

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM355569

SUBMISSION TYPE:	RESUBMISSION
NATURE OF CONVEYANCE:	Release of Lien by Court Order of the United States Bankruptcy Court for the District of Delaware
RESUBMIT DOCUMENT ID:	900335682

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Bankruptcy Judge of the United States for the District of Delaware		11/12/2014	United States Bankruptcy Judge, DELAWARE: UNITED STATES

RECEIVING PARTY DATA

Name:	Natrol, Inc.
Street Address:	21411 Prairie Street
City:	Chatsworth
State/Country:	CALIFORNIA
Postal Code:	91311
Entity Type:	CORPORATION: DELAWARE
Name:	Medical Research Institute
Street Address:	21411 Prairie Street
City:	Chatsworth
State/Country:	CALIFORNIA
Postal Code:	91311
Entity Type:	CORPORATION: CALIFORNIA
Name:	Prolab Nutrition, Inc.
Street Address:	21411 Prairie Street
City:	Chatsworth
State/Country:	CALIFORNIA
Postal Code:	91311
Entity Type:	CORPORATION: CONNECTICUT
Name:	Natrol LLC
Street Address:	21411 Prairie Street
City:	Chatsworth
State/Country:	CALIFORNIA
Postal Code:	91311
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE

PROPERTY NUMBERS Total: 130

Property Type	Number	Word Mark
Registration Number:	1321110	LACI LE BEAU
Registration Number:	1649915	KID'S COMPANION
Registration Number:	1826071	PROLAB
Registration Number:	1996583	SHEN MIN
Registration Number:	2265676	CRAVEX
Registration Number:	2297897	GARLIPURE
Registration Number:	2625812	ESSENTIALLY PURE INGREDIENTS
Registration Number:	2633105	SLEEP 'N RESTORE
Registration Number:	3036209	ESSENTIALLY PURE INGREDIENTS
Registration Number:	3432332	THERMO FIRE
Registration Number:	3460610	NO2 BLACK
Registration Number:	3603611	8-FX
Registration Number:	3596181	MOOD POSITIVE
Registration Number:	4088213	VEDIC MANTRA
Registration Number:	3737783	AARM
Registration Number:	3838800	BROCCOLIFESTIV
Registration Number:	3874776	NO2 RIPCUTS
Registration Number:	2779678	HEMODILATOR
Registration Number:	2906488	NATROL
Registration Number:	3262212	MINUS 10
Registration Number:	3122079	BRAINSPEED PERFORM
Registration Number:	3320966	N30
Registration Number:	4215645	MARINE HEART
Registration Number:	4347717	YOUR DIET IS IN THE BAG
Registration Number:	4348157	NO2 RED TEST
Registration Number:	1335759	QUINTESENCE
Registration Number:	1719803	MY FAVORITE MULTIPLE
Registration Number:	1786445	FRUITBASE
Registration Number:	2002826	SUPER DIETER'S
Registration Number:	2252985	NATROL
Registration Number:	2307534	SAF
Registration Number:	2537819	LACI LE BEAU
Registration Number:	2714293	NATROL COMPLETEBALANCE
Registration Number:	3406040	ANABOLIC SWITCH
Registration Number:	3509440	BETA ALANINE EXTREME
Registration Number:	3385093	MRI
Registration Number:	3522208	HUMINO MAAX

Property Type	Number	Word Mark
Registration Number:	3699781	CORT-AVERT
Registration Number:	3617381	HAPPY THOUGHTS ARE AHEAD!
Registration Number:	3637058	THE ULTIMATE FRUIT & VEGGIE SUPER FOOD
Registration Number:	3874824	NO2 CHARGER
Registration Number:	2858995	FEELANEW
Registration Number:	2990412	CE2
Registration Number:	3146741	BRAINSPEED
Registration Number:	3122080	BRAINSPEED ATTENTION
Registration Number:	3321552	NITRO FIRE
Registration Number:	4150864	NO2 RED
Registration Number:	4306041	TROPICAL THIN
Registration Number:	4283889	YOU DO YOUR PART WE'LL DO OURS
Registration Number:	4365619	BLACK POWDER ULTRA
Registration Number:	4452460	FAT INTERCEPT
Registration Number:	1379401	PURE-GAR
Registration Number:	1763598	MY FAVORITE
Registration Number:	1785172	ZERO FLUSH
Registration Number:	2064707	THE ULTIMATE ANTI-OXIDANT FORMULA
Registration Number:	2271187	HOT FLASHEX
Registration Number:	2476814	NU HAIR
Registration Number:	2465794	PROLAB
Registration Number:	2515278	CUTS II
Registration Number:	3406089	EASY-C
Registration Number:	3372227	PRO-NOS
Registration Number:	3541123	EASY-C REGENERATING COMPLEX
Registration Number:	3595995	WAR WORKOUT ANABOLIC RECOVERY
Registration Number:	3617258	FRUITFESTIV
Registration Number:	3726265	SLIM MIX
Registration Number:	3773195	NUHAIR
Registration Number:	4298397	NO2 BLACK FULL CYCLE
Registration Number:	2830837	TRIPLE LEAN
Registration Number:	2902349	BIOBEADS
Registration Number:	3184411	NATROL
Registration Number:	3146822	LEAN MASS COMPLEX
Registration Number:	3106768	SLEEP 'N REVIVE
Registration Number:	3314577	SLENDERITE
Registration Number:	4269426	CREA7INE
Registration Number:	4296449	N-LARGE 3

Property Type	Number	Word Mark
Registration Number:	1532608	NATROL
Registration Number:	1759414	SUPER DIETER'S TEA
Registration Number:	1790078	ULTRAGREEN
Registration Number:	2109916	KAVATROL
Registration Number:	2365081	IT'S ABOUT BALANCE
Registration Number:	2507886	CETYLPURE
Registration Number:	2759559	PC CARE
Registration Number:	2640866	MY DEFENSE
Registration Number:	3406136	ISF-7
Registration Number:	3513419	CE2 HI-DEF
Registration Number:	3489895	ADVANCED CAFFEINE
Registration Number:	3544751	CHOLEST INTERCEPT
Registration Number:	3617259	JUICEFESTIV
Registration Number:	3796381	CLEANSE NOW
Registration Number:	3773196	SHEN MIN
Registration Number:	4179748	MOOD MELT
Registration Number:	2830860	OCUSENSE
Registration Number:	3154701	THE FIRST CHOICE FOR WELLFULLNESS
Registration Number:	3124454	OMEGA SOLUTIONS
Registration Number:	3149930	NATURALLY LEAN COMPLEX
Registration Number:	3262920	QUICKFIRE
Registration Number:	3407297	EXTREME OMEGA
Registration Number:	4136830	HEMO-SURGE
Registration Number:	4195861	BETA CHARGE
Registration Number:	4361990	RED REPAIR PM
Registration Number:	4223399	PERFORMANCE SIMPLIFIED
Registration Number:	4397571	EO2 VMAX
Registration Number:	1593789	POWER TIME
Registration Number:	1780011	
Registration Number:	1996448	CHINA CHLORELLA
Registration Number:	2203304	QUALITY UNCOMPROMISED
Registration Number:	2432009	GARLICACTIVES
Registration Number:	2628737	ESSENTIALLY PURE INGREDIENTS
Registration Number:	2780061	CARB INTERCEPT
Registration Number:	2628270	THERMA PRO
Registration Number:	3904589	LIVINGPURE
Registration Number:	3513429	BLACK POWDER
Registration Number:	3588193	DAY ONE SOLUTIONS

Property Type	Number	Word Mark
Registration Number:	3609865	MILK THISTLE ADVANTAGE
Registration Number:	3617261	VEGGIEFESTIV
Registration Number:	3842132	DETOX NOW
Registration Number:	3695327	WAR
Registration Number:	3782623	REPLENISH NOW
Registration Number:	2779677	NO2
Registration Number:	2884181	NU HAIR
Registration Number:	3191085	NO2
Registration Number:	3122078	BRAINSPEED MEMORY
Registration Number:	3320964	NATROL HIGH EFFERVESCENT
Registration Number:	4226119	NO2 CORE TECHNOLOGY
Registration Number:	4258410	NO2 RED HEMO-SURGE
Registration Number:	4263259	RED SHRED
Registration Number:	4276926	MOODON
Registration Number:	4290987	VEDIC MANTRA
Registration Number:	4347716	YOUR LEAN IS IN THE BEAN
Registration Number:	4393850	EO2 EDGE

CORRESPONDENCE DATA

Fax Number: 2139955010

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.

Phone: 213-785-8070

Email: docketing@kb-ip.com

Correspondent Name: Daniel R. Kimbell

Address Line 1: 119 E. Union Street., Unit B

Address Line 4: Pasadena, CALIFORNIA 91103

ATTORNEY DOCKET NUMBER:	01160
NAME OF SUBMITTER:	Daniel R. kimbell
SIGNATURE:	/Daniel Kimbell/
DATE SIGNED:	09/18/2015

Total Attachments: 33

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

NATROL, INC., *et al.*

Debtors.¹

Chapter 11

Case No.: 14-11446 (BLS)

Jointly Administered

Re: Docket Nos. 524, 553, 586, 610, 622, 648, 681,
685, 697, 698, 701, 706 & 707

ORDER (A) APPROVING ASSET PURCHASE AGREEMENT BETWEEN DEBTORS AND BUYER; (B) AUTHORIZING THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS; (C) AUTHORIZING THE ASSUMPTION, ASSIGNMENT, AND SALE OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (D) GRANTING CERTAIN RELATED RELIEF

Upon consideration of the motion [Docket Nos. 524 & 586] (as amended, the "Sale Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), pursuant to sections 105, 363, and 365 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6004, 6006 and 9007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rules 2002-1 and 6004-1 of the Local Rules of Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), seeking the entry of an order (the "Sale Order") (a) approving that certain asset purchase agreement (collectively with all exhibits and schedules thereto and all ancillary documents and agreements, and as any may be further amended, the "Purchase Agreement"), a copy of which is attached hereto as Exhibit 1, dated as of November 10, 2014, by and among the Debtors and Aurobindo

¹ The Debtors in these chapter 11 cases (the "Chapter 11 Cases") and the last four digits of each Debtor's taxpayer identification number are as follows: Natrol, Inc. (0780); Natrol Holdings, Inc. (4614); Natrol Products, Inc. (7823); Natrol Direct, Inc. (5090); Natrol Acquisition Corp. (3765); Prolab Nutrition, Inc. (3283); and Medical Research Institute (2825). The Debtors' principal offices are located at 21411 Prairie Street, Chatsworth, CA 91311.

² Unless otherwise stated, all capitalized terms not defined herein shall have the same meanings ascribed to such terms in the Sale Motion or the Purchase Agreement, as applicable.

Pharma USA Inc. (the "Buyer"), (b) authorizing the sale (collectively with all other transactions contemplated by the Purchase Agreement, the "Sale") of substantially all of the Debtors' assets and businesses (collectively, the "Assets") free and clear of all liens, claims, Encumbrances and interests pursuant to the Purchase Agreement; (c) authorizing the assumption, assignment, and sale of certain executory contracts and unexpired leases set forth on **Exhibit 2** attached hereto, as may be amended in accordance with the Purchase Agreement (collectively, the "Assigned Contracts"); and (d) granting certain related relief; and the Court having entered the *Order (I) Approving Bid Procedures; (II) Approving Stalking Horse Protections; (III) Scheduling a Hearing to Consider A Sale of Certain Assets or a Refinancing Transaction; (IV) Approving Form and Manner of Notice of Bid Procedures and Notice of Potential Assumption, Assignment, and/or Sale of Contracts and Leases; and (V) Granting Related Relief* on October 24, 2014 [Docket No. 622] (the "Bid Procedures Order"); and the Debtors having conducted the Auction on November 10, 2014, and having determined, after an extensive marketing process and upon consultation with Cerberus Business Finance, LLC ("Cerberus") and the Official Committee of Unsecured Creditors (the "Committee"), that the Buyer submitted the highest or otherwise best offer for the Assets; and upon adequate and sufficient notice of the Auction, Sale Motion, the hearing before the Court on November 12, 2014 (the "Sale Hearing"), and related transactions having been given in the manner directed by the Court pursuant to the Bid Procedures Order; and the Court having reviewed and considered (x) the Sale Motion and all relief related thereto, (y) the objections thereto, if any, and (z) the statements of counsel and evidence presented in support of the relief requested by the Debtors at the Sale Hearing; and the Court having considered the *Declaration of Doug Lane in Support of the Entry of the Order (A) Approving Asset Purchase Agreement Between Debtors and Buyer; (B) Authorizing the Sale of Substantially All of the*

Debtors' Assets Free and Clear of Liens, Claims, Encumbrances, and Interests; (C) Authorizing the Assumption, Assignment, and Sale of Certain Executory Contracts and Unexpired Leases; and (D) Granting Certain Related Relief [Docket No. 685]; and it appearing that the Court has jurisdiction over this matter; and it further appearing that the legal and factual bases set forth in the Sale Motion and at the Sale Hearing establish just cause for the relief granted herein; and it appearing that the relief requested in the Sale Motion is in the best interests of the Debtors, their estates, creditors, equity holders and other parties in interest; and upon the record of the Sale Hearing and all other pleadings and proceedings in these Chapter 11 Cases, including the Sale Motion; and after due deliberation thereon and good and sufficient cause appearing therefor, it is hereby

FOUND AND DETERMINED THAT:³

Jurisdiction and Venue

A. This Court has jurisdiction to hear and determine the Sale Motion pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper in this District and this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

³ The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. All findings of fact and conclusions of law announced by the Court at the Sale Hearing in relation to the Sale Motion and the Sale are hereby incorporated herein to the extent not inconsistent herewith. To the extent that 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.

Statutory Bases

B. The statutory and other bases for the relief requested in the Sale Motion and entry of this Sale Order are sections 105, 363 and 365 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006 and 9007 and Local Rules 2002-1 and 6004-1.

Final Order

C. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, the Court expressly finds that there is no just reason for delay in the implementation of this Sale Order, and expressly directs entry of judgment as set forth herein.

Compliance with Bid Procedures Order

D. As demonstrated by (i) the testimony and other evidence proffered or introduced at the Sale Hearing, and (ii) the representations of counsel on the record at the Sale Hearing, the Debtors have thoroughly and fairly marketed the Assets and conducted the related sale process in good faith and in compliance in all respects with the Bid Procedures Order.

E. The Bid Procedures set forth in the Bid Procedures Order were non-collusive and substantively and procedurally fair to all parties. Moreover, the Bid Procedures enabled the Debtors to obtain the highest or otherwise best offer for the Assets. All interested persons and entities have been afforded a full, fair and reasonable opportunity to (i) conduct due diligence investigations, (ii) submit bids and to submit higher or otherwise better bids to purchase the Assets or provide a Refinancing, and (iii) object and be heard in connection with the Sale Motion and the relief granted by this Sale Order.

F. The Buyer is the Successful Bidder (as defined in the Bid Procedures) for the Assets in accordance with the Bid Procedures Order. The consideration provided by the Buyer under the Purchase Agreement constitutes the highest or otherwise best offer and provides fair and reasonable consideration to the Debtors for the sale of the Assets and Assigned Contracts. The Buyer has complied in all respects with the Bid Procedures Order and any other applicable order of this Court in negotiating and entering into the Purchase Agreement. The Sale and Purchase Agreement likewise comply with the Bid Procedures Order and all other applicable orders of this Court.

G. The Stalking Horse Bidder complied with the terms of the Stalking Horse APA and, subject to the Closing of a Sale with another buyer in accordance with the terms of the Bid Procedures Order, has earned the Break-Up Fee in accordance with the terms of the Bid Procedures Order.

H. In accordance with the Escrow Letter dated November 5, 2014 between Natrol, Inc. and the Buyer (the "First Escrow Letter"), the Escrow Letter dated November 10, 2014 between Natrol, Inc. and the Buyer (the "Second Escrow Letter" and together with the First Escrow Letter, the "Escrow Letters") and the Bid Procedures: (a) Natrol, Inc. agreed to instruct US Bank (the "Escrow Agent") to place the Buyer's Minimum Deposit (as defined below) into a separate account (the "Separate Account") and to instruct the Escrow Agent not to use such Separate Account for any other purpose and to hold the Buyer's Minimum Deposit separate and apart from any other funds, including the minimum deposits of other Qualified Bidders; (b) on November 6, 2014, a wire from the Buyer in the amount of \$2,794,500 was received into the Separate Account; (c) on November 7, 2014, a wire from the Buyer in the amount of \$11,178,000 was received into the Separate Account; and (d) on November 10, 2014, a wire

from Buyer in the amount of \$19,152,500 was received into the Separate Account ((b) through (d), collectively, the "Minimum Deposit").

Notice of the Sale, Auction and Cure Amounts

I. As evidenced by the affidavits of service and publication previously filed with the Court [Docket Nos. 539, 558, 617, 627, 636, 631, 638], proper, timely, adequate and sufficient notice of the Auction, the Sale Motion, the Sale Hearing, the Sale, and assumption, assignment, and sale of the Assigned Contracts to the Buyer (including the proposed Cure Amounts), was provided in accordance with the Bid Procedures Order, sections 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9007. Such notice was good, sufficient and appropriate under the circumstances, and no other or further notice of the Auction, the Sale Motion, the Sale Hearing, the Sale and the assumption, assignment, and sale of the Assigned Contracts to the Buyer (including the proposed Cure Amounts) is or shall be required.

J. Actual written notice of the Auction, the Sale Motion, the Sale Hearing, the Sale and the assumption, assignment, and sale of the Assigned Contracts (including the proposed Cure Amounts), and a fair and reasonable opportunity to object or otherwise be heard with the respect thereto, has been afforded to all known interested individuals and entities, including, but not limited to, the following parties:

- (a) the Office of the United States Trustee for the District of Delaware;
- (b) counsel to the Committee;
- (c) counsel to the Buyer;
- (d) counsel to Cerberus;
- (e) all counterparties to the Assigned Contracts;
- (f) all known creditors of the Debtors;

(g) all entities known to have expressed a *bona fide* interest, within the last six months, in acquiring any of the Assets;

(h) all entities (or counsel therefor) known to have asserted any lien, claim (as defined in section 101(5) of the Bankruptcy Code), Encumbrance, Interest, right of refusal, or other interest in or upon any of the Assets;

(i) federal, state, and local regulatory or taxing authorities or recording offices or any other governmental authorities that, as a result of the Sale of the Assets, may have claims, contingent or otherwise, in connection with the Debtors' ownership of the Assets or have any reasonably known interest in the relief requested by the Sale Motion;

(j) all parties, if any, who are known to claim interests in any Assigned Contracts;

(k) the Office of the United States Attorney for the District of Delaware;

(l) the Internal Revenue Service;

(m) The United States Securities and Exchange Commission;

(n) Fabtech Technologies International Limited ("Fabtech"); and

(o) all parties who have requested notice pursuant to Bankruptcy Rule 2002 as of the date hereof.

K. The Debtors also published a notice of the Auction, the deadline to submit bids for the Assets, the time and place of the Auction, the time and place of the Sale Hearing and the time for filing an objection to the Sale or the Sale Motion, in the national edition of *USA Today* on October 29, 2014 [Docket No. 638]. Such publication notice was good, sufficient and proper notice to any interested parties whose identities are unknown to the Debtors, including the Debtors' customers, and reasonably calculated under the circumstances to reach such parties.

L. In accordance with the provisions of the Bid Procedures Order, the Debtors have served notice upon the counterparties to the Assigned Contracts (i) that the Debtors may seek to assume, assign, and sell to the Buyer the Assigned Contracts on the Closing Date, (ii) the relevant Cure Amounts, and (iii) the deadline by which any counterparty to the Assigned Contracts must object to the assumption, assignment, and sale of the Assigned Contracts to the Buyer. The service of such notice was due, proper, timely, good, sufficient and appropriate under the circumstances, and no other or further notice of the assumption, assignment, and sale of the Assigned Contracts or Cure Amounts is required. Each counterparty to the Assigned Contracts has had an opportunity to object to the assumption, assignment, and sale of the Assigned Contracts to the Buyer, to the Buyer's adequate assurance of its future performance and to the Cure Amounts set forth in the notice.

M. On November 10, 2014, the Debtors caused the *Notice of Successful Bidder and Next Highest Bidder* [Docket No. 681] to be filed with the Court identifying the Buyer as the Successful Bidder in accordance with the Bid Procedures.

Highest or Otherwise Best Offer

N. The Debtors conducted a sale process in accordance with, and have otherwise complied in all respects with, the Bid Procedures Order. The Auction was held in a non-collusive and fair manner and afforded a full, fair and reasonable opportunity for any person or entity to make a higher or otherwise better offer to purchase the Assets or provide a Refinancing.

O. The Debtors have concluded, upon consultation with Cerberus and the Committee, that the offer of the Buyer, upon the terms and conditions set forth in the Purchase Agreement, including the form and total consideration to be realized by the Debtors, constitutes the highest or otherwise best offer for the Assets, provides a greater certainty of recovery than

would be provided by any other available alternative (including any Refinancing), indefeasibly satisfies in full in cash the Allowed Claim of Cerberus and is consistent with, and complies with, the Settlement Agreement in all respects. The Debtors' determination that the Purchase Agreement constitutes the highest or otherwise best offer for the Assets constitutes a valid and sound exercise of the Debtors' business judgment.

P. The Purchase Agreement represents a fair and reasonable offer to purchase the Assets under the circumstances of these Chapter 11 Cases. No other entity or group of entities has offered to purchase the Assets for greater overall value to the Debtors' estates than the Buyer.

Q. Approval of the Sale, Sale Motion and the Purchase Agreement and the consummation of the transactions contemplated thereby is in the best interests of the Debtors' estates, creditors, equity holders and other parties in interest.

Arm's Length Sale

R. The Purchase Agreement was negotiated, proposed and entered into by the Debtors and the Buyer without collusion, in good faith and from arm's length bargaining positions. Neither the Debtors nor the Buyer has engaged in any conduct that would cause or permit the Purchase Agreement to be avoided under section 363(n) of the Bankruptcy Code. Specifically, the Buyer has not acted in a collusive manner with any person and the aggregate purchase price paid by the Buyer for the Assets (the "Purchase Price") was not controlled by any agreement among the bidders. In addition, the Buyer is not an "insider" of any of the Debtors, as that term is defined in section 101(31) of the Bankruptcy Code.

S. The disclosures made by the Debtors concerning the Purchase Agreement, Auction, Sale, Sale Hearing, and the assumption, assignment, and sale of the Assigned Contracts (including the proposed Cure Amounts) were good, complete, and adequate.

Good Faith of the Buyer

T. The Buyer is a good faith purchaser for value and, as such, is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code and any other applicable or similar bankruptcy and non-bankruptcy law. The Buyer has at all times proceeded in good faith in all respects in connection with the Debtors' Chapter 11 Cases in that, among other things: (a) the Buyer recognized that the Debtors were free to deal with any other party interested in acquiring the Assets and assuming the Assumed Liabilities and Assigned Contracts or providing a Refinancing, (b) the Buyer in no way induced or caused the chapter 11 filings by the Debtors, and (c) all payments to be made by Buyer in connection with the Sale have been disclosed. The Buyer will continue to act in good faith within the meaning of section 363(m) of the Bankruptcy Code in closing the Sale as contemplated by the Purchase Agreement.

No Fraudulent Transfer or Merger

U. The consideration provided by the Buyer pursuant to the Purchase Agreement (a) is fair and reasonable, (b) is the highest and otherwise best offer for the Assets and Assigned Contracts, (c) will provide a greater recovery for the Debtors' estates, creditors and equity holders than would be provided by any other practical available alternatives (including any Refinancing), and (d) constitutes reasonably equivalent value, fair consideration and fair value (as those terms are defined in each of the Uniform Voidable Transactions Act, Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act and section 548 of the Bankruptcy Code) under the laws of the United States, any state, territory, possession or the

District of Columbia. No other person, entity or group of entities has offered to purchase the Assets for greater overall value to the Debtors' estates than the Buyer.

V. The Purchase Agreement was not entered into for the purpose of hindering, delaying, preferring, or defrauding creditors under the Bankruptcy Code or under the laws of the United States, any state, territory, possession, and the District of Columbia. None of the Debtors nor the Buyer entered into the transactions contemplated by the Purchase Agreement fraudulently, thereby negating the possibility of any liability of the Buyer for any statutory or common law fraudulent conveyance or fraudulent transfer claims.

W. The Buyer is not a mere continuation or an alter ego of the Debtors or their estates. There is no continuity or common identity between the Buyer, on the one hand, and any of the Debtors, on the other hand. The Buyer is not a successor to the Debtors or their estates by reason of any theory of law or equity and the Sale does not amount to a consolidation, merger or *de facto* merger of the Buyer and the Debtors within the meaning of any applicable law, rule, ordinance or regulation.

Free and Clear

X. Except as otherwise expressly provided in the Purchase Agreement or this Sale Order, the Assets shall be sold free and clear of all interests, obligations, rights, Encumbrances, pledges, liens (including, without limitation, mechanics', materialmens', and other consensual and non-consensual liens and statutory liens), mortgages, deeds of trust, security interests, Claims, any "claim" as defined in section 101(5) of the Bankruptcy Code, liabilities, debt obligations, losses, penalties, leases, charges, offsets, contracts, options, rights of first refusal, rights of first offer, rights of first sale, rights of notice, easements, servitudes, proxies, voting trusts or agreements, transfer restrictions under any agreement, conditional sale or other title

retention agreements, judgments, hypothecations, demands, licenses, sublicenses, assignments, indentures, loan agreements, instruments, debts, rights of recovery, guaranties, contractual commitments, restrictions, recoupment, labor and employment rights and claims, employee benefit agreements and obligations, collective bargaining agreements and obligations, pension rights and claims, claims based on reimbursement, contribution, indemnity, exoneration, products liability, tortious conduct, property damage, personal injury, alter ego, taxes, claims based on pension plan contributions and related liabilities, environmental liabilities or obligations (including, without limitation, toxic tort claims), options to purchase, regulatory violations, decrees of any court or foreign or domestic governmental entity, charges of any kind or nature, debts arising in any way in connection with any agreements, acts, or failures to act, reclamation claims, obligation claims and Excluded Liabilities, in each case, of whatever kind, nature, or description in, against or with respect to any of the Assets or the Debtors having arisen, existed, or accrued prior to and through the Closing Date, whether direct or indirect, absolute, contingent, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, material or non-material, disputed or undisputed, known or unknown, matured or unmatured, liquidated or unliquidated, arising or imposed by agreement, understanding, law, equity, statute, or otherwise, and whether arising prior to, on or after the Petition Date, including claims or liabilities otherwise arising under state and federal doctrines of Successor Liability (as defined below) or transferee liability, *de facto* merger, substantial continuity or product line liability or liabilities or obligations arising under any law or order, with the exception of the Permitted Encumbrances and Assumed Liabilities expressly assumed by the Buyer under the Purchase Agreement (collectively, the "Interests").

Y. The transfer of the Assets to the Buyer free and clear of all Interests will not result in any undue burden or prejudice to any holders of any Interest as such Interests shall attach to the net proceeds of the Sale that are attributable to the Assets when received by the Debtors, in the order of their priority, with the same validity, force and effect which they now have against the Assets and subject to any claims and defenses the Debtors, their estates or other parties may possess with respect to such Interests.

Z. The Debtors may sell the Assets free and clear of all Interests because one or more standards set forth in section 363(f) of the Bankruptcy Code has been satisfied. All holders of Interests who did not object or who withdrew their objections to the Sale or the Sale Motion are deemed to have consented to the Sale and the relief requested therein pursuant to section 363(f)(2) of the Bankruptcy Code. All other holders of Interests, including those who maintained and did not withdraw objections to the Sale or the Sale Motion, if any, fall within one or more of the subsections of section 363(f) of the Bankruptcy Code, and are adequately protected by having their Interests, if any, attach to the net proceeds of the Sale, in the same order of priority, with the same validity, force and effect that such holders had prior to the Sale, subject to any claims and defenses the Debtors, their estates or other parties may possess with respect to such Interests.

AA. The Buyer would not have entered into the Purchase Agreement and will not consummate the transactions contemplated thereby, thus adversely affecting the Debtors, their estates, creditors, equity holders and other parties in interest, if the Sale and the assumption, assignment, and sale of the Assigned Contracts were not free and clear of all Interests, or if the Buyer, its affiliates, or their respective officers, directors, managers, members or shareholders, or the Assets, would, or in the future could, be liable for any such Interests, or would have any

liability whatsoever with respect to, or be required to satisfy in any manner, whether at law or equity, or by payment, setoff or otherwise, directly or indirectly, any Interest, including rights or claims based on any state or federal doctrines of Successor Liability or transferee liability.

BB. Not selling the Assets free and clear of all Interests would adversely impact the Debtors' efforts to maximize the value of their estates, and the Sale of the Assets other than one free and clear of all Interests would be of substantially less benefit to the Debtors' estates.

Validity of Transfer

CC. The Assets constitute property of the Debtors' estates and title thereto is vested in the Debtors' estates within the meaning of section 541(a) of the Bankruptcy Code.

DD. The consummation of the Purchase Agreement and the Sale is legal, valid and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 105, 363, and 365, and all of the applicable requirements of such sections have been complied with in respect of the transactions contemplated under the Purchase Agreement.

EE. Each Debtor has, to the extent necessary and applicable, (i) full corporate power and authority to execute and deliver the Purchase Agreement and all other documents contemplated thereby, (ii) all corporate authority necessary to consummate the transactions contemplated by the Purchase Agreement, and (iii) taken all corporate action necessary to authorize and approve the Purchase Agreement and the consummation of the transactions contemplated thereby. No consents or approvals, other than those expressly provided for in the Purchase Agreement, are required for the Debtors to consummate the Purchase Agreement and the transactions contemplated thereby.

FF. Pursuant to the terms of the Purchase Agreement, the Buyer is not acquiring the Excluded Assets nor is it assuming the Excluded Liabilities (as such terms are defined in the Purchase Agreement).

GG. The transfer of the Assets to the Buyer under the Purchase Agreement will be a legal, valid and effective transfer of all of the legal, equitable and beneficial right, title and interest in and to the Assets free and clear of all interests. The transfer of the Assets will vest the Buyer with good and marketable title to the Assets.

Assumption, Assignment, and Sale of the Assigned Contracts

HH. The assumption, assignment, and sale of the Assigned Contracts free and clear of interests pursuant to the terms of the Purchase Agreement and this Sale Order is integral to the Purchase Agreement and is in the best interests of the Debtors, their estates, creditors and equity holders, and all other parties in interest, and represents a reasonable exercise of the Debtors' sound and prudent business judgment.

II. Pursuant to the terms of the Purchase Agreement, on or before the Closing Date, the Buyer shall have: (i) cured, or provided adequate assurance of cure of, any monetary default existing as of and including the Closing Date under any of the Assigned Contracts to be assumed by the Buyer, within the meaning of section 365(b)(1)(A) of the Bankruptcy Code, and (ii) provided compensation, or adequate assurance of compensation, to any party for actual pecuniary loss to such party resulting from a monetary default existing as of and including the Closing Date under any of the Assigned Contracts to be assumed by the Buyer, within the meaning of section 365(b)(1)(B) of the Bankruptcy Code, in each case, in the respective amounts set forth on Exhibit 2 annexed hereto.

JJ. Each of that certain Contract between Natrol, Inc. and Fabtech Technologies International Limited dated March 3, 2013 and that certain Contract between Natrol, Inc. and Pitney Bowes Software Inc. dated March 29, 2013, are Assigned Contracts under this Order and Assumed Contracts under the Purchase Agreement, and must be assigned and sold to Buyer at Closing, subject to the payment by Buyer of applicable Cure Costs, if any.

KK. The Buyer has demonstrated adequate assurance of its future performance under the Assigned Contracts to be assumed by the Buyer within the meaning of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code. Pursuant to section 365(f) of the Bankruptcy Code, the Assigned Contracts to be assumed and assigned under the Purchase Agreement shall be assigned, sold, and transferred to, and remain in full force and effect for the benefit of the Buyer notwithstanding any provision in the contracts or other restrictions prohibiting or requiring consent or consultation in respect of their assignment or transfer.

Compelling Circumstances for Sale

LL. The Debtors have demonstrated both (i) good, sufficient and sound business purposes and justifications and (ii) compelling circumstances for the Sale other than in the ordinary course of business, pursuant to section 363(b) of the Bankruptcy Code before, and outside of a plan of reorganization, in that, among other things, the immediate implementation of this Sale Order and consummation of the Sale to the Buyer is necessary both to preserve and maximize the value of the Debtors' assets for the benefit of the Debtors, their estates, their creditors, their equity holders and all other parties in interest, and the Sale will provide the means for the Debtors to maximize recoveries of creditors and equity holders.

MM. The sale of the Assets outside of a chapter 11 plan pursuant to the Purchase Agreement neither impermissibly restructures the rights of the Debtors' creditors or equity

holders nor impermissibly dictates the terms of a chapter 11 plan for the Debtors, and therefore, does not constitute a *sub rosa* chapter 11 plan.

NN. To maximize the value of the Assets, preserve the viability of the businesses to which the Assets relate and avoid deterioration, erosion of value and uncertainty with respect to the future operations of the Assets, it is essential that the Sale occur within the time constraints set forth in the Purchase Agreement. Time is of the essence in consummating the Sale and preserving the value of the Debtors' assets.

OO. Given all of the circumstances of these Chapter 11 Cases and the adequacy and fair value of the Purchase Price, the Sale of the Assets constitutes a reasonable and sound exercise of the Debtors' business judgment and should be approved.

PP. The consummation of the Sale and the assumption, assignment, and sale of the Assigned Contracts is legal, valid and properly authorized under all applicable provisions of the Bankruptcy Code and the Bankruptcy Rules, including sections 105(a), 363(b), 363(f), 363(m), 365(b) and 365(f) of the Bankruptcy Code, and all of the applicable requirements of such sections have been complied with in respect of the Sale.

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

General Provisions

1. The relief requested in the Sale Motion is granted and approved, and the Sale contemplated thereby and by the Purchase Agreement is authorized as set forth herein and in the Purchase Agreement.
2. All objections and responses, if any, to the Sale or Sale Motion that have not been withdrawn, waived or settled by announcement to the Court during the Sale Hearing or by stipulation filed with the Court, including any and all reservations of rights included in such

objections or otherwise, are overruled on the merits and denied with prejudice. All persons and entities given notice of the Sale Motion and/or the Cure Notice that failed to timely object thereto, including, without limitation, all non-debtor parties to the Assigned Contracts, are deemed to have consented to the relief sought therein.

3. The Court's findings of fact and conclusions of law set forth in the Bid Procedures Order are incorporated herein by reference.

Approval of the Purchase Agreement

4. The Sale and the Purchase Agreement and, in each case, all of the terms and conditions thereof are hereby authorized and approved in all respects.

5. Pursuant to sections 363(b) and 363(f) of the Bankruptcy Code, the Debtors are authorized and directed (a) to take any and all actions necessary or appropriate to execute and deliver, perform under, consummate, implement and effectuate the Purchase Agreement, together with any and all instruments and documents that may be reasonably necessary or desirable to implement and effectuate the terms of the Purchase Agreement, this Sale Order and the Sale, and to take all further actions as may be reasonably requested by the Buyer for the purposes of assigning, transferring, granting, conveying and conferring to the Buyer, or reducing to possession, the Assets, free and clear of all Interests; (b) to assume, assign, and sell the Assigned Contracts to the Buyer on the Closing Date pursuant to the terms of the Purchase Agreement; and (c) to take any and all actions as may be necessary or appropriate to the performance of the Debtors' obligations as contemplated by the Purchase Agreement, without any further corporate action or order of this Court. Mesrop Khoudagoulian, the Chief Executive Officer and General Counsel for the Debtors (and such other officers of Natrol, Inc. as designated by the Debtors' board of directors), is hereby authorized to execute and deliver on

behalf of the Debtors, the Purchase Agreement and any and all documents necessary, required or contemplated by the Purchase Agreement.

6. The Debtors are hereby authorized and directed to (a) instruct the Escrow Agent to hold Buyer's Minimum Deposit in accordance with the Escrow Letters and (b) apply, retain and/or return Buyer's Minimum Deposit pursuant to the terms of the Purchase Agreement.

Transfer of the Assets

7. Pursuant to sections 105(a), 363(b), 363(f), 365(b) and 365(f) of the Bankruptcy Code, the Debtors are authorized to transfer the Assets, the Assumed Liabilities and the Assigned Contracts to the Buyer on the Closing Date pursuant to the terms and conditions of the Purchase Agreement free and clear of all Interests, with all such Interests to attach to the net proceeds of the Sale attributable to the Assets when received by the Debtors, in the order of their priority, with the same validity, force and effect which they now have as against the Assets and subject to any claims or defenses the Debtors, their estates or other parties may possess with respect to such Interests.

8. For the avoidance of doubt, lists of individuals who have provided the Debtors with personally identifiable information in connection with the purchase of a product or service through the Natrol.com website, primarily for consumer, personal or household use shall not be included in the Assets.

9. The transfer of the Assets to the Buyer shall constitute a legal, valid, binding, and effective transfer of all such Assets and shall vest the Buyer with all right, title, and interest of the Debtors in the Assets. Except as otherwise provided in the Purchase Agreement and the terms of this Sale Order, the Assets shall be sold free and clear of all Interests.

10. Except as expressly permitted by the Purchase Agreement or this Sale Order, all persons and entities (as defined in section 101(15) of the Bankruptcy Code) (including, but not limited to, all debt security holders, equity security holders, affiliates, governmental, tax and regulatory authorities, lenders, customers, vendors, employees, trade creditors, litigation claimants and other creditors) and their respective successors and assigns holding Interests in all or any portion of the Assets arising under or out of, in connection with, or in any way relating to the Debtors, the Assets prior to and including the Closing Date or the transfer of the Assets to the Buyer, are hereby forever barred, estopped and permanently enjoined from (a) asserting such Interests against the Buyer, its successor and assigns, and its property, including without limitation, the Assets and (b) commencing or continuing in any matter any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral or other proceeding against the Buyer, Buyer's Affiliates or their respective assets (including the Acquired Assets), with respect to any Successor Liability or transferee liability, including the following actions: (i) commencing or continuing any action or other proceeding pending or threatened; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (iii) creating, perfecting or enforcing any Interest; (iv) asserting any setoff, right of subrogation or recoupment of any kind; (v) commencing or continuing any action, in any manner or place, that does not comply with, or is inconsistent with, the provisions of this Sale Order or other orders of this Court, or the agreements or actions contemplated or taken in respect hereof; or (vi) revoking, terminating or failing or refusing to renew any license, permit or authorization to operate any of the Acquired Assets or conduct any of the businesses operated with such assets. Following the Closing Date, no holder of any Interest shall interfere with the Buyer's title to or use and

enjoyment of the Assets based on or related to any such Interest, or based on any action the Debtors may take in their Chapter 11 Cases.

11. All persons and entities are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtors to sell and transfer the Assets to the Buyer in accordance with the terms of the Purchase Agreement and this Sale Order.

12. All persons and entities that are in possession of some or all of the Assets on the Closing Date are directed to surrender possession of such Assets to the Buyer on the Closing Date.

13. Upon consummation of the transactions contemplated in the Purchase Agreement, the Buyer shall be authorized to file termination statements or lien terminations in any required jurisdiction to remove any record, notice filing, or financing statement recorded to attach, perfect, or otherwise notice any lien or encumbrance that is extinguished or otherwise released pursuant to this Sale Order under section 363 or related provisions of the Bankruptcy Code.

14. A certified copy of this Sale Order may be filed with any appropriate clerk and/or recorded with any appropriate recorder to act to cancel any of the Interests of record in the Assets and to resolve any title issue with respect to the Assets.

15. If any person or entity which has filed statements or other documents or agreements evidencing Interests with respect to all or any portion of the Assets shall not have delivered to the Debtors prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements and any other documents necessary or desirable to the Buyer for the purpose of documenting the release of all Interests that the person or entity has or may assert with respect to

all or any portion of the Assets, the Debtors and the Buyer are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of such person or entity with respect to the Assets.

16. This Sale Order is and shall be binding upon and govern the acts of all persons and entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, registrars of patents, trademarks or other intellectual property, administrative agencies, governmental departments, secretaries of state, federal, 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 lease, and each of the foregoing is hereby directed to accept for filing any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreement.

Assumption, Assignment, and Sale of Assigned Contracts

17. Pursuant to sections 105(a), 363 and 365 of the Bankruptcy Code, and subject to and conditioned upon the Closing Date and, as applicable, section 2.7 of the Purchase Agreement, the Debtors are authorized and directed to (a) assume each of the Assigned Contracts, as identified on **Exhibit 2**, and assign and sell the Assigned Contracts to the Buyer free and clear of all Interests, and (b) execute and deliver to the Buyer such documents or other instruments as may be necessary to assign and sell the applicable Assigned Contracts to the Buyer. Pursuant to sections 105(a), 363 and (if necessary) 365 of the Bankruptcy Code, and subject to and conditioned upon the Closing Date, the Debtors are authorized and directed to (a) assume, assign and sell that certain contract between Natrol, Inc. and Fabtech, dated March 4,

2013 (the "Fabtech Agreement") to the Buyer free and clear of all Interests, pursuant to Section 7.8 of the Fabtech Agreement or otherwise, and (b) execute and deliver to the Buyer such documents or other instruments as may be necessary to assign and sell the Fabtech Contract to the Buyer.

18. The Cure Amounts set forth on Exhibit Z are the sole amounts necessary to be paid by the Buyer upon assumption of the Assigned Contracts under sections 365(b)(1)(A) and (B) and 365(f)(2)(A) of the Bankruptcy Code, and the payment of the applicable Cure Amounts shall, subject to the terms of the Purchase Agreement, (a) effect a cure of all defaults existing under the Assigned Contracts as of and including the Closing Date, and (b) compensate the counterparties to the Assigned Contracts for any actual pecuniary loss resulting from all defaults existing under the Contracts as of and including the Closing Date. Upon the payment of the Cure Amounts by the Buyer, the Assigned Contracts will remain in full force and effect, and no default shall exist under the Assigned Contracts nor shall there exist any event or condition which, with the passage of time or giving of notice, would constitute such a default. After the payment of the Cure Amounts, neither the Debtors nor the Buyer shall have any further liabilities to the counterparties to the Assigned Contracts other than the Buyer's obligations under the Assigned Contracts assumed by it that accrue and become due and payable on or after the Closing Date.

19. Any provisions in any Assigned Contract that prohibit, condition or require consultation in respect of the assignment of such Assigned Contract or allow the counterparty to such Assigned Contract to terminate, recapture, impose any penalty, condition on renewal or extension, or modify any term or condition upon the assignment of such Assigned Contract, constitute unenforceable anti-assignment provisions that are void and of no force and effect. All

other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Debtors and assignment and sale to the Buyer of the Assigned Contracts have been satisfied.

20. Each Assigned Contract constitutes an executory contract or unexpired lease under section 365 of the Bankruptcy Code. Upon the Closing Date, in accordance with sections 363 and 365 of the Bankruptcy Code, (a) the Buyer shall be fully and irrevocably vested with all right, title, and interest of the Debtors under the Assigned Contracts transferred to and assumed by it, (b) the Buyer shall be deemed to be substituted for the Debtors as a party to the applicable Assigned Contracts, and (c) the Debtors shall be relieved, pursuant to section 365(k) of the Bankruptcy Code, from any further liability under the Assigned Contracts.

21. The Buyer has provided adequate assurance of future performance under the relevant Assigned Contracts within the meaning of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code.

22. Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code, all counterparties to the Assigned Contracts are hereby forever barred and permanently enjoined from (a) raising or asserting against the Debtors or the Buyer any assignment fee, default, acceleration, breach, claim, pecuniary loss, or condition to assignment arising under or related to the Assigned Contracts existing as of and including the Closing Date or arising by reason of the closing of the Sale, including any breach related to or arising out of change-of-control provisions in such Assigned Contracts, or any purported written or oral modification to the Assigned Contracts and (b) asserting against the Buyer (or its property, including the Assets) any interest, claim (as defined in section 101(5) of the Bankruptcy Code), counterclaim, defense, breach, condition or setoff asserted or capable of being asserted against the Debtors existing as of the

Closing Date or arising by reason of the Closing, including under state or federal doctrines of Successor Liability or transferee liability. Upon assignment to the Buyer, the Assigned

Contracts shall be valid and binding, in full force and effect, and enforceable by the Buyer in accordance with their respective terms. *For the avoidance of doubt, following the Closing, parties whose claims against the Debtors are Assumed Liabilities shall be entitled to assert such Assumed*

23. Any provision in any Assigned Contract that purports to declare a breach or default as a result of a change of control in respect of the Debtors or a failure to consult with the counterparty in respect of such change in control is unenforceable, and all Assigned Contracts shall remain in full force and effect, without existing default(s), subject only to payment by the Buyer of the appropriate Cure Amount, if any. There shall be no rent accelerations, assignment fees, increases, or any other fees charged to the Buyer or the Debtors as a result of the assumption, assignment, transfer, and/or sale of any Assigned Contract. The failure of the Debtors or the Buyer to enforce at any time one or more terms or conditions of any Assigned Contract shall not be a waiver of such terms or conditions, or of the Buyer's rights to enforce every term and condition of the Assigned Contract. *Liabilities against the Buyer or the Debtors, et al.*

24. Any party that may have had the right to consent to the assignment of a Assigned Contract is deemed to have consented to such assignment for purposes of section 365(e)(2)(A)(ii) of the Bankruptcy Code and otherwise if such party failed to object to the assumption, assignment, and sale of such Assigned Contract.

25. Notwithstanding anything to the contrary in this Sale Order, no Assigned Contracts shall be assumed, assigned, or sold to the Buyer until the Closing. On the Closing Date, this Sale Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance and transfer of the Debtors' interests in the Assets to

the Buyer and a full and complete general assignment, sale, and transfer of the Assigned Contracts to the Buyer.

26. Pursuant to section 2.7 of the Purchase Agreement and at the request of the Buyer, the Debtors shall have the right to assume and assign to the Buyer certain executory contracts and unexpired leases in addition to the Assigned Contracts prior to or after Closing.

Purchase Price and Direct Payment

27. The Purchase Price for the sale and transfer of the Assets under the Purchase Agreement is set forth in section 3.1 of the Purchase Agreement and includes Cash Consideration of \$132,500,000. The Purchase Price shall be payable and deliverable in accordance with sections 3.2 and 3.3 of the Purchase Agreement.

28. In connection with the closing of the Sale and as required by Section 3.3 of the Purchase Agreement, the Buyer is authorized and directed to pay directly to Cerberus cash by wire transfer of immediately available funds in an amount equal to the entirety of the "Allowed Claim" under that certain Compromise and Settlement Agreement dated as of July 9, 2014, and approved by this Court on July 30, 2014 [Docket No. 312] (the "Settlement Agreement") from the Cash Consideration of the Purchase Price. In accordance with the Settlement Agreement, such direct payment by the Buyer to Cerberus shall be absolute, indefeasible, final, non-refundable, and not subject to any attack, objection, disgorgement, avoidance, recovery, or other challenge of any kind by any party in interest. The balance of any Cash Consideration remaining after such payment to Cerberus shall be remitted to the Debtors.

29. Subject to the closing of a Sale with another buyer in accordance with the Bid Procedures Order, and as required by the paragraph 5 of the Bid Procedures Order, the Debtors are hereby authorized and directed to pay the Stalking Horse Bidder the Break-Up Fee in the

amount of \$1,680,000 and the Expense Reimbursement up to \$840,000 in accordance with the terms of the Bid Procedures and the Stalking Horse APA (as defined in the *Notice of Selection of Stalking Horse Bidder* [Docket No. 648]). For the avoidance of doubt, Buyer shall not be liable for the Break-Up Fee.

No Successor, Transferee, or Other Liability

30. Except as otherwise expressly provided in the Purchase Agreement or this Sale Order, the Buyer shall not assume any liability or other obligation of the Debtors arising under or related to any of the Assets, except with respect to the Assumed Liabilities and Permitted Encumbrances. Without limiting the generality of the foregoing, and except as otherwise specifically provided in the Purchase Agreement or this Sale Order, the Buyer shall not be liable for any Interests, claims (as defined in section 101(5) of the Bankruptcy Code) or liabilities against the Debtors or any of their predecessors or affiliates, and the Buyer shall not have any successor or vicarious liabilities of any kind or character ("Successor Liability"), including, but not limited to, any theory of antitrust, environmental (including, without limitation, the presence of hazardous, toxic, polluting, or contaminating substances or wastes), products liability, Successor Liability or transferee liability, labor law, *de facto* merger or substantial continuity, whether known or unknown as of and including the Closing Date, now existing or hereafter arising, whether asserted or unasserted, fixed or contingent, liquidated or unliquidated with respect to the Debtors or any obligations of the Debtors arising prior to and including the Closing Date, including, but not limited to, liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to Assets prior to and including the Closing Date, except with respect to the Transfer Taxes.

31. The Buyer has given substantial consideration under the Purchase Agreement for the benefit of the holders of any Interest. The consideration given by the Buyer shall constitute valid and valuable consideration for the releases of any potential claims of Successor Liability or transferee liability of the Buyer, which releases shall be deemed to have been given in favor of the Buyer by all holders of Interests.

32. Upon the Closing Date and except as otherwise expressly provided in the Purchase Agreement and this Sale Order, all persons and entities are hereby forever prohibited and permanently enjoined from commencing or continuing in any manner any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral, or other proceeding against the Buyer, its successors and assigns, or the Assets, with respect to any (a) Interest arising under, out of, in connection with or in any way relating to the Debtors, the Buyer, or the Assets prior to and including the Closing Date; or (b) Successor Liability or transferee liability, including, without limitation, the following actions: (i) commencing or continuing in any manner any action or other proceeding against the Buyer, its successors or assigns, assets, or properties; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree, or order against the Buyer, its successors or assigns, assets or properties; (iii) creating, perfecting, or enforcing any Interest against the Buyer, its successors or assigns, assets, or properties; (iv) asserting any setoff, right of subrogation, or recoupment, in each case based on any liability or obligation of the Debtors that is not expressly assumed by the Buyer in the Purchase Agreement or this Sale Order, against any obligation due by the Buyer or its successors or assigns, or (v) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Sale Order or other orders of this Court, or

the agreements or actions contemplated or taken in respect of this Sale Order and such other orders.

Good Faith of the Buyer

33. The transactions contemplated by the Purchase Agreement are undertaken by the Debtors and the Buyer without collusion and in good faith, as that term is defined in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided in this Sale Order to consummate the Sale shall not affect the validity of the Sale (including the assumption, assignment, and sale of the Assigned Contracts), unless such authorization and consummation of such Sale are duly stayed pending such appeal.

34. Neither the Debtors nor the Buyer has engaged in any action or inaction that would cause or permit the Sale to be avoided or costs, damages, or other remedy to be imposed under section 363(n) of the Bankruptcy Code. The consideration provided by the Buyer for the Assets under the Purchase Agreement is fair and reasonable and the Sale may not be avoided under section 363(n) of the Bankruptcy Code.

Other Provisions

35. The consideration provided by the Buyer to the Debtors pursuant to the Purchase Agreement for the Assets, including the assumption of the Assumed Liabilities, constitutes reasonably equivalent value, fair consideration and fair value under the Bankruptcy Code, Uniform Voidable Transactions Act, Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act and under the laws of the United States, any state, territory, possession or the District of Columbia.

36. The Purchase Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto strictly in

accordance with, and subject to all limitations on amendments that are set forth in, the terms of the Purchase Agreement without further order of the Court, provided that any such modification, amendment or supplement (a) does not have a material adverse effect on the Debtors' estates, (b) does not affect the indefeasible payment of the "Allowed Claim" of Cerberus in full in cash by the "Payment Deadline" (as such terms are defined and is required by the Settlement Agreement), and (c) is not otherwise inconsistent with the Settlement Agreement.

37. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 6006, 7062, 9014 or otherwise, this Sale Order shall be immediately effective and enforceable upon entry and the Debtors and the Buyer are authorized to close the Sale immediately upon entry of this Sale Order. Time is of the essence in closing the Sale and the Debtors and the Buyer intend to close the Sale as soon as practicable. This Sale Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Any party objecting to this Sale Order must exercise due diligence in filing an appeal and pursuing a stay, or risk its appeal being dismissed as moot.

38. The Buyer shall not be required to seek or obtain relief from the automatic stay under section 362 of the Bankruptcy Code to enforce any of its remedies under the Purchase Agreement or any other Sale-related document or deliver any notice provided for in this Sale Order or the Purchase Agreement. The automatic stay imposed by section 362 of the Bankruptcy Code is modified to the extent necessary to implement the preceding sentence or any other provisions of this Sale Order.

39. This Sale Order, the Purchase Agreement and all ancillary agreements shall be binding in all respects upon the Debtors, their estates, all creditors of, and holders of equity interests in, any Debtor, any holders of liens, claims (as defined in section 101(5) of the Bankruptcy Code), liabilities, Encumbrances, rights and Interests in or against or on all or any

portion of the Assets (whether known or unknown), the Buyer and all successors and assigns of the Buyer, all counterparties to the Assigned Contracts, other parties in interest and trustees, if any, subsequently appointed in any of the Debtors' Chapter 11 Cases or upon a conversion to chapter 7 under the Bankruptcy Code of any of the Debtors' Chapter 11 Cases or dismissal of any of the Debtors' Chapter 11 Cases. This Sale Order and the Purchase Agreement shall inure to the benefit of the Debtors, their estates, creditors and equity holders, the Buyer, Cerberus, and the respective successors and assigns of each of the foregoing.

40. No bulk sales law or any similar law of any state or other jurisdiction applies in any way to the Sale.

41. Nothing contained in any plan of reorganization or liquidation, or order of any type or kind in these Chapter 11 Cases, any subsequent chapter 7 cases in which these Chapter 11 Cases may be converted or any related proceedings subsequent to the entry of this Sale Order, shall alter or affect the terms and conditions of the Sale, the Purchase Agreement (or any ancillary documents executed in connection therewith) or the terms or implementation of this Sale Order.

42. To the extent permitted by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any permit or licenses relating to the operation of the Assets sold, transferred or conveyed to the Buyer on account of the filing or pendency of these Chapter 11 Cases or the consummation of the Sale. To the greatest extent available under applicable law, the Buyer shall be authorized, as of the Closing Date, to operate under any license, permit, registration, and any other governmental authorization or approval of the Debtors with respect to the Assets or the Assigned Contracts, and all such licenses, permits, registrations, and governmental authorizations and approvals are deemed to have been, and hereby are, directed to

be transferred to the Buyer as of the Closing Date. Each and every federal, state, and local governmental unit is hereby authorized to accept any and all documents and instruments necessary and appropriate to consummate the Sale.

43. The Buyer has no obligation to proceed with Closing unless and until all conditions precedent to its obligations to do so, as set forth in the Purchase Agreement, have been met, satisfied or waived in accordance with the terms of the Purchase Agreement.

44. The failure specifically to include any particular provision 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; provided, however, that this Sale Order shall govern if there is any inconsistency between the Purchase Agreement (including all ancillary documents executed in connection therewith) and this Sale Order. All of the provisions of this Sale Order are non-severable and mutually dependent.

45. Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, this Sale Order shall be immediately effective and constitute a final order.

46. The Court shall retain jurisdiction and power to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the Purchase Agreement, all amendments thereto and any waivers and consents thereunder, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Sale, including retaining jurisdiction to (a) compel delivery of the Assets to the Buyer in accordance the Purchase Agreement, (b) interpret, implement and enforce the provisions of this Sale Order, (c) protect the Buyer

against any interests in or against the Debtors or the Assets of any kind or nature whatsoever, and (d) enter any orders under sections 363 or 365 of the Bankruptcy Code with respect to the Assets and Assigned Contracts.

47. The Debtors are authorized to take all actions necessary or appropriate to effectuate the relief granted pursuant to this Sale Order in accordance with the Sale Motion.

48. To the extent this Sale Order is inconsistent with the Purchase Agreement or any prior order or pleading with respect to the Sale Motion in these Chapter 11 Cases, the terms of this Sale Order shall govern.

49. No order confirming any plan of reorganization or liquidation or order dismissing or converting the chapter 11 cases shall in any way override or modify any of the provisions and protections afforded to Buyer contained herein

Dated: November 12, 2014
Wilmington, Delaware


THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE