Purchase Agreement (the “First APA Amendment”), dated as of June 17, 2014 (the “Purchase Agreement”)² between the Trustee, as seller (the “Seller”), and Trellis Earth Products, Inc., a Nevada corporation, as purchaser (the “Purchaser”), and (ii) the Seller’s assumption and assignment to the Purchaser of certain executory contracts (the “Assumed Contracts”), pursuant to and as described in the Purchase Agreement free and clear of liens, claims, interests and encumbrances (except the Assumed Liabilities); (b) waiving the fourteen (14) day stay of sale imposed by Federal Rule of Bankruptcy Procedure 6004(h); and (c) granting related relief; the Court having entered an order on May 12, 2014 (Dkt. No. 172) (the “Procedures Order”) approving (i) certain bidding procedures and (ii) the form and manner of notice of the Asset Sale; and this hearing on the sale and assignment portion of the Motion having been held on June 17, 2014 (the “Hearing”) at which time all interested parties were offered an opportunity to be heard with respect to the Motion; the Court having reviewed and considered (i) the Motion, (ii) the objections thereto, (iii) the arguments of counsel made and the

(. . . continued)

¹ Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Motion or the Purchase Agreement, as the case may be.

² A copy of the Purchase Agreement is annexed hereto as Exhibit A.

evidence offered or adduced at the Hearing; it appearing that the relief requested in the Motion is in the best interests of the Debtor, its estate and creditors and other parties in interest; and upon the record of the Hearing and this case; and after due deliberation thereon; and good cause appearing therefor:

THE COURT HEREBY FINDS AND CONCLUDES THAT:

A. The Court has jurisdiction over the Motion under 28 U.S.C. §§ 157 and 1334, and this matter is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A), (M), (N) and (O). Venue of this case and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

B. The statutory predicates for the relief sought in the Motion are §§ 105(a), 363(b), (f), (m) and (n), and 365 of Title 11 of the United States Code (the “Bankruptcy Code”) and Federal Rules of Bankruptcy Procedure 2002, 6004, 6006 and 9014.

C. As evidenced by the certificates of service previously filed with the Court, and based on the representations of counsel at the Hearing, (i) proper, timely, adequate and sufficient notice of the Motion, the hearing on bid procedures, this Hearing, the Asset Sale, and the assumption and assignment of the Assumed Contracts has been provided in accordance with 11 U.S.C. §§ 102(l) and 363 and Federal Rules of Bankruptcy Procedure 2002, 6004 and 9014 and in compliance with the Procedures Order, (ii) such notice was good and sufficient and appropriate under the circumstances and (iii) no other or further notice of the Motion, the Hearing, the Asset Sale or the assumption and assignment of the Assumed Contracts is or shall be required.

D. As demonstrated by (i) the testimony and other evidence proffered or adduced at the Hearing and (ii) the representations of counsel made on the record at the Hearing,

the Seller and its agents have marketed the Purchased Assets and conducted the sale process in compliance with the Procedures Order.

E. Upon entry of this Order, the Seller has (i) full authority to execute the Purchase Agreement and all other documents contemplated thereby, and (ii) all power and authority necessary to consummate the transactions contemplated by the Purchase Agreement. No consents or approvals are required for the Seller to consummate such transactions.

F. Approval of the Purchase Agreement and consummation of the Asset Sale at this time are in the best interests of the Debtor's estate, its creditors, and other parties in interest.

G. The Trustee has demonstrated both (i) good, sufficient, and sound business purpose and justification and (ii) compelling circumstances for the Asset Sale pursuant to 11 U.S.C. § 363(b) in that, among other things:

(1) The prompt consummation of the Asset Sale is the only way to maximize the value of the Purchased Assets for the Debtor's estate and creditors and other parties in interest; and

(2) The Purchaser is not an insider of the Debtor, as that term is defined in § 101(31) of the Bankruptcy Code, and no insider of the Debtor holds any interest in, or is otherwise related to, the Purchaser.

H. A reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons and entities including: (i) the Office of the United States Trustee; (ii) counsel for the Purchaser; (iii) all entities known to have expressed a serious interest in a transaction with respect to the Purchased Assets; (iv) all entities known to have asserted any lien, claim, interest or encumbrance in or upon the Purchased Assets; (v) all federal, state, and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief requested by the Motion; (vi) all non-Debtor

parties to the Assumed Contracts; (vii) the Internal Revenue Service; and (viii) all entities who have filed a notice of appearance and request for service of papers in this case.

I. The Purchase Agreement was negotiated, proposed and entered into by the Seller and the Purchaser without collusion, in good faith, and from arm's-length bargaining positions. Neither the Seller nor the Purchaser have engaged in any conduct that would cause or permit the Purchase Agreement to be avoided under 11 U.S.C. § 363(n).

J. The Purchaser is a good faith purchaser under 11 U.S.C. § 363(m) and, as such, is entitled to all of the protections afforded thereby. The Purchaser will be acting in good faith within the meaning of 11 U.S.C. § 363(m) in negotiating and closing the transactions contemplated by the Purchase Agreement at any time after the entry of this Sale Order.

K. The consideration provided by the Purchaser for the Purchased Assets pursuant to the Purchase Agreement (i) is fair and reasonable, (ii) is the highest and best offer for the Purchased Assets, (iii) will provide a greater benefit for creditors than would be provided by any other practical available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States.

L. The transfer of the Purchased Assets to the Purchaser will be a legal, valid and effective transfer of the Purchased Assets and will vest the Purchaser with all right, title and interest of the Debtor to the Purchased Assets free and clear of all (i) mortgages, security interests, conditional sale or other title retention agreements, pledges, liens, claims, judgments, demands, easements, charges, encumbrances, defects, security interests, options, rights of first refusal, and restrictions of all kind (collectively, "Interests") and (ii) all debts arising under or out of, in connection with, or in any way relating to, any acts of the Debtor, claims (as that term in defined in § 101(5) of the Bankruptcy Code), rights or causes of action (whether in law or in

equity, including, but not limited to, any rights or causes of action based on theories of transferee or successor liability under any law, statute, rule, or regulation of the United States, any state, territory, or possession thereof), obligations, demands, guaranties, rights, contractual commitments, restrictions, interests and matters of any kind or nature whatsoever, whether arising prior to or subsequent to the commencement of these cases, and whether imposed by agreement, understanding, law, equity or otherwise (collectively, "Claims"), other than the Assumed Liabilities.

M. On June 10, 2014, Group 7 AG, filed an objection [Dkt. No. 220] (the "Group 7 Objection") to the Motion. In the Group 7 Objection, Group 7 AG asserted an interest in all hybrid 101 type resin (Hybrid 101/Biopropylene 101) that is currently stored by Group 7 AG in a bonded warehouse located in Munich, Germany (the "German Resin Inventory"). Pursuant to the First APA Amendment, the German Resin Inventory is an Excluded Asset (as defined in the Purchase Agreement) and will not be transferred to Purchaser. The German Resin Inventory (as defined in the Purchase Agreement) is excluded from the sale. Accordingly, the Group 7 Objection has been resolved and is overruled.

N. On June 12, 2014, General Electric Capital Corporation ("GE Capital") filed an objection [Dkt. No. 228] (the "GE Objection") to the Motion. GE Capital is party to a lease agreement with the Debtor (the "GE Lease"), pursuant to which Cereplast leases certain equipment. The Purchase Agreement currently contemplates the assumption and assignment of the GE Lease. In the GE Objection, GE Capital objects to assumption and assignment of the GE Lease unless the Purchaser can demonstrate adequate assurance of future performance and further asserts that the amount necessary to cure defaults under the GE Lease as of July 1, 2014 will be \$37,657.57, plus attorneys' fees incurred in the amount of \$2,000. The Purchaser has

demonstrated adequate assurance of future performance of the GE Lease and has agreed to promptly pay the asserted amount to GE Capital following the Closing if the GE Lease remains an assumed and assigned contract, which decision must be made on or before the closing of the asset sale. Accordingly: either (a) effective as of the closing of the Asset Sale, the GE Lease is an Assumed Contract and the GE Objection has been resolved and is overruled; or (b) the GE Lease will not be assumed and the objection is moot and is overruled.

O. On June 11, 2014, Whittymore, LLC (“Landlord”) filed an objection [Dkt. No. 222] (the “Landlord Objection”) to the Motion. Landlord is party to a real estate lease with the Debtor (the “Lease Agreement”). The Lease Agreement was designated as an Assumed Contract in the Purchase Agreement. Furthermore, the Purchase Agreement provides that an assumption and assignment of the Lease Agreement or a new lease with the Landlord is a condition to the closing of the Asset Sale to Purchaser. In the Landlord Objection, Landlord argues that the Purchaser has not provided “adequate assurance of future performance” as required by Section 365 of the Bankruptcy Code. The Landlord and the Purchase reported to the Court that they had agreed to the terms of a new lease (the “Whittymore Lease”). The basic terms of the Whittymore Lease were read into the record but are summarized herein: (a) the term is seven (7) years; (b) the rent will be \$25,000/month for months 1-50 and \$42,000/month for months 51-84; (c) the Purchaser shall have a purchase option for the building at the end of the first year of the Whittymore Lease of \$3,000,000, and shall have the same purchase option at the end of each succeeding year with a price increase of \$100,000 per year; (d) the Purchaser will provide an escrow of \$250,000 in the form of an escrow or letter of credit that can be drawn down by the Landlord in the event of an uncured default under the Whittymore Lease which sum may be retained by the Landlord without regard to damages incurred or other remedies of the

Landlord; (e) the escrow account will be funded by Purchaser on or before June 30, 2014 or the Whittymore Lease will be null and void; (f) the Purchaser will pay the existing cure under the Lease Agreement at the closing of the Asset Sale but not later than June 30, 2014; (g) the terms of the Whittymore Lease will be binding upon successors and assigns; and (e) the general terms of the Whittymore Lease will be those of the Lease Agreement with the exception of those terms relating to a build-out and such other terms as the Landlord and Purchaser shall agree; and the Court retains jurisdiction to resolve disputes regarding the wording of the proposed Whittymore Lease. To further assure Landlord, the Trustee acknowledges and agrees that (i) the Lease Agreement shall be deemed rejected effective August 31, 2014 (“Rejection Date”), (ii) the Landlord shall be entitled to possession of the leased premises as of the Rejection Date and (iii) no further motion to assume the Lease Agreement shall be filed. Landlord acknowledges that the Trustee reserves the right to conduct an auction or liquidation sale of the Purchased Assets prior to the Rejection Date in the event the sale to the Purchaser fails to close. Accordingly, the Landlord Objection is resolved as moot.

P. The Purchaser would not have entered into the Purchase Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the Debtor, its estate, and its creditors, if the sale of the Purchased Assets to the Purchaser and the assignment of the Assumed Contracts to the Purchaser were not free and clear of all Claims and Interests of any kind or nature whatsoever (other than the Assumed Liabilities), or if the Purchaser would, or in the future could, be liable for any of the Claims and Interests.

Q. The Seller may sell the Purchased Assets free and clear of all Claims and Interests of any kind or nature whatsoever because one or more of the standards set forth in 11 U.S.C. §§ 363(f)(1)-(5) has been satisfied. Those (i) holders of Claims and Interests and (ii) non-

Debtor parties to Assumed Contracts who did not object, or who withdrew their objections, to the Asset Sale or the Motion are deemed to have consented pursuant to 11 U.S.C. § 363(f)(2). The Court retains jurisdiction to resolve any disputes regarding cure costs associated with any Assumed Contract.

R. The (i) transfer of the Purchased Assets to the Purchaser and (ii) assumption and assignment of the Assumed Contracts will not subject the Purchaser to any liability whatsoever with respect to the operation of the business prior to the Closing Date. Nothing contained in this Order or the Purchase Agreement provides for the transfer to the Purchaser of any Excluded Assets, Excluded Contracts or Excluded Liabilities.

S. The Trustee has demonstrated that it is an exercise of its sound business judgment to assume and assign the Assumed Contracts to the Purchaser in connection with the consummation of the Asset Sale, and the assumption and assignment of the Assumed Contracts is in the best interests of the Debtor, its estate and creditors and other parties in interest. The Assumed Contracts being assigned to the Purchaser are an integral part of the business being purchased by the Purchaser (and are all “executory” within the meaning of § 365 of the Bankruptcy Code) and, accordingly, such assumption and assignment of Assumed Contracts are reasonable, enhance the value of the Debtor’s estate and do not constitute unfair discrimination.

T. The Purchaser has provided adequate assurance of (i) its ability to cure any default existing prior to the date hereof under any of the Assumed Contracts within the meaning of 11 U.S.C. § 365(b)(1)(A), (ii) its ability to compensate any party other than the Debtor for any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Assumed Contracts, within the meaning of 11 U.S.C. § 365(b)(1)(B), and

(iii) adequate assurance of future performance of and under the Assumed Contracts within the meaning of 11 U.S.C. § 365(b)(1)(C).

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

General Provisions

1. The Motion is granted, as further described herein.
2. All objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby over-ruled on the merits.

Approval of Purchase Agreement

3. The Purchase Agreement and all of the terms and conditions thereof, is hereby approved and are incorporated in this Sale Order.
4. Pursuant to 11 U.S.C. § 363(b), the Seller is authorized to consummate the Asset Sale, pursuant to and in accordance with the terms and conditions of the Purchase Agreement.
5. The Seller is authorized to execute and deliver, and empowered to perform under, consummate and implement, the Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement, and to take all further actions as may be requested by the Purchaser for the purpose of assigning, transferring, granting, conveying and conferring to the Purchaser, or reducing to possession, the Purchased Assets, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Purchase Agreement.

Transfer of Purchased Assets

6. Pursuant to 11 U.S.C. §§ 105(a) and 363(f), the Purchased Assets shall be transferred to the Purchaser, and upon consummation of the Purchase Agreement (the “Closing”) shall be, free and clear of all Claims and Interests (as defined in paragraph L above) of any kind or nature whatsoever, other than the Assumed Liabilities, with all such Claims and Interests of any kind or nature whatsoever to attach to the net proceeds of the Asset Sale in the order of their priority, with the same validity, force and effect which they now have as against the Purchased Assets, subject to any claim and defenses the Debtor may possess with respect thereto.

7. Except as expressly permitted or otherwise specifically provided by the Purchase Agreement or this Sale Order, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade and other creditors, holding Claims and Interests of any kind or nature whatsoever against or in the Debtor or the Purchased Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, senior or subordinated), arising under or out of, in connection with, or in any way relating to, the Debtor, the Purchased Assets, the operation of the business prior to the Closing Date, or the transfer of the Purchased Assets to the Purchaser, hereby are forever barred, estopped, and permanently enjoined from asserting against the Purchaser, its successors or assigns, its property, or the Purchased Assets, such persons’ or entities’ Claims and Interests.

8. The transfer of the Purchased Assets to the Purchaser pursuant to the Purchase Agreement constitutes a legal, valid, and effective transfer of the Purchased Assets, and shall vest the Purchaser with all right, title, and interest of the Seller in and to the Purchased

Assets free and clear of all Claims and Interests of any kind or nature whatsoever, other than the Assumed Liabilities.

Assumption and Assignment to Purchaser
of Assumed Contracts

9. Pursuant to 11 U.S.C. §§ 105(a), 363, and 365, and subject to and conditioned upon the Closing of the Asset Sale, the Seller's sale and assumption and assignment to the Purchaser, and the Purchaser's assumption on the terms set forth in the Purchase Agreement, of the Assumed Contracts is hereby approved, and the requirements of 11 U.S.C. § 365 (b)(1) with respect thereto are hereby deemed satisfied.

10. The Seller is hereby authorized and directed in accordance with 11 U.S.C. §§ 105(a), 363, and 365 to (a) sell and assume and assign to the Purchaser, effective upon the Closing of the Asset Sale, the Assumed Contracts free and clear of all Claims and Interests of any kind or nature whatsoever and (b) execute and deliver to the Purchaser such documents or other instruments as may be necessary to sell, assign and transfer the Assumed Contracts to the Purchaser.

11. The Assumed Contracts shall be sold and transferred to, and remain in full force and effect for the benefit of, the Purchaser in accordance with their respective terms, notwithstanding any provision in any such Assumed Contract (including those of the type described in §§ 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer and, pursuant to 11 U.S.C. § 365(k), the Debtor and the Trustee shall be relieved from any further liability with respect to the Assumed Contracts after such assignment to and assumption by the Purchaser.

12. Other than as specified in this Sale Order or the Trustee's Notice of Assignment and Cure [Dkt. No. 180], there are no defaults or other obligations of the Seller

under the Assumed Contracts arising or accruing prior to the Closing Date (without giving effect to any acceleration clauses or any default provisions of the kind specified in § 365(b)(2) of the Bankruptcy Code) which need to be cured by the Purchaser in connection with the Closing of the Asset Sale.

13. Each non-Debtor party to an Assumed Contract is forever barred, estopped, and permanently enjoined from asserting against the Seller or the Purchaser, or the property of either of them, any default existing as of the date of the Hearing if such default was not raised or asserted with the Court prior to or at the Hearing.

14. The failure of the Seller or the Purchaser to enforce at any time one or more terms or conditions of any Assumed Contract shall not be a waiver of such terms or conditions, or of the Seller's and Purchaser's rights to enforce every term and condition of the Assumed Contracts.

Additional Provisions

15. The consideration provided by the Purchaser for the Purchased Assets under the Purchase Agreement shall be deemed to constitute reasonably equivalent value and fair consideration.

16. Seller, its agents, Purchaser, and other parties in interest participating in the Asset Sale acted in good faith and pursuant to the Court approved bid procedures and to maximize the value of the Debtor's assets.

17. The consideration provided by the Purchaser for the Purchased Assets under the Purchase Agreement is fair and reasonable and may not be avoided under § 363(n) of the Bankruptcy Code.

18. On the date of the Closing of the Sale (the “Closing Date”), each of the Seller’s creditors is authorized to execute such documents and take all other actions as may be necessary to release its Claim against or Interests in the Purchased Assets, if any, as such Claims or Interests may have been recorded or may otherwise exist.

19. Promptly after the Closing Date, the Trustee is authorized and directed to remit to Horizon Technology Finance Corporation (“Horizon”) all proceeds from the Asset Sale, less only the Carve-Out Amount (as defined in that certain Postpetition Financing and Security Agreement between the Trustee and Horizon, approved by the Court on May 14, 2014 (the “Postpetition Financing Agreement”)), for application in accordance with the terms of the Postpetition Financing Agreement. The portion of the Carve-Out Amount attributable to any success fee payable to Sherwood Partners in connection with the closing of the Sale shall be paid by the Trustee to Sherwood Partners at closing. Promptly after a determination by the Trustee and Horizon of the amount of the Trustee’s fees and the Trustee’s legal fees and costs in connection with the Asset Sale, the Trustee is authorized and directed to remit any remaining amount of the Carve-Out Amount to Horizon. The Court retains jurisdiction to resolve any dispute concerning the amount of the Trustee’s fees and the Trustee’s legal fees and costs in connection with the Asset Sale.

20. This Sale Order (a) shall be effective as a determination that, on the Closing Date, all Claims and Interests of any kind or nature whatsoever existing as to the Purchased Assets prior to the Closing have been unconditionally released, discharged and terminated (other than the Assumed Liabilities), and that the conveyance described in decretal paragraph 6 hereof has been effected, and (b) shall be binding upon and shall govern the acts of all entities including without limitation, all filing agents, filing officers, title agents, title

companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Purchased Assets.

21. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreement.

22. If any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens*, or other documents or agreements evidencing Claims against, or Interests in, the Purchased Assets shall not have delivered to the Seller prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Claims or Interests which the person or entity has with respect to the Purchased Assets or otherwise, then (a) the Seller is hereby authorized and directed to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Purchased Assets and (b) the Purchaser is hereby authorized to file, register, or otherwise record a certified copy of this Sale Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all Claims against, or Interests in, the Purchased Assets of any kind or nature whatsoever.

23. All entities that are presently, or on the Closing Date may be, in possession of some or all of the Purchased Assets are hereby directed to surrender possession of the Purchased Assets to the Purchaser on the Closing Date.

24. The Purchaser shall have no liability or responsibility for any liability or other obligation of the Seller arising under or related to the Purchased Assets other than for (a) the Purchase Price and (b) the Assumed Liabilities. Without limiting the generality of the foregoing, and except as otherwise specifically provided herein and in the Purchase Agreement, the Purchaser shall not be liable for any Claims against the Debtor or any of its predecessors or affiliates, and the Purchaser shall have no successor or vicarious liabilities of any kind or character whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtor or any obligations of the Debtor arising prior to the Closing Date, including, but not limited to, liabilities on account of any environmental liabilities, employment liabilities, product liability claims or taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the operation of the business prior to the Closing Date.

25. Under no circumstances shall the Purchaser be deemed a successor of or to the Debtor for any Claim or Interest against or in the Debtor or the Purchased Assets of any kind or nature whatsoever. All persons holding Claims or Interests against or in the Debtor or the Purchased Assets of any kind or nature whatsoever shall be forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing such Claims or Interests of any kind or nature whatsoever against the Purchaser, its property, its successors and assigns, or the Purchased Assets with respect to any Claim or Interest of any kind or nature whatsoever such person or entity had, has, or may have against or in the Debtor, its estate, officers, directors, shareholders or the Purchased Assets. Following the Closing Date, no holder of a Claim against or Interest in the Debtor shall interfere with the Purchaser's title to or use and enjoyment of the Purchased Assets based on or related to such Claim or Interest.

26. This Court retains jurisdiction to enforce and implement the terms and provisions of the Purchase Agreement, all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connection therewith in all respects, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Purchased Assets to the Purchaser, (b) resolve any disputes arising under or related to the Purchase Agreement, except as otherwise provided therein, (c) interpret, implement, and enforce the provisions of this Sale Order, and (d) protect the Purchaser against any Claims against or Interests in the Debtor or the Purchased Assets, of any kind or nature whatsoever, attaching to the proceeds of the Asset Sale.

27. The transactions contemplated by the Purchase Agreement are undertaken by the Purchaser in good faith, as that term is used in § 363(m) of the Bankruptcy Code, and, accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Asset Sale shall not affect the validity of the Asset Sale to the Purchaser, unless such authorization is duly stayed pending such appeal. The Purchaser is a purchaser in good faith of the Purchased Assets, and is entitled to all of the protections afforded by § 363(m) of the Bankruptcy Code.

28. The terms and provisions of the Purchase Agreement and this Sale Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtor, its estate, and its creditors, the Purchaser, and their respective affiliates, successors and assigns and any affected third parties including, but not limited to, all persons asserting a Claim against or Interest in the Purchased Assets to be sold to the Purchaser pursuant to the Purchase Agreement notwithstanding any subsequent appointment of any trustee, responsible person, estate administrator, representative or similar person (a "Responsible Person") for or in connection

with any of the Debtor's estate or affairs in these cases or in any subsequent case(s) under the Bankruptcy Code involving the Debtor, as to which Responsible Person(s) such terms and provisions likewise shall be binding in all respects.

29. The failure specifically to include any particular provisions of the Purchase Agreement in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Purchase Agreement be authorized and approved in its entirety.

30. The Purchase Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtor's estate.

31. The fourteen (14) day stay applicable under Federal Rules of Bankruptcy Procedure 6006(d) and 6004(h) is waived, and this Sale Order shall be effective and enforceable immediately upon entry.

32. The provisions of this Sale Order are nonseverable and mutually dependent.

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