

SO ORDERED.

SIGNED this 20th day of August, 2019.



Benjamin A. Kahn
BENJAMIN A. KAHN
UNITED STATES BANKRUPTCY JUDGE

IN THE UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF NORTH CAROLINA
DURHAM DIVISION

In re:)	Chapter 11
)	
AE Bicycle Liquidation, Inc., <i>et al.</i> , ¹)	
)	Case No. 18-80856
)	(Jointly Administered)
)	
Debtors.)	
)	

Conditional Approval Order (i) Conditionally Approving Disclosure Statement and Combining Hearings on Disclosure Statement and Plan; (ii) Approving Committee’s Solicitation Letter; (iii) Establishing Procedures for Voting on the Plan; (iv) Establishing Deadlines for Voting and Objections; (v) Approving Solicitation Package and Distribution Thereof; and (vi) Scheduling Combined Hearings

This matter came before the Court to consider the Motion (Dkt. No. 998) filed by the Debtors seeking entry of an order (the “Conditional Approval Order”) conditionally approving the *Amended Disclosure Statement for Joint Plan of Liquidation* (Dkt. No. 1001, the “Disclosure”

¹ The Debtors in this case, along with each Debtor’s case number, are: (i) AE Bicycle Liquidation, Inc. (formerly known as Advanced Sports Enterprises, Inc.), Case No. 18-80856; (ii) AI Bicycle Liquidation, Inc. (formerly known as Advanced Sports, Inc.), Case No. 18-80857; (iii) Performance Direct, Inc., Case No. 18-80860; (iv) Bitech, Inc., Case No. 18-80858; and (v) Nashbar Direct, Inc., Case No. 18-80859.



Statement”) and related relief, and for good and sufficient reasons appearing it is hereby ORDERED as follows:

1. The adequacy of the information contained in the Disclosure Statement is conditionally approved.

2. Objections to the adequacy of the Disclosure Statement or to confirmation of the *Joint Plan of Liquidation* (Dkt. No. 996, the “Plan”) shall (a) be in writing; (b) state with particularity the grounds therefore; (c) conform to the Bankruptcy Rules and the Court’s Local Rules; (d) be filed electronically with the Court; and (e) be served by: (i) first class mail, (ii) overnight courier, or (iii) personal delivery, in each case so that it is actually **received** no later than **October 7, 2019 at 5:00 p.m. (EST)** (the “Objection Deadline”) on the following parties:

- a. Counsel to the Debtors: John A. Northen, Northen Blue, LLP, 1414 Raleigh Road, Suite 435, Chapel Hill, NC 27517, and William J. Burnett, Flaster/Greenberg P.C. 1835 Market Street, Suite 1050, Philadelphia, PA 19103;
- b. Counsel to the Committee: Jay Indyke, Cooley LLP, 55 Hudson Yards, New York, NY 10001, and Thomas W. Waldrep, Jr., Waldrep LLP, 101 S. Stratford Road, Suite 210, Winston-Salem, NC 27104; and
- c. Robert E. Price, Jr., Office of the United States Bankruptcy Administrator, 101 S. Edgeworth Street, Greensboro, NC 27401.

3. Ballots shall provide for acceptance or rejection by holders of Claims in Class 1 (Secured Claims of Advanced Holdings), Class 2 (Secured Claims of York Street Note Purchasers), and Class 3 (Unsecured Claims)² (collectively, the “Voting Classes”), in each case

² Holders of claims in Class 3 shall consist of (i) deficiency claims of Ideal and York Street Note Purchasers, (ii) creditors who have filed a proof of claim in one or more the Debtors’ cases, and (iii) creditors who were scheduled as holding claims but who have not filed a proof of claim in one or more the Debtors’ cases.

divided into sub-classes of creditors as to each Debtor, and shall be properly executed, completed, and delivered to Debtors' Counsel at the address shown on the Ballot by: (i) first class mail, (ii) overnight courier, or (iii) personal delivery, in each case so that it is actually **received** by no later than **October 7, 2019 at 5:00 p.m. (EST)** (the "Voting Deadline"). The date of entry of this Conditional Approval Order shall constitute the Record Date for determining the holders of claims entitled to vote on the Plan.

4. Holders of Administrative Expense Claims, Priority Claims and Priority Tax Claims, which are unclassified Claims who are unimpaired, are conclusively deemed to have accepted the Plan and not entitled to vote on the Plan. Further, holders of Equity Interests will receive or retain no property under the Plan on account of such interests, are thus conclusively deemed to have rejected the Plan and not entitled to vote on the Plan. Accordingly, the Debtors are not required to distribute Ballots or related materials to holders of such claims or equity interests.

5. The Combined Hearing to consider final approval of the Disclosure Statement and confirmation of the Plan shall be held on **October 22, 2019, at 9:30 a.m. (EST)** in Courtroom #1, U.S. Bankruptcy Court, 101 S. Edgeworth Street, Greensboro, NC 27401 (the "Combined Hearing").

6. Within 15 days after entry of this Order, the Debtors shall transmit by first class mail to each creditor holding a claim in the Voting Classes, and to counsel for interested parties who have filed (and not terminated) a notice of appearance in the Bankruptcy Cases, copies of (i) this Conditional Approval Order; (ii) the Committee's Solicitation Letter; and (iii) the Ballot (the "Solicitation Package"). Within five (5) days after transmission of these documents, Debtors' Counsel shall file a certificate of such service with the Court.

7. Within 15 days after entry of this Conditional Approval Order, the Solicitation Package and the Disclosure Statement shall be made available at the Court's website: <http://www.ncmb.uscourts.gov>. In addition, copies of the Solicitation Package and the Disclosure Statement shall be mailed to any creditor in the Voting Classes who submits a written request to Debtors' Counsel for such materials in printed form.

8. At least three (3) days prior to the Combined Hearing, Debtors' Counsel shall file a summary of voting on the Plan and serve a copy on Counsel to the Committee and the Bankruptcy Administrator.

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