

TRADEMARK ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Wachovia Bank, National Association	FORMERLY Congress Financial Corp.	08/24/2006	CORPORATION: NORTH CAROLINA

RECEIVING PARTY DATA

Name:	London Fog Group, Inc.
Also Known As:	AKA Formerly, London Fog Industries, Inc.
Street Address:	1700 Westlake Avenue, North
Internal Address:	Suite 200
City:	Seattle
State/Country:	WASHINGTON
Postal Code:	98109
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 21

Property Type	Number	Word Mark
Registration Number:	0938911	CLIPPER MIST
Registration Number:	1354246	FOG
Registration Number:	1124530	FOG
Registration Number:	1351765	LONDON FOG
Registration Number:	0851508	LONDON FOG
Registration Number:	1669256	LONDON FOG
Registration Number:	0858627	LONDON FOG
Registration Number:	1086519	LONDON FOG
Registration Number:	1245840	LONDON FOG
Registration Number:	1171380	LONDON FOG
Registration Number:	1173397	LONDON FOG
Registration Number:	1304805	LONDON FOG

OP \$540.00 0938911

Registration Number:	1364497	LONDON FOG
Registration Number:	1159254	LONDON FOG
Registration Number:	0423351	RAINCRAFT
Registration Number:	1890599	STERLING EDITION LONDON FOG INDUSTRIES
Registration Number:	1450798	TEMPO EUROPA
Registration Number:	1455401	THAMES OF LONDON
Registration Number:	1336677	
Registration Number:	1245842	
Registration Number:	0843245	

CORRESPONDENCE DATA

Fax Number: (212)391-0127
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 212-730-0030
Email: atarshis@iconixbrand.com
Correspondent Name: Andrew R. Tarshis
Address Line 1: 1450 Broadway, 4th Floor
Address Line 4: New York, NEW YORK 10018

ATTORNEY DOCKET NUMBER:	LF RELEASE
NAME OF SUBMITTER:	Andrew R. Tarshis
Signature:	/andrew tarshis/
Date:	09/12/2006

Total Attachments: 18
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Entered on Docket
August 24, 2006

Hon. Gregg W. Zive
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re

PTI HOLDING CORP., a Nevada corporation,

Debtor.

Case Nos. 06-50140-GWZ through 06-50146
Administratively consolidated under:

CASE NO. 06-50140-GWZ

ORDER APPROVING (A) SALE OF
LONDON FOG ASSETS FREE AND
CLEAR OF ALL LIENS, CLAIMS,
INTERESTS AND OTHER
ENCUMBRANCES, AND (B)
ASSUMPTION AND ASSIGNMENT OF
CERTAIN EXECUTORY CONTRACTS

Hearing Date: August 17, 2006

Hearing Time: 2:00 p.m.

Continued Hearing Date: August 18, 2006

Continued Hearing Time: 9:00 a.m.

WHEREAS, London Fog Group, Inc. ("Seller"), one of the affiliated entities that are debtors and debtors in possession in these proceedings (collectively, the "Debtors"), having entered into an Asset Purchase Agreement (the "LF Purchase Agreement") with LF Joint Venture ("LF Joint Venture") respecting the sale of certain of their assets; and

ORDER APPROVING SALE OF ASSETS- 1

[60645-0691/518063070.076]

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TRADEMARK
REEL: 003387 FRAME: 0744

1 WHEREAS, Debtors having filed their Motion for Order Approving (A) Sale of London
2
3 Fog Assets Free and Clear of Liens, Claims and Encumbrances, (B) Assumption and Assignment
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5 of Executory Contracts, and (C) Bid Procedures (the "Sale Motion"); and
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8 WHEREAS, on August 4, 2006, a hearing was held on the bid procedures and auction
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10 process requested by Debtors in the Sale Motion (the "Bid Procedures") in connection with the
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12 auction and sale of the Assets (as defined below); and
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14 WHEREAS, the Court entered an Order on August 8 2006 approving the Bid Procedures
15
16 (the "Bid Procedures Order"); and
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18 WHEREAS, pursuant to the Bid Procedures Order, the Auction was held before the
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20 undersigned on commencing at 2:00 p.m on August 17 and concluding on August 18, 2006; and
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23 WHEREAS, appearances at the Auction, including Bidders (as defined in the Bid
24
25 Procedures Order), were made as reflected in the record, and all parties in interest having been
26
27 heard, or having had the opportunity to be heard, regarding approval of the Purchase Agreement
28
29 (defined below), and the transactions contemplated thereby (the "Transactions"); and
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32 WHEREAS, at the Auction the Highest Bidder was Iconix Brand Group, Inc.
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34 ("Purchaser"); and
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1 WHEREAS, as used herein "Purchase Agreement" shall mean the Asset Purchase
2 Agreement dated as of August 21, 2006, by and between Purchaser and Seller, a copy of which is
3 attached hereto as Exhibit A¹; and
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7 WHEREAS, each reference to Seller herein shall include each of the Debtors if and to the
8 extent applicable; and
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11 WHEREAS, pursuant to the Bid Procedures Order, immediately following the conclusion
12 of the Auction the Sale Hearing (as defined therein) was held before the undersigned on August
13 18, 2006; and
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17 WHEREAS, appearances were made as reflected in the record; and
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19 WHEREAS, good cause appearing therefore, IT IS HEREBY FOUND, ORDERED,
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ADJUDGED AND DECREED AS FOLLOWS:

1. The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334.

2. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and may be determined by the Court.

3. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

4. Notice of the Sale, the Auction, the Sale Motion, the Sale Hearing, and the assumption and assignment of the Assigned Agreements was reasonable and appropriate under the circumstances, and the Auction was conducted in accordance with the terms of the Bid

¹ Capitalized terms not otherwise defined herein are used as defined in the Purchase Agreement.

1 Procedures Order, Creditors of Debtors' estates, nondebtor parties to the Assigned Contracts (as
2 defined below) and other parties-in-interest have been provided with sufficient opportunity to
3 object to the Transactions.
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7 5. Debtors have actively marketed the Assets (as defined in the Purchase
8 Agreement) and have provided notice of the proposed sale of Assets to each of the entities which
9 expressed a bona fide interest in the Assets. Debtors were free to deal with any other party
10 interested in acquiring the Debtors' assets.
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15 6. Purchaser is a third-party, good faith purchaser unrelated to Debtors. The
16 purchase terms, as set forth in the Purchase Agreement, are fair and reasonable under the
17 circumstances of these chapter 11 cases and this proceeding. The consideration to be paid by
18 Purchaser for the Assets is the highest and best offer for the Assets, and constitutes reasonably
19 equivalent value and fair consideration under the Bankruptcy Code and the laws of the United
20 States, Canada, and any state, province territory or possession thereof. Purchaser has acted and
21 purchased in good faith within the meaning of Section 363(m) of the Bankruptcy Code and is
22 entitled to all the protections and immunities of Section 363(m).
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34 7. All payments to be made by Purchaser and other agreements or arrangements
35 entered into by Purchaser in connection with the Transactions have been disclosed. Purchaser has
36 not violated section 363(n) of the Bankruptcy Code by any action or inaction. The negotiation
37 and execution of the Purchase Agreement and any other agreements or instruments related
38 thereto was in good faith and an arm's-length transaction between Purchaser and Debtors.
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ORDER APPROVING SALE OF ASSETS- 4

[60845-0001/S3062070.076]

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TRADEMARK
REEL: 003387 FRAME: 0747

1 8. Purchaser has presented evidence to the Court sufficient for the Court to conclude
2 that Purchaser has the financial wherewithal to meet all of its future financial obligations
3
4 pursuant to the terms of the Assigned Contracts (as defined below).
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8 9. Debtors have demonstrated good, sufficient, and sound business purpose and
9 justification and compelling circumstances for the sale of their respective assets pursuant to
10 Section 363(b) of the Bankruptcy Code prior to, and outside of, a plan of reorganization. The
11 sale of the Assets outside of a plan of reorganization is reasonable and appropriate under the
12 circumstances and does not impermissibly dictate the terms of any future plan of reorganization
13 or liquidation that may be filed by the Debtors, individually or collectively.
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21 10. No common identity of incorporators, directors or stockholders exists between
22 Purchaser and Debtors. Purchaser is not purchasing all or substantially all of Debtors' assets.
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24 Purchaser is not purchasing the Excluded Assets as more particularly set forth in the Purchase
25 Agreement. The sale transaction (the "Transaction") is not being entered into fraudulently or in
26 order to escape liability for Debtors' debts. Purchaser does not constitute, and shall not be
27 deemed a successor to or continuation of Debtors or Debtors' estates. The Transaction does not
28 amount to a consolidation, merger or de facto merger of Purchaser and Debtors or Debtors'
29 estates. There is not substantial continuity of enterprise between Debtors and Purchaser.
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39 11. Debtors' sale of the Assets to Purchaser is in the best interests of Debtors and their
40 estates. The Purchase Agreement, in form substantially as attached hereto as Exhibit A, is in the
41 best interests of Debtors and their estates and is hereby approved pursuant to Section 363(b) of
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1 the Bankruptcy Code. Entry into the Purchase Agreement is a prudent exercise of the Debtors'
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3 business judgment.
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5 12. Assumption by the Debtor(s) signatory thereto and assignment to Purchaser of the
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7 executory contracts set forth on Exhibit B hereto (the "Assigned Contracts") is hereby approved.
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9 Debtors have provided the nondebtor parties to the Assigned Contracts with adequate assurances
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11 of future performance of each of the Assigned Contracts.
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14 13. Debtors shall be responsible for all cure costs allocable to the Assigned Contracts.
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16 Based on the Debtors' records, the cure costs are those set forth on Exhibit B. Any nondebtor
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18 party to an Assigned Contract who disputes the cure amounts set forth on Exhibit B shall file a
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20 statement detailing its cure costs within ten (10) calendar days of the entry of this Order. Debtors
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22 shall expeditiously review any such statements and, within five (5) business days of receipt of
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24 such a request, either (a) pay the requested amount (or such other amount as Debtors and the
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26 nondebtor party shall agree) or (b) file an appropriate pleading requesting the Court's resolution
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28 of any remaining disputes. Under no circumstances shall Purchaser be responsible for any cure
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30 or default (either monetary or non-monetary) associated with the Assigned Contracts (other than
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32 with respect to the Seventh Avenue Lease, if the Buyer exercises its Lease Right).
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37 14. Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code, the Debtors
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39 and all nondebtor parties to the Assigned Contracts are forever barred and enjoined from raising
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41 or asserting against the Purchaser or the Assets any claim, assignment fee, default, breach or
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43 claim of pecuniary loss, or condition to assignment, arising under or related to the Assigned
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45 Contracts existing as of the Closing or arising by reason of the Closing. All of the nondebtor
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ORDER APPROVING SALE OF ASSETS- 6

{0815-000150662076.076}

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TRADEMARK
REEL: 003387 FRAME: 0749

1 parties to the Assigned Contracts have consented or are deemed to have consented to the
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3 assignment of their respective Assigned Contracts. Any provisions in such Assigned Contracts
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5 that purport to condition or limit assignment absent consent, including without limitation
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7 bankruptcy termination clauses, change of control provisions, and consent clauses (collectively,
8
9 the "Bankruptcy Clauses"), are unenforceable as a matter of law pursuant to Sections 365(b)(2)
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11 and 365(e). Each nondebtor party to an Assigned Contract is hereby enjoined from taking any
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13 action against Purchaser to terminate any such Assigned Contract on the basis of a Bankruptcy
14
15 Clause, whether prior to, at, or after Closing.
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19 15. Assignment and sale of all of the Assets to the Purchaser (or to IP Holdings, LLC,
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21 as assignee of the Purchaser) shall be free and clear of all liens, claims and encumbrances,
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23 mortgages, security interests, charges, assessments, covenants, hypothecations, equities,
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25 easements, licenses, contractual or other restrictions, reservations, Cure Costs and obligations,
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27 title defects, pledges, interests, encroachments and burdens of every kind or nature whatsoever
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29 (whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled,
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31 noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed,
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33 contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-
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35 material, disputed or undisputed, whether arising prior to or subsequent to the Petition Date, and
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37 whether imposed by agreement, understanding, law, equity, or otherwise, including claims
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39 otherwise arising under doctrines of successor liability), including, but not limited to those (i)
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41 that purport to give to any party a right or option to effect any forfeiture, modification, right of
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43 first refusal, or termination of the Seller's or the Buyer's interest in the Assets, or any similar
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ORDER APPROVING SALE OF ASSETS- 7

{00845 0001-S1002070-070}

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TRADEMARK
REEL: 003387 FRAME: 0750

1 rights, and (ii) relating to taxes arising under or out of, in connection with, or in any way relating
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3 to the operation of the Seller's business prior to the transfer of the Assets to the Buyer
4
5 (collectively, "Liens and Claims"), pursuant to Section 363(f) of the Bankruptcy Code, with such
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7 Liens and Claims to attach to the proceeds of sale/assignment, including without limitation the
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9 Retention Amount (as defined in paragraph 16(b) below), in the same order and priority.
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12 16. Wachovia Bank, National Association, Debtors' senior secured creditor
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14 ("Wachovia"), and DDJ Capital Management, LLC, as Agent, Debtors' junior secured lender
15
16 ("DDJ"), have consented to the sale of the Assets subject to entry of this Order, specifically, this
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18 paragraph 16.
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21 (a) Notwithstanding anything to the contrary contained elsewhere in this Order',
22
23 sufficient proceeds of sale shall be remitted at Closing to Wachovia Bank, National Association
24
25 ("Wachovia") to (i) satisfy, in full, all outstanding "Obligations" (as defined in the Ratification
26
27 and Amendment Agreement dated as of March 22, 2006 (as amended to date, the "Ratification
28
29 Agreement"), by and among Debtors and Wachovia), including any amounts disputed by
30
31 Debtors, other than Obligations relating to outstanding letters of credit and certain other
32
33 obligations identified in the Termination Agreement (as defined below) (the "Continuing
34
35 Obligations"), and (ii) terminate the post-petition financing arrangements with Wachovia in
36
37 accordance with Section 9.2 of the Ratification Agreement, Section 13.1 of the Loan Agreement
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39 (as defined in the Ratification Agreement) and Section 4.5 of the Final Financing Order entered
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41 April 28, 2006 (the "Final Financing Order") pursuant to the terms and conditions of a
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43 termination agreement to be entered into by and among Wachovia and Debtors (the "Termination
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1 Agreement"), the execution and delivery of which by the Debtors have been previously
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3 authorized and approved by this Court pursuant to the Final Financing Order. Upon the
4
5 repayment of such Obligations and the termination of the Financing Agreements, Wachovia shall
6
7 (i) terminate its liens on the Collateral (as defined in the Ratification Agreement), other than the
8
9 cash collateral supporting the Continuing Obligations, (ii) be released from all claims, liabilities,
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11 obligations or responsibilities relating to the Financing Agreements (including, without
12
13 limitation, all obligations and liabilities relating to the Carve Out Expenses) other than those
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15 relating to the Continuing Obligations, and (iii) hold cash collateral to secure the Continuing
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17 Obligations, all in accordance with the terms and conditions of the Termination Agreement.
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21 (b) Subject to the termination of the Financing Agreements pursuant to clause (a)
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23 above, Debtors shall cause the DDJ Sale Proceeds to be paid to DDJ upon or immediately after
24
25 closing. The term "DDJ Sale Proceeds" means the net proceeds of the sale of the Assets after
26
27 payment of direct sale expenses (including the fees of Houlihan Lokey Howard & Zukin,
28
29 incentive bonuses measured by sale proceeds, the Expense Reimbursement as defined in the Bid
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31 Procedures Order, and a reserve in the amount of \$500,000 on account of a possible break-up fee
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33 pursuant to paragraph 25 below) and the amounts set forth in subparagraph (a) above, less Ten
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35 Million Five Hundred Thousand Dollars (\$10,500,000.00) (the "Retention Amount"). Seven
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37 Million Dollars (\$7,000,000.00) of the Retention Amount shall be held by the Debtors in a
38
39 segregated interest bearing account pending further orders of the Court (the "Escrow Amount").
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41 The remaining Three Million Five Hundred Thousand Dollars (\$3,500,000.00) of the Retention
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43 Amount shall be DDJ's cash collateral and may be used subject to and in accordance with (i) the
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1 terms of that certain Final Order under 11 U.S.C. 361 and 363, Authorizing Debtors to Use Cash
2 Collateral and to Grant Adequate Protection to the Subordinated Lenders, dated as of May 26,
3 2006 (the "Cash Collateral Order"), and (b) the "Budget" (as that term is defined in that certain
4 Final Order (A) Authorizing Debtors to Obtain Post-Petition Financing and Grant Security
5 Interests and Superpriority Administrative Expense Status Pursuant to 11 U.S.C. 105 and 364(c);
6 (B) Modifying the Automatic Stay Pursuant to 11 U.S.C. 362 and (C) Authorizing the Debtors to
7 Enter Into Agreements with Wachovia Bank, National Association, dated as of April 28, 2006),
8 as such Budget may be amended or supplemented from time to time by agreement of Debtors
9 and DDJ.

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22 (c) The DDJ Sale Proceeds shall include all of the Deliverable Iconix Stock and an
23 assignment of Debtors' other rights under Section 3(e) of the Purchase Agreement. For purposes
24 of its claims against the Debtors' estates, and subject to subparagraph (e) below, DDJ shall be
25 deemed to have received \$6,750,000.00 on account of such Deliverable Iconix Stock and such
26 assignment. All of the Deliverable Iconix Stock shall be delivered by Purchaser directly to DDJ
27 (or its designee(s)), without the necessity of any other or further documents between Seller and
28 DDJ, and shall be subject to that certain Stock Issuance and Registration Rights Agreement
29 between Purchaser and DDJ dated as of August 28, 2006 (the "Registration Rights Agreement").

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40 (d) The payment of the DDJ Sale Proceeds to DDJ, including the Deliverable Iconix
41 Stock, is without prejudice to the Committee seeking disgorgement of some or all of the DDJ
42 Sale Proceeds in accordance with paragraph D of the Cash Collateral Order; provided that DDJ
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ORDER APPROVING SALE OF ASSETS- 10

{00843-0001-5190620701076}

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TRADEMARK
REEL: 003387 FRAME: 0753

1 shall not under any circumstances be required to disgorge more than \$6,750,000.00 (plus
2
3 interest, if applicable) on account of amounts received pursuant to subsection (c) above.
4

5 (e) the Registration Rights Agreement provides that under certain circumstances
6
7 Purchaser must pay Liquidated Damages (as defined in the Registration Rights Agreement) to
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9 DDJ in an amount equal to \$11,000 per day but not to exceed \$660,000. If DDJ receives
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11 Liquidated Damages under the Registration Rights Agreement, it shall hold such amounts in a
12
13 segregated account in trust until further Order of the Court. This Order is without prejudice to
14
15 the Committee, DDJ or Debtors seeking a ruling relating to the proper treatment and application
16
17 of any Liquidated Damages received by DDJ.
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21 17. Those (i) holders of liens, claims and encumbrances on the Assets and (ii)
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23 nondebtor parties to the Assigned Contracts which did not object, or which withdrew their
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25 objections, to the Sale Motion are deemed to have consented pursuant to section 363(f)(2) of the
26
27 Bankruptcy Code. Any (i) holders of liens, claims and encumbrances on the Assets and (ii)
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29 nondebtor parties to the Assigned Contracts which did object fall within one or more of the other
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31 subsections of section 363(f) of the Bankruptcy Code and are adequately protected by, among
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33 other things, having their liens, if any, attach to the cash proceeds of the Transactions ultimately
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35 attributable to the property against or in which they claim a lien.
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39 18. All objections to the Sale Motion or the relief requested therein that have not been
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41 withdrawn, waived, or settled, and all reservations of rights included therein, hereby are
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43 overruled on the merits.
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1 19. The Court specifically finds that the Debtors are the sole owners of the Assets,
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3 and have the power and authority to convey full and complete title to the Assets to the Purchaser
4 under this Order. Upon consummation of the Transactions, Purchaser (or IP Holdings LLC as
5 assignee of Purchaser) shall be the sole owner of the Assets.
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10 20. This Order: (a) is and shall be effective as a determination that, upon Closing, all
11 liens, claims and encumbrances existing as to the Assets conveyed to Purchaser have been and
12 hereby are adjudged and declared to be unconditionally released, discharged and terminated, and
13 (b) shall be binding upon and govern the acts of all entities, including, all filing agents, filing
14 officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of
15 deeds, administrative agencies or units, governmental departments or units, secretaries of state,
16 federal, state and local officials and all other persons and entities who may be required by
17 operation of law, the duties of their office, or contract, to accept, file, register or otherwise record
18 or release any documents or instruments, or who may be required to report or insure any title or
19 state of title in or to any of the Assets conveyed to Purchaser. All such entities described above
20 in this paragraph are authorized and specifically directed, upon request of Purchaser or Debtors,
21 to strike all such recorded liens against the Assets from their records, official and otherwise and
22 including without limitation those liens listed in the applicable schedules to the Purchase
23 Agreement. The Purchaser is hereby authorized to file, register, or otherwise record a copy of
24 this Order with any of the foregoing entities.
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1 21. Debtors and their estates shall have no liability with respect to any breach of an
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3 Assigned Contract that occurs after the Closing pursuant to Section 365(k) of the Bankruptcy
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5 Code.
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8 22. Purchaser shall have no liability with respect to any obligation of Debtors, of any
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10 type or nature whatsoever, other than the Assumed Obligations. Without limiting the generality
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12 of the foregoing, Purchaser shall not be liable as a successor in interest to Debtors under any
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14 theory respecting any obligations of Debtors, except to the extent of post-Closing obligations
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16 under the Assigned Contracts; Purchaser shall not be liable for breach of any Assigned Contract
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18 prior to the Closing, including without limitation any cure costs (whether or not so indicated as
19
20 such on Exhibit B); Purchaser shall not be liable for any chargebacks, claims, defenses, or offsets
21
22 asserted by any licensee, supplier or customer of Debtors; and Purchaser shall not be liable for
23
24 any of the obligations, claims, or liabilities described in Section 2(b) of the Purchase Agreement
25
26 (Excluded Liabilities). All creditors of the Debtors and all other parties in interest are hereby
27
28 enjoined from asserting or prosecuting any such obligations, claims or liabilities against
29
30 Purchaser or any of the Assets. Nothing herein shall preclude or limit in any way any such
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32 creditor or party in interest from taking any appropriate action against Debtors, including filing
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34 such proofs of claim or other appropriate pleadings in this Court as may be deemed necessary or
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36 desirable.
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42 23. Debtors are authorized and directed to take such other and further actions as may
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44 be necessary and appropriate to consummate the transactions contemplated by the Purchase
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46 Agreement, including without limitation execution and delivery of any documents and
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ORDER APPROVING SALE OF ASSETS- 13

[60842-000] 53062070.076

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TRADEMARK
REEL: 003387 FRAME: 0756

1 instruments necessary or appropriate to evidence the transfer of the Assets and the completion of
2 such transactions.
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5 24. The transfer of the Assets is a transfer pursuant to Section 1146(c) of the
6 Bankruptcy Code, and accordingly shall not be taxed under any law imposing a stamp, transfer,
7 recording, sales, excise, or similar tax.
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10 25. The LF Purchase Agreement provides that LF Joint Venture is entitled to a
11 break-up fee of \$500,000 (the "Break-Up Fee") plus reimbursement of sale-related expenses in
12 an amount not to exceed \$100,000 (the "Expense Reimbursement") under certain circumstances
13 (a "Break-Up Entitlement" as defined in the Bid Procedures Order). In the Bid Procedures
14 Order, the Court approved the provisions relating to the Expense Reimbursement but declined to
15 approve the Break-Up Fee, without prejudice to LF Joint Venture or other person requesting
16 approval of a break-up fee or similar consideration after the Sale Hearing. The Court finds and
17 concludes that a Break-Up Entitlement will occur at Closing within the meaning of the Bid
18 Procedures Order, and therefore that, upon Closing of the sale of the Assets to Purchaser (or the
19 Next Highest Bidder), LF Joint Venture will be entitled to the Expense Reimbursement. At such
20 Closing, Debtors shall reserve from the sale proceeds the maximum Expense Reimbursement of
21 \$100,000, placing such sum into a non interest-bearing trust account pending further order of the
22 Court respecting final determination of the amount of such Expense Reimbursement to which LF
23 Joint Venture is entitled. LF Joint Venture's right to such funds (to the extent of the Court's
24 determination of amounts due) shall be senior in interest to that of any other person, including
25 without limitation any prepetition or postpetition secured creditor of Debtors. With the consent
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ORDER APPROVING SALE OF ASSETS- 14

[60845-0001/SB062070.07c]

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TRADEMARK
REEL: 003387 FRAME: 0757

1 of the Committee and DDJ, the Debtors are authorized to distribute the Expense Reimbursement.
2
3 or any portion thereof, to LF Joint Venture without further Court order. Upon final resolution of
4
5 the amount of Expense Reimbursement, Debtors shall cause the remaining funds in such trust
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7 account to be paid over to DDJ, with the Court reserving jurisdiction in the event of any dispute
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9 over such funds. At the Closing, Debtors shall also reserve from the sale proceeds the sum of
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11 \$500,000 on account of possible claims for break-up fees or comparable consideration. Upon
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13 conclusion of proceedings relating to such claims, Debtors shall deliver any amounts awarded by
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15 the Court to LF Joint Venture or other persons on account of such claims, and shall deliver the
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17 remainder to DDJ as additional DDJ Sale Proceeds.
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22 26. In the event Purchaser for any reason does not timely consummate the
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24 transactions contemplated by the Purchase Agreement, Debtors are hereby authorized to enter
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26 into comparable transactions with Fleet Street, Ltd. as Next Highest Bidder on the terms and
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28 conditions specified in, and in accordance with, the Sale Procedures Order. The purchase price
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30 for the Next Highest Bidder shall be \$34.6 million, and such purchase shall be consummated on
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32 the terms proposed in writing by Fleet Street, Ltd. with such modifications as have been agreed
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34 to with the Debtors on and off the record. In such an event, the Next Highest Bidder will be
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36 deemed to be the "Purchaser" as defined herein, and shall be entitled to all of the rights and
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38 protections afforded the Purchaser hereunder. The Next Highest Bidder has agreed pursuant to
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40 the Bid Procedures Order, as modified in open Court, to keep its bid open until September 6,
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42 2006, in the event Purchaser does not close in accordance with the Purchase Agreement. Debtor
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ORDER APPROVING SALE OF ASSETS- 15

[60845 0801-SID062000.010]

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TRADEMARK
REEL: 003387 FRAME: 0758

1 shall not agree to extend the Closing Date past August 28, 2006, without the consent of the Next
2
3 Highest Bidder.
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5 27. Nothing contained in any plan of reorganization or liquidation confirmed in the
6
7 Debtors' Chapter 11 cases or any order of this Court confirming such plan shall conflict with or
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9 derogate from the terms of this Order.
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11 28. This Court shall retain jurisdiction to enforce, interpret and implement the terms
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13 of the Purchase Agreement, the assumption and assignment of the Assigned Contracts and each
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15 of the documents and instruments executed in connection therewith and with this Order;
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17 provided, however, that with respect to the Assigned Contracts after the assignment thereof the
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19 choice of law and venue provisions in such Assigned Contract, or other applicable
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21 nonbankruptcy law, shall govern matters involving only Purchaser and the nondebtor party
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23 thereto. Without limiting the generality of the foregoing, the Court shall retain jurisdiction to
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25 enforce, interpret and implement the terms of the Indemnity Escrow Agreement as defined in the
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27 Purchase Agreement.
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32 29. The provisions of this Order are non-severable and are mutually dependent.
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35 30. This Order constitutes a final and appealable order within the meaning of 28
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37 U.S.C. § 158(a). To any extent necessary under Rule 9014 of the Fed. R. Bankr. P. or Fed. R.
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39 Civ. P. 54(b), as made applicable by Fed. R. Bankr. P. 7054, the Court expressly finds that there
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41 is no just reason for delay in the implementation of this Order, and this Order shall constitute
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43 entry of judgment as set forth herein. This Order shall be effective immediately upon entry and
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45 any stay of this Order as otherwise provided by Fed. R. Bankr. P. 6004(h), 6006(d), or 7062 is
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ORDER APPROVING SALE OF ASSETS- 16

{60845-0001-58082070.076}

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TRADEMARK
REEL: 003387 FRAME: 0759

1 expressly lifted regardless of whether there were objections to the Sale Motion or the parties
2
3 thereto agreed to waive such objections at the Sale Hearing.
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6 31. The Court's oral findings of fact and conclusions of law stated on the record at the
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8 hearing are incorporated herein pursuant to Fed. R. Civ. P. 52 as made applicable by Fed. R.
9
10 Bankr. P 7052.
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	#	#	#
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16			
17	Submitted by:		Approved by:
18			
19	BELDING, HARRIS & PETRONI, LTD.		BUCHALTER NEMER
20			
21			
22			
23	By <u>/s/ Stephen R. Harris</u>		By <u>/s/ Jeffrey K. Garfinkle</u>
24	Stephen R. Harris, Bar No. 001463		Jeffrey Garfinkle
25			
26	Attorneys for Debtors		Attorneys for Official Committee of
27			Unsecured Creditors
28			
29			
30	PERKINS COIE LLP		BLANK ROME LLP
31			
32			
33	By <u>/s/ Alan D. Smith</u>		By <u>/s/ Raymond M. Patella</u>
34	Alan D. Smith, WSBA #24964		Raymond M. Patella
35	Brian A. Jennings, WSBA #32509		
36			
37	Attorneys for Debtors		Attorneys for Iconix Brand Group, Inc.
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DOWNEY BRAND LLP

GOODWIN PROCTER LLP

By /s/ Sallie B. Armstrong
Sallie B. Armstrong

By /s/ Allan S. Brilliant
Allan S. Brilliant

Attorneys for Fleet Street Ltd.

Attorneys for DDJ Capital Management,
LLC, as Agent

IT IS SO ORDERED.