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OPR/FINANCE REGISTRATION FORM COVER SHEET  
TRADEMARKS ONLY

Original

TO: The Commissioner of Patents and Trademarks: Please record the attached original

Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID #
- Correction of PTO Error  
Reel #  Frame #
- Corrective Document  
Reel #  Frame #

Conveyance Type

- Assignment
- Security Agreement
- Merger
- Change of Name
- Other
- Nunc Pro Tunc Assignment  
Effective Date  
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Name  Execution Date  
Month Day Year

Formerly

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other
- Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

06/14/2000 BANGUYEN 00000001 1072337

FOR OFFICE USE ONLY

01 FC:481 40.00 OP  
02 FC:482 50.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK  
REEL: 002087 FRAME: 0178

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

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<input type="text" value="1072337"/>	<input type="text" value="1359524"/>	<input type="text" value="1255480"/>
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**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Pamela Giovannetti

Name of Person Signing

Pamela Giovannetti

Signature

5/19/00

Date Signed

**RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY**

FORM PTO-1618C  
Expires 06/30/99  
OMB 0651-0027

U.S. Department of Commerce  
Patent and Trademark Office  
**TRADEMARK**

**Conveying Party**

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name



Formerly

Individual     General Partnership     Limited Partnership     Corporation     Association

Other

Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)




City

State/Country

Zip Code

Individual     General Partnership     Limited Partnership

Corporation     Association

Other

Citizenship/State of Incorporation/Organization

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**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

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NOV - 6 1991

TERENCE H. DUNN, CLERK  
BY [Signature] DEPUTY  
O 770

Certified to be a true and correct  
copy of original filed in my office.  
Dated 11/15/91 (SPGR)  
Terence H. Dunn, Clerk, U.S. Bankruptcy Court  
By [Signature] Deputy

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF OREGON

10 In Re )  
11 SUN VALLEY BULB FARMS, INC. )  
12 Debtor. )  
13 )  
14 )  
15 )  
16 )

Case No. 391-30491-P11  
ORDER AUTHORIZING SALE OF  
SUBSTANTIALLY ALL ASSETS  
OF THE ESTATE FREE AND  
CLEAR OF LIENS AND  
ENCUMBRANCES AND ORDER  
AUTHORIZING ASSUMPTION AND  
ASSIGNMENT OF RELATED REAL  
ESTATE LEASES AND EXECUTORY  
CONTRACTS

17 Upon the motion of Michael B. Batlan, duly appointed Trustee  
18 of Sun Valley Bulb Farms, Inc. ("Trustee"), on October 28, 1991, the  
19 Court conducted a hearing on the Trustee's motion to sell  
20 substantially all assets of the estate free and clear of liens and  
21 encumbrances and to assume and assign related real estate leases and  
22 executory contracts ("Motion"). Peter C. McKittrick appeared on  
23 behalf of Trustee, Howard M. Levine appeared on behalf of Bank of  
24 America, N.A. & S.T. ("B of A"); Laura Walker appeared on behalf of  
25 Security Pacific Bank Washington ("SPBW"); Tim Conway appeared on  
26 behalf of John Mitchell, Inc.; and John Durkheimer appeared on behalf

1 of Sun Valley Acquisition Company. The Court having considered the  
2 Motion, the Revised Letter of Intent, all objections to the Motion,  
3 the testimony of Trustee, and the Court being fully advised in the  
4 premises, IT IS HEREBY ORDERED AS FOLLOWS:

5 1. This Court has jurisdiction over this case under 28  
6 USC § 1334 and § 157(a). The Motion is a core proceeding under 28  
7 USC § 157(b);

8 2. Due and proper notice of the Motion and of the hearing  
9 thereon has been given to all parties entitled thereto and such notice  
10 is hereby approved.

11 3. All objections to the Motion have been withdrawn.

12 4. The Trustee's Motion to Sell substantially all of the  
13 assets of the estate, including but not limited to the following, is  
14 hereby granted:

15 a. The real property described on the attached Exhibit "A"  
16 located in Arcata, Humboldt County, California;

17 b. all inventory, account receivable, furniture, fixtures,  
18 equipment, machinery, motor vehicles, leasehold improvements,  
19 catalogs, sales literature, files, records, customer lists, the  
20 name "Sun Valley Bulbs Farms", all rights of Trustee under  
21 contracts, leases and other documents.

22 5. Such sale shall exclude <sup>those</sup> ~~certain~~ assets of the estate  
23 as generally outlined in the ~~Revised Letter of Intent~~, a copy of which <sup>912</sup>  
24 is attached hereto as Exhibit "B".  
*21 NEW for PCW  
S.D.  
BMM*

25 6. With respect to any entity asserting an interest in  
26 some or all of the assets, either: (a) applicable nonbankruptcy law

1 permits the sale of such property free and clear of the interest of  
2 such entity; (b) such entity has consented to the sale free and clear  
3 of its interest; (c) such lien is in bona fide dispute; or (d) such  
4 entity could be compelled, in a legal or equitable proceeding, to  
5 accept money satisfaction of such interest.

6           7. The interests of those entities asserting an interest  
7 in any and all of the assets shall be impressed with the proceeds of  
8 sale in the amounts set forth on the attached consent forms marked as  
9 Exhibit "C". Such liens or interests shall be of the same validity,  
10 force, status, extent and effect as the liens or interests of such  
11 entities in the assets prior to closing.

12           8. The lien of B of A shall attach to all proceeds other  
13 than those proceeds which attach to the liens of the parties listed  
14 in Exhibit "C". However, Trustee shall be authorized to retain  
15 approximately \$150,000.00 to pay applicable sales taxes and other  
16 closing costs. Any amount not disbursed by the Trustee for closing  
17 costs or applicable taxes shall be considered "net proceeds" and shall  
18 be held pending further court order.

19           9. The sale of the assets may take place outside a plan  
20 of reorganization due to the fact that a valid business purpose exists  
21 for the sale.

22           10. The Trustee is hereby authorized to execute any and  
23 all further documents necessary to effectuate the sale of assets to  
24 Sun Valley Acquisition Company, ~~or its designee~~, and is authorized to  
25 pay the normal costs of closing and all real and personal property  
26 taxes from the proceeds of sale.

1 11. Effective as of closing, all of the Trustee's right,  
2 title and interest in and to the real property described in  
3 Exhibit "A" attached hereto shall be sold to Sun Valley Acquisition  
4 Company or its designee free and clear of any liens, encumbrances,  
5 mortgages, including, but not limited to the following specific liens  
6 and encumbrances:

7 a. A deed of trust to secure an indebtedness of  
8 \$10,500,000.00 dated October 21, 1988, recorded October 24, 1988,  
9 page 911 of official records of Humboldt County under serial No.  
10 21906;

11 b. A deed of trust to secure an indebtedness of  
12 \$6,098,263.46 dated February 14, 1989, recorded February 21,  
13 1989, under recorder's serial No. 1989-3489, Humboldt County  
14 records;

15 c. A deed of trust to secure an indebtedness of  
16 \$2,925,000.00, dated February 14, 1989, recorded March 24, 1989  
17 under recorder's serial No. 1989, 5868, Humboldt County records;

18 d. A deed of trust to secure an indebtedness of  
19 \$6,098,263.46 dated August 25, 1989 under recorder's serial No.  
20 1898, 17219, Humboldt County records;

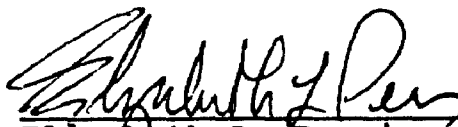
21 e. A deed of trust to secure an indebtedness of  
22 \$6,098,263.46 dated September 7, 1989 recorded October 27, 1989  
23 under recorder's serial No. 1989-22797, Humboldt County records.

24 12. The Trustee is authorized to assume certain real  
25 property leases as listed in the Notice of Intent to Sell and the  
26 Motion, and is further authorized to assume any other unexpired leases

1 or executory contract as may be required to effectuate the sale of  
2 assets.

3 13. The Trustee is authorized to distribute proceeds to  
4 those entities whose interests or liens attach to such proceeds (in  
5 the amounts set forth on the consent forms attached as Exhibit "C"),  
6 including to all real and personal property taxing authorities and B  
7 of A at any time after closing as Trustee deems appropriate without  
8 further court order. Any net proceeds shall be held pending further  
9 court order.

10 DATED this \_\_\_\_ day of \_\_\_\_\_, 1991.

11  
12   
13 Elizabeth L. Perris  
United States Bankruptcy Court Judge

14 Submitted by:

15 

16 Peter C. McKittrick, OSB #85281  
17 Farleigh, Wada & Witt, P.C.  
18 121 S.W. Morrison Street, Suite 1000  
Portland, Oregon 97204-3192  
(503) 228-6044

cc: Peter C. McKittrick  
U. S. Trustee  
Michael B. Batlan  
Charles R. Schrader  
Howard M. Levine  
David A. Urman  
Timothy J. Conway  
Richard C. Josephson  
Ronald G. Witcosky  
Gregg D. Johnson

19 Of Attorneys for Michael B. Batlan, Trustee

20 Approved as to Form:

21 

22 Howard M. Levine  
23 Of Attorneys for Bank of America

Gayle E. Bush  
Laura J. Walker  
Stephen C. Hendricks  
Internal Revenue Service  
David W. Hercher  
Jacob H. Martin  
John H. Durkheimer

24 

25 John H. Durkheimer  
26 Attorney for Sun Valley Acquisition Company



DESCRIPTION

That real property situate in the County of Humboldt, partly in the City of Arcata, State of California, described as follows:

PARCEL ONE:

BEGINNING at a point 2405.70 feet North and 824.34 feet East from the Southwest corner of Section 20, Township 6 North, Range 1 East, Humboldt Meridian;  
and running thence South 72 degrees 30 minutes East 457.86 feet;  
thence South 17 degrees 30 minutes West to the North line of a lane, said North line being the Southerly line of the land described in the deed to Frank Simas and wife recorded November 2, 1945, in Book 277 of Deeds page 189;  
thence North 76 degrees 15 minutes West to an angle point in said Southerly line;  
thence North 72 degrees 30 minutes West 198 feet;  
and thence North 17 degrees 30 minutes East 439.56 feet to the point of beginning; C

PARCEL TWO:

BEGINNING at a point on the Section line 5.60 chains South from the corner common to Sections 17, 18, 19 and 20 in Township 6 North, Range 1 East, Humboldt Meridian;  
thence South 72 degrees 50 minutes East 335 feet along the County Road to the Westerly line of Parcel of land conveyed by D. D. Averell to Mrs. Bridget Mullaly by deed of January 25, 1899, recorded in the Recorder's Office of said Humboldt County, California, in Book 29 of Deeds, Page 440;  
thence along said line South 17 degrees 10 minutes West 855 feet to the Southwesterly corner of said Mullaly parcel;  
thence along the Southerly line of last-mentioned parcel and along the Southerly line of the parcel conveyed by D. D. Averell to John H. Tripp on July 18, 1908, South 71 1/2 degrees East 368 feet to the Southeasterly corner of said land conveyed to Tripp;  
thence South 15 1/2 degrees West 23.63 chains more or less to the Section line between said Sections 19 and 20;  
thence South along the Section line 2.21 chains to the Southeast corner of the Parcel of land conveyed by Mrs. Sarah Nixon to Dunbar D. Averell by deed dated March 2, 1868, recorded in said Recorder's Office in Book F of Deeds, Page 613, recorded March 16, 1868;  
thence along the Southerly line the last mentioned parcel North 72 1/2 degrees West 914.72 feet, more or less, to a point distant South 72 1/2 degrees East 522.1 feet from the most Westerly corner of said land conveyed by Nixon to Averell;  
thence North 23 minutes West 2709.6 feet to a County Road;  
thence along the road South 72 degrees 50 minutes East 916.2 feet to the point of beginning;

CONTINUED

PARCEL THREE:

That portion of the South Half of the Northwest Quarter, the North Half of the Southwest Quarter, the Southwest Quarter of the Northeast Quarter and of the Northwest Quarter of the Southeast Quarter of Section 20, Township 6 North, Range 1 East, Humboldt Meridian, described as follows:

BEGINNING at a point located North 5 degrees 11 minutes 34 seconds East 1471.29 feet from the Quarter Section corner on the South line of said Section 20;

thence along Minor Lane, North 76 degrees 15 minutes West 1019.47 feet;  
 thence North 17 degrees 36 minutes East 371.21 feet;  
 thence North 72 degrees 22 minutes West 1182.25 feet;  
 thence North 17 degrees 38 minutes East 419.76 feet;  
 thence South 72 degrees 22 minutes East 954.36 feet;  
 thence North 17 degrees 38 minutes East 634.40 feet to the Southwest corner of Parcel One of the land conveyed to Lloyd E. Waterman and wife by Deed recorded August 9, 1963, under Recorder's File No. 13124 in Book 748 of Official Records Page 605 in the Office of the County Recorder of said County;

thence South 72 degrees 16 minutes East along the South line of said Parcel One, 295.54 feet to the Southeast corner of said Parcel One;

thence North 17 degrees 38 minutes East 147.40 feet to the Southeast corner of Lot 2 of Souza Subdivision as Per Map recorded in Book 12 Page 120 of Maps, in the Office of the County Recorder of said County;

thence North 17 degrees 44 minutes East along the Easterly line of said Lot 2 a distance of 209.22 feet to the Southerly line of the County Road;

thence Easterly along said Southerly line, 60.33 feet to the Westerly line of Lot 1 of said Souza Subdivision;

thence South 17 degrees 44 minutes West 203.04 feet to the Southwest corner of said Lot 1;

thence South 17 degrees 38 minutes West 175.4 feet to the Southwest corner of Parcel One of the land conveyed to Irvin W. Hill and wife by Deed recorded June 19, 1964, under Recorder' File No. 10699 in Book 793, Page 48, in the Office of the County Recorder of said County;

thence South 72 degrees 16 minutes East, 248.45 feet to a point that is South 17 degrees 44 minutes West, from the Southeast corner of Lot 1 of said Souza Subdivision

thence South 17 degrees 44 minutes West, 124.6 feet;

thence South 72 degrees 16 minutes East, 583.28 feet;

thence South 14 degrees 59 minutes 10 seconds West, 216.06 feet;

thence South 14 degrees 49 minutes West 987 feet to the point of beginning.

The land herein described is based on Survey by Ilmars Lagzdins, recorded in Book 14 Page 138 of Surveys, in the Office of the County Recorder of said County.

CONTINUED

EXCEPTING THEREFROM those portions thereof conveyed by the following instruments of record:

- (1) Deed from Chester H. Spiering and wife to Thomas Patrick Watson and wife, recorded November 30, 1959, under Recorder's File No. 19824 in Book 563 of Official Records Page 117 in the Office of the County Recorder of said County.
- (2) Deed from Joseph C. Souza and wife Deolinda M. Watson, recorded August 12, 1963, under Recorder's File No. 13167 in Book 749 Page 21 of Official Records, in the Office of the County Recorder of said County.
- (3) Deed from Joseph C. Souza and James Wendell Barham and wife, recorded August 12, 1963, under Recorder's File No. 13168 in the Book 749, page 22 of Official Records in the Office of the County Recorder of said County.

ALSO EXCEPTING the strip of land, 20 feet wide, which lies East of the lands described in the last 3 Deeds above listed, which strip is bounded on the South by Minor Lane and on the North by the Easterly extension on the North line of the Barham parcel.

PARCEL FOUR:

BEGINNING at a point located North 5 degrees 11 minutes 34 seconds East 1,471.29 feet from the Quarter Section corner on the South line of said Section 20;

thence along Minor Lane North 76 degrees 15 minutes West 1,019.47 feet;  
 thence North 17 degrees 36 minutes East 371.21 feet to the true point of beginning of this Parcel;  
 thence North 72 degrees 22 minutes 18 seconds West 65.86 feet;  
 thence South 15 degrees 58 minutes West 51.00 feet;  
 thence South 72 degrees 22 minutes 18 seconds East 64.41 feet;  
 thence North 17 degrees 36 minutes East 50.98 feet to the true point of beginning.

PARCEL FIVE:

The right for a period of 20 years ending July 1, 1989 to use the presently existing roadway between the public street, and the residence of Joseph C. Souza and wife, on the lands described as follows:

BEGINNING at the quarter section corner on the South line of Section 20, in Township 6 North, Range 1 East, Humboldt Meridian; and running

thence North 5 degrees 11 minutes 34 seconds East, 1471.29 feet;  
 thence North 76 degrees 15 minutes West, 1019.47 feet to the true point of beginning of the parcel of land to be here described, said latter point being on the North side of the county road known as Minor Lane;  
 thence from said true point of beginning, continue North 76 degrees 15 minutes West, along said county road, 228.63 feet to the Southwest corner of the parcel of land heretofore conveyed to Joseph C. Souza and Franselena Columbia Souza, his wife, by Deed dated May 27, 1938 and recorded June 16, 1938, under Recorder's File No. 2473;  
 thence North 17 degrees 38 minutes East, along the Westerly line of said Parcel, a distance of 386.69 feet;  
 thence South 72 degrees 22 minutes East, 227.89 feet; and  
 thence South, 17 degrees 36 minutes West, 371.21 feet to the true point of beginning.

EXHIBIT "A" (248)  
 TRADEMARK

EXCEPTING THEREFROM the following-described parcel of land:

BEGINNING at a point located North 5 degrees 11 minutes 34 seconds East, 1471.29 feet from the quarter section corner on the South line of said Section 20;  
thence along Minor Lane, North 76 degrees 15 minutes West, 1019.47 feet;  
and  
thence North 17 degrees 36 minutes East, 371.21 feet to the true point of beginning of this parcel;  
thence North 72 degrees 22 minutes 18 seconds West, 65.86 feet;  
thence South 15 degrees 58 minutes West, 51.00 feet;  
thence South 72 degrees 22 minutes 18 seconds East, 64.41 feet;  
thence North 17 degrees 36 minutes East, 50.98 feet to the true point of beginning.

EXCEPTING all structures, buildings and other improvements now or hereafter located on that portion of Parcel Two, described as follows:

That portion of Section 19, Township 6 North, Range 1 East, Humboldt Meridian, Humboldt County, California.

Being a portion of the parcel of land described in Book 1166 of Official Records, Page 178, Humboldt County Records.

BEGINNING at a point on the section line, 5.60 chains South of the Northeast corner of said Section;  
thence South 72 degrees 22 minutes 40 seconds East, 332.56 feet to a one-half inch iron pipe marked LS 2820, on the Southerly line of a County Road;  
thence South 17 degrees 05 minutes 15 seconds West, 854.40 feet, to a one-half inch iron pipe marked LS 2820;  
thence South 80 degrees 13 minutes 15 seconds West, 360.00 feet to the true point of beginning of the area herein described;  
thence North 73 degrees 33 minutes 15 seconds West, 381.00 feet;  
thence South 16 degrees 26 minutes 45 seconds West, 330.00 feet;  
thence South 73 degrees 33 minutes 15 seconds East, 381.00 feet;  
thence North 16 degrees 26 minutes 45 seconds East, 330.00 feet to the true point of beginning. 97

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF OREGON

In Re	)	Case No. 391-30491-P11
SUN VALLEY BULB FARMS, INC.,	)	
Debtor.	)	NOTICE OF TRUSTEE'S MOTION TO SELL SUBSTANTIALLY ALL ASSETS OF THE ESTATE FREE AND CLEAR OF LIENS AND ENCUMBRANCES AND TO ASSUME AND ASSIGN RELATED REAL ESTATE LEASES AND EXECUTORY CONTRACTS

Michael B. Batlan, the duly-appointed trustee of Sun Valley Bulb Farms, Inc. ("Trustee") proposes (a) to sell to Sun Valley Acquisition Company ("SVAC") free and clear of any mortgage, security interest or other lien or encumbrance, substantially all real and personal property of the estate; (b) to assume and assign to SVAC the real property leases in which Sun Valley Bulb Farms, Inc. ("Debtor") is lessee; and (c) to assume and assign any contracts or agreements which are necessary to preserve the on-going operations of the Debtor.

1. Assets to be Purchased. SVAC will acquire from Debtor substantially all of the assets of the estate, including:

A. The land and buildings located at 1780 27th Street, and 3160 Upper Bay Road, Arcata, California 95521.

B. The Debtor's interests as Lessee in the following real property leases:

- (1) Bernardi Lease
- (2) Bulwinkle Lease
- (3) Collenberg Lease
- (4) Hall Lease
- (5) Henderson Lease
- (6) Portori Lease
- (7) Vanorcini Lease
- (8) Tryon Lease
- (9) Medici Lease

C. All inventory (including certain bulbs in fields).

D. All accounts receivable, certain equipment, furniture, fixtures, machinery, motor vehicles, leasehold improvements, catalogs, sales literature, files, records, customer lists, patents, trademarks, logos, trade secrets and other technology and intellectual property, registrations of the name "Sun Valley Bulb Farms," and the right to use its telephone

numbers ("Assets").

2. Excluded Assets. The following assets are not being sold to SVAC:

- A. Trustee's Avoidance Powers;
- B. Breeders Rights and Royalty Agreements sold to Cabeco Handelstraat by prior court order and its proceeds;
- C. Cash and cash on deposit;
- D. Deposits, including refunds of deposits;
- E. The greenhouses and related equipment subject to leases with USC/LFC Leasing and Enterprise Leasing; and
- F. The Debtor's claims in the bankruptcy estates of Global Floral Holding Company, Oregon Bulb Farms, Inc., and Sun Pacific Washington, Inc., and claims against third parties.

3. Sale Free and Clear of Liens. The sale of Assets is free and clear of liens and encumbrances pursuant to Section 363(f)(5) of the Bankruptcy Code. The Trustee believes the following parties have or may claim liens on the Assets:

- A. Bank of America;
- B. Security Pacific Bank Washington;
- C. IBM - Santa Rosa;
- D. Hyster Credit Corp.;
- E. Ford Motor Credit;
- F. Chase Clark Rental System, Inc.;
- G. Dumac Leasing;
- H. Rainier Leasing, Inc.;
- I. Liquid Carbon Dioxide Corporation;
- J. M.I.C., Inc., nka Aurora Bulb Corp.; and
- K. Pacific Parts & Equipment, dba Redwood Clark.

4. Purchase Price and Terms. The Purchase Price of the Assets is \$2,300,000, plus the cost of all bulb purchases made by the Debtor from September 20, 1991, through the closing date,

which purchases shall not exceed the sum of \$570,000.00. The total Purchase Price shall be payable in cash at closing. SVAC shall be prepared on or before October 31, 1991 to tender a letter of credit issued through a national bank in the United States and payable to Trustee, or other equivalent instrument acceptable to Trustee for the total Purchase Price. Closing is anticipated to occur no later than November 15, 1991.

5. Assumption and Assignments of Leases and Executory Contracts. Trustee intends to assume and assign the leases in paragraph 1.B, above. Trustee also intends to assign all licenses, permits and regulatory approvals that are transferrable to SVAC.

6. Relation to Debtor. SVAC will be or is a corporation formed for the purpose of purchasing the Assets of Debtor. The General Manager of the Debtor, together with undisclosed investors, are the principals of SVAC. SVAC has represented to the Trustee that none of the present or former officers and directors of the Debtor or its affiliate companies have any interest in SVAC, and that none of the principals of SVAC are insiders as defined in the Bankruptcy Code.

7. Impact on Creditors. All liens and encumbrances are to attach to the proceeds of sale in their order and amount of priority. There are not expected to be any funds available from the sale for priority or unsecured creditors.

8. Sale in the Best Interest of Estate and Creditors. Trustee has determined that it is in the best interests of the Debtor and its creditors to sell the Assets to this buyer at this particular time. Trustee, in making this determination has considered the following:

A. The impossibility of continuing to maintain on-going operations for the first three months of 1992 without additional financing. No party has yet agreed to any short-term financing.

B. The Purchase Price is approximately \$600,000 higher than the Trustee's estimate of the liquidation value of the Assets. The Trustee's estimate of the liquidation value of the Assets was determined by obtaining estimated liquidation values from local vehicle and equipment dealers with regard to the vehicles and equipment, from local relators with regard to the real property and buildings, and from management of the Debtor with regard to accounts receiveable.

C. Trustee has not received any other offers for the Assets and SVAC appears to be the only presently interested buyer having the financial ability to purchase the Assets for cash.

Previous efforts by the Trustee to sell the Assets included the solicitation of offers from logical potential buyers, including competitors.

9. Impact of Sale Not Being Approved. The consequence of this sale not being approved and closed will be a liquidation of the Debtor's Assets at substantially lower prices.

10. Competing Bids. This sale is subject to higher and better bids. Other interested purchasers must submit written competing bids to the Trustee within twenty (20) days of the date of this Notice. However, all overbids must be on the same or more favorable terms and conditions. Any person or his or her agent who desires to make an overbid must:

A. On or before the third calendar day before the date of the hearing provide the Trustee with a written competing bid which exceeds the Purchase Price by at least \$200,000, and a refundable deposit of \$100,000;

B. Be prepared at the conclusion of the hearing to tender to Trustee a letter of credit issued through a national bank in the United States and payable to Trustee in the amount of the Purchase Price, plus pay a deposit for at least one-half the amount by which the overbid exceeds the Purchase Price. No overbid will be entertained unless such overbid exceeds the Purchase Price by at least \$200,000, and is on the same or more favorable terms and conditions as the offer from SVAC.

Provided an appropriate overbid is received, subsequent overbids must be in increments of at least \$50,000 greater than the previous highest bid amount and on the same or more favorable terms and conditions as the offer from SVAC. The Assets will be sold on open bidding terms on the same date as the hearing to the party making the highest bid.

11. Condition Precedent. SVAC shall not be obligated to close this sale transaction if it fails to reach a binding agreement with USC/LFC Leasing or Enterprise Leasing for the sale of the greenhouses on or before October 31, 1991.

PLEASE TAKE NOTICE THAT A HEARING on Trustee's Motion to authorize the sale free and clear of liens and encumbrances of substantially all of the Assets of the estate shall be held before the Honorable Elizabeth L. Parris on Monday, October 28, 1991 at 4:30 p.m. in Courtroom No. 1, U.S. Bankruptcy Court, 1001 S.W. Fifth Avenue, 9th Floor, Portland, Oregon. A copy of Trustee's Motion is on file with the Bankruptcy Court and the letter of intent with SVAC is anticipated to be filed within five (5) days from the date of this notice and will set forth with greater specificity the terms of the sale. Copies of the letter of intent



will be available from the Bankruptcy Court file or may be obtained by contacting the undersigned. Information about the status of bulb purchases may be obtained from the Trustee or by contacting the undersigned.

YOU ARE HEREBY FURTHER NOTIFIED that any party who wishes to submit a competing bid must comply with the procedure as set forth in paragraph 10 of this Notice.

YOU ARE HEREBY FURTHER NOTIFIED that objections to the sale must be filed no later than twenty (20) days from the date of this Notice and served upon Trustee's counsel and filed with the Clerk of the Court, U.S., 1001 S.W. Fifth Avenue, 9th Floor, Portland, OR 97204 with a written statement setting forth the specific grounds for the opposition to the proposed sale and/or objection to the assumption and assignment of the leases or executory contracts. If no objections are filed to the proposed sale, Trustee shall submit an order to the Court approving the sale. All responses, overbids and evidence of a prospective bidder's ability to consummate the purchase of Assets should be served upon Trustee's counsel, Peter C. McKittrick, Farleigh, Wada & Witt, P.C., 121 S.W. Morrison, Suite 1000, Portland, OR 97204 with a copy to John H. Durkheimer, Lana Powell Spears Lubersky, 520 S.W. Yamhill, Suite 800, Portland, OR 97204.

FARLEIGH, WADA & WITT, P.C.

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On September 27, 1991, copies of the above Notice were mailed to all creditors listed on the mailing matrix and all parties requesting special notice in the Sun Valley Bulb Farms, Inc. case.

Brad C. Stanford  
Brad C. Stanford, OSB #85411  
Of Attorneys for Trustee