


**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)	
LEO STOLLER,)	Case No. 05 B 64075
)	
Debtor.)	Honorable Jack B. Schmetterer
)	

**FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND ORDER APPROVING SALE OF DEBTOR'S ASSETS**

Upon consideration of the motion (the "Sale Motion") of Richard M. Fogel, not individually, but as chapter 7 trustee herein (the "Trustee"), pursuant to 11 U.S.C. § 363(b) and Fed. R. Bankr. P. 2002, 6004 and 9006, for authority to sell the Debtors' Assets for \$7,500, or such higher amounts as may be realized through competitive bidding, and for related relief, it appearing to the Court as follows:

THE COURT HEREBY FINDS that:

- A. Findings and Conclusions stated *during the* following hearings on July 24, 2007 and August 7, 2007, and the findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Fed. R. Bankr. Proc. 7052, made applicable to this proceeding pursuant to Fed. R. Bankr. Proc. 9014. 
- B. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.
- C. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Sale Motion and the APA.
- D. Notice of the Sale Motion, the Auction, and the Sale Hearing has been given in accordance with Sections 102(1) and 363 of the Bankruptcy Code, Fed. R. Bankr. Proc. 2002, 6004, 9006, 9007, and 9008, the local rules of this Court, the Sale Procedures Order, and the

APA. The foregoing notice constitutes good and sufficient notice of the Sale Motion, the Auction, and the Sale Hearing, and no other or further notice of the Sale Motion, the Auction, the Sale Hearing or the entry of this Order need be given.

E. A reasonable opportunity has been afforded any interested party to make a higher or better offer for the Assets during the Auction within the time period ordered or to object and be heard regarding the Sale Motion.

F. Sound business reasons exist for the Trustee's sale of the Assets pursuant to the APA. Entry into the APA and the consummation of the Sale contemplated thereby constitute the exercise by the Trustee's of sound business judgment and such acts are in the best interests of the Debtor, his estate and its creditors. Two major creditors supported the Trustee's Motion; no creditor opposed it.

G. Based on the results of the Auction, the Society for the Prevention of Trademark Abuse, LLC or its respective designees (collectively, the "Purchaser") made the only offer received for the Assets within the time period ordered, which offer was in the amount of \$7,500.00.

H. The sale consideration to be realized by the Debtor's estate pursuant to the APA is fair and reasonable since it was the only valid offer received.

I. The APA and the transactions contemplated by the APA were negotiated and have been and are undertaken by the Trustee and the Purchaser at arm's length, without collusion and in good faith within the meaning of Section 363(m) of the Bankruptcy Code. The Auction conducted in accordance with the Sale Procedures Order entered on June 1, 2007, was conducted in good faith within the meaning of Section 363(m) of the Bankruptcy Code. As a result of the foregoing, the Trustee and the Purchaser are entitled to the protections of Section 363(m) of the Bankruptcy Code with respect to all aspects of the APA.

J. The Purchase Price under the APA is fair and reasonable and is sufficient value for the Assets, since it was the only valid offer received. Therefore, the Sale contemplated by the APA is in the best interests of the Debtor and his estate, its creditors and other parties in interest.

K. In the absence of a stay pending appeal, the Purchaser will be acting in good faith pursuant to Section 363(m) of the Bankruptcy Code in closing the transactions contemplated by the APA ~~at any time on or before August 17, 2007.~~

L. The Court incorporates by reference as if fully set forth herein the additional findings of fact and conclusions of law set forth on the record of the Auction and Sale Hearing.

For all of the foregoing and after due deliberation, the Court **ORDERS, ADJUDGES, AND DECREES THAT:**

1. The Sale Motion, the APA, the Auction, and the transactions contemplated thereby are hereby approved.

2. Pursuant to Section 363(b) of the Bankruptcy Code, the Trustee is authorized to sell the Assets to the Purchaser upon the terms and subject to the conditions set forth in the APA.

3. The Trustee and the Purchaser are hereby authorized to take all actions and execute all documents and instruments that the Trustee or the Purchaser deem necessary or appropriate to implement and effectuate the transactions contemplated by the APA.

4. The Sale of the Assets to the Purchaser shall be free and clear of all liens and all other claims whatsoever pursuant to Section 363(f) of the Bankruptcy Code, whether known or unknown, including, but not limited to, liens and claims of any of the Debtor's creditors, vendors, suppliers, employees or lessors, and the Purchaser shall not be liable in any way (as a successor to the Debtor or otherwise) for any claims that any of the foregoing or any other third party may have against the Debtor or the Assets. Any and all alleged liens and claims on the Assets shall be transferred, affixed, and attached to the proceeds of the Sale, with the same validity, priority, force, and effect as such liens had been upon such property immediately prior to the Closing.

5. Subject to the payment by the Purchaser to the Trustee of the consideration provided for in the APA, effective as of the Closing, the sale of the Assets by the Trustee to the Purchaser shall constitute a legal, valid and effective transfer of the Assets and shall vest the Purchaser with all right, title, and interest of the Debtor (and the Trustee and the Estate) in and to the Assets, free and clear of all liens pursuant to Section 363(f) of the Bankruptcy Code.

6. Notwithstanding any other provisions contained herein, if it is established after the Closing that the Debtor transferred the Stock to a third-party transferee, and such transfer may be avoided by the Trustee pursuant to the provisions of chapter 5 of the Bankruptcy Code, the Trustee shall commence and prosecute such adversary proceeding(s) against such transferee(s) as may be necessary to avoid such transfers.

7. The sale of the Assets to the Purchaser under the APA will constitute a transfer for reasonably equivalent value and fair consideration under the Bankruptcy Code and the laws of the State of Illinois. The transfer of the Assets by the Trustee to the Purchaser is a legal, valid and effective transfer of the Assets notwithstanding any requirement for approval or consent of any person.

8. The Purchaser is hereby granted and is entitled to the protections provided to a good-faith purchaser under Section 363(m) of the Bankruptcy Code.

9. Pursuant to Sections 105(a) and 363 of the Bankruptcy Code, all Persons served with a copy of this Order are enjoined from taking any action against the Purchaser or the Assets to recover any claim which such Person had solely against the Debtor or the Assets.

10. Pursuant to Bankruptcy Rule 7062, this Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing.

11. This Court shall retain exclusive jurisdiction through the earlier of dismissal or closing of the Debtor's case to interpret and enforce the provisions of the APA, the Sale Procedures Order, and this Order in all respects and further to hear and determine all matters arising from the construction or implementation of this Order or the APA and any and all

disputes between the Debtor and/or the Purchaser, as the case may be; provided, however, that in the event the Court abstains from exercising or declines to exercise such jurisdiction or is without jurisdiction with respect to the APA, Sale Procedures Order, or this Order, such abstention, refusal or lack of jurisdiction shall have no effect upon, and shall not control, prohibit, or limit the exercise of jurisdiction of any other court having competent jurisdiction with respect to any such matter.

12. The provisions of this Order are nonseverable and mutually dependent.

13. This Order shall inure to the benefit of the Purchaser, the Trustee, and their respective successors and assigns and shall be binding upon any trustee, party, entity or other fiduciary that may be appointed in connection with this case or any other or further cases involving the Debtor, whether under Chapter 7, Chapter 11 or Chapter 13 of the Bankruptcy Code.

14. Each and every federal, state, and local governmental agency, department or entity may accept the filing of any and all documents and instruments necessary and appropriate to implement, effectuate or consummate the transactions contemplated by the APA and this Order.

15. The Trustee is hereby authorized to execute and deliver any and all instruments as may be required to effectuate the terms of the APA and this Order. The Trustee and each other person having duties or responsibilities under the APA, any agreements related thereto or this Order, and their respective members, directors, officers, general partners, agents, representatives, and attorneys, are authorized and empowered - subject to the terms and conditions contained in the APA and the schedules annexed thereto - to carry out all of the provisions of the APA and any related agreements; to issue, execute, deliver, file, and record, as appropriate, the documents evidencing and consummating the APA, and any related agreements; to take any and all actions contemplated by the APA, any related agreements or this Order; and to issue, execute, deliver, file, and record, as appropriate, such other contracts, instruments, releases, indentures, mortgages, deeds, bills of sale, assignments, leases, or other agreements or documents and to

perform such other acts and execute and deliver such other documents, as are consistent with, and necessary or appropriate to implement, effectuate and consummate, the APA, any related agreement and this Order and the transactions contemplated thereby and hereby, all without further application to, or order of, the Court or further action by their respective directors, stockholders, or partners, and with like effect as if such actions had been taken by unanimous action of the respective directors, stockholders, and partners of such entities. The Trustee shall be, and hereby is, authorized to certify or attest to any of the foregoing actions (but no such certification or attestation shall be required to make any such action valid, binding, and enforceable). The Trustee is further authorized and empowered to cause to be filed with the secretary of state of any state or other applicable officials of any applicable governmental units any and all certificates, agreements, or amendments necessary or appropriate to effectuate the transactions contemplated by the APA, any related agreements and this Order, including amended and restated certificates or articles of incorporation and by-laws or certificates or articles of amendment, and all such other actions, filings, or recordings as may be required under appropriate provisions of the applicable laws of all applicable governmental units or as the Trustee may determine is necessary or appropriate. The execution of any such document or the taking of any such action shall be, and hereby is, deemed conclusive evidence of the authority of such person to so act. Without limiting the generality of the foregoing, this Order shall constitute all approvals and consents, if any, required by the corporation laws of the State of Illinois and all other applicable business corporation, trust, and other laws of the applicable governmental units with respect to the implementation and consummation of the APA, any related agreements and this Order, and the transactions contemplated thereby and hereby.

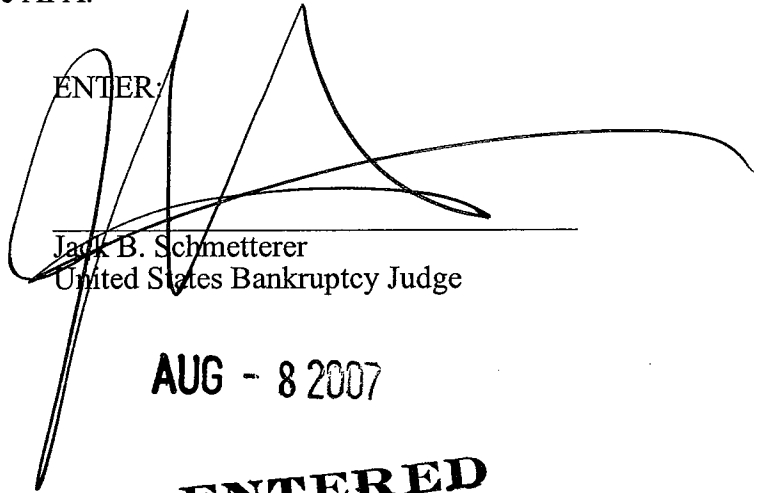
16. In the absence of any entity obtaining a stay pending appeal, if the Trustee and the Purchaser close under the APA, the Purchaser shall be entitled to the protection of Section 363(m) of the Bankruptcy Code as to all aspects of the transaction pursuant to the APA if this Order or any authorization contained herein is reversed or modified on appeal.

17. The APA and any related agreements may be modified, amended or supplemented by APA of the Trustee and the Purchaser without further action of the Court; provided that any such modification, amendment or supplement is not material and substantially conforms to and effectuates the APA.

18. All proceeds paid by the Purchaser to the Trustee for the Assets shall be held by the Trustee pending further order of the Court.

19. This Order is not intended to, nor shall it, amend, expand or increase the rights, obligations or responsibilities of the parties to the APA.

ENTER:



Jack B. Schmetterer
United States Bankruptcy Judge

Entered this 8th day of August 2007.

AUG - 8 2007

ENTERED

AUG - 8 2007

JACK B. SCHMETTERER BANKRUPTCY JUDGE
UNITED STATES BANKRUPTCY COURT