

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>BLITZ U.S.A., Inc., <i>et al.</i>,<sup>1</sup></b>	)	<b>Case No. 11-13603 (PJW)</b>
	)	
<b>Debtors.</b>	)	<b>(Jointly Administered)</b>
	)	
	)	<b>Re: Docket No. 230, 271</b>

**AMENDED ORDER (A) ESTABLISHING BIDDING AND AUCTION PROCEDURES  
RELATED TO THE SALE OF CERTAIN OF THE DEBTORS' ASSETS;  
(B) ESTABLISHING PROCEDURES FOR APPROVAL OF RELATED BID  
PROTECTIONS; (C) SCHEDULING AN AUCTION AND SALE HEARING;  
(D) ESTABLISHING CERTAIN NOTICE PROCEDURES FOR DETERMINING  
CURE AMOUNTS FOR EXECUTORY CONTRACTS AND LEASES TO BE  
ASSIGNED; AND (E) GRANTING CERTAIN RELATED RELIEF**

Upon consideration of the motion (the “Motion”)<sup>2</sup> of the Debtors for entry of an order (the “Bidding Procedures Order”) (A) establishing bidding and auction procedures (the “Bidding Procedures”), substantially in the form attached hereto as Exhibit 1, in connection with the sale (the “Sale”) of the Debtors’ F3 Brands LLC business division assets (collectively, the “Assets”), consisting of substantially all of the assets of F3 Brands LLC and certain related real estate and other assets which are owned by the Debtors Blitz RE Holdings, LLC and/or Blitz U.S.A., Inc., free and clear of all claims (as defined in section 101(5) of the Bankruptcy Code) and any other interests, liens, mortgages, pledges, security interests, rights of first refusal, obligations and encumbrances of any kind whatsoever (collectively, the “Interests”), as more fully described and except to the extent identified in the Stalking Horse APA (as defined below)

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: LAM 2011 Holdings, LLC (8742); Blitz Acquisition Holdings, Inc. (8825); Blitz Acquisition, LLC (8979); Blitz RE Holdings, LLC (9071); Blitz U.S.A., Inc. (8104); and F3 Brands LLC (2604). The location of the Debtors' corporate headquarters and the Debtors' service address is: 404 26th Ave. NW Miami, OK 74354.

<sup>2</sup> Capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion or the Stalking Horse APA.



or the asset purchase agreement of any other Successful Bidder (as defined in the Bidding Procedures), as applicable; (B) approving the proposed bid protections, the break-up fee (the “Break-Up Fee”, as defined in the Stalking Horse APA) and the Initial Overbid Amount (as defined in the Bidding Procedures) (the Break-Up Fee and the Initial Overbid Amount together, the “Bid Protections”), to Scepter Holdings Inc. (the “Stalking Horse Bidder”) in accordance with that certain Asset Purchase Agreement dated March 15, 2012, (the “Stalking Horse APA”) for the purchase of the Assets; (D) establishing certain notice procedures for determining cure amounts (the “Cure Amounts”) for executory contracts (the “Executory Contracts”) and unexpired nonresidential real property leases (the “Real Property Leases”) that may be assigned (the “Cure Procedures”); and (E) granting certain related relief; and it appearing that the relief requested is in the best interests of the Debtors’ estates, their creditors, and other parties-in-interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Motion and opportunity for objection having been given, with no objections having been filed, or all objections having been overruled, as the case may be; and it appearing that no other notice need be given; and after due deliberation and sufficient cause therefore, it is hereby:

FOUND AND DETERMINED THAT:

A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory predicates for the relief sought herein are sections 105, 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004 and 6006. Venue for these cases and this Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Notice of the Motion, including the proposed entry of the Bidding Procedures Order, the Bidding Procedures, the Cure Procedures, and the hearing to consider entry of this Bidding Procedures Order (the “Bidding Procedures Hearing”) has been provided as set forth in the Motion. The Debtors’ notice of the Motion, the proposed entry of the Bidding Procedures Order, the Bidding Procedures, the Cure Procedures, and Bidding Procedures Hearing is appropriate and reasonably calculated to provide all interested parties with timely and proper notice under Bankruptcy Rules 2002, 4001, 6004 and 6006, and no other or further notice of, or hearing on, the Motion or this Bidding Procedures Order is required.

C. The Debtors’ proposed notices of (i) the proposed Sale of the Assets, (ii) the assumption and assignment of Executory Contracts and Real Property Leases, (iii) the Stalking Horse APA, (iv) the Bid Protections; (v) the Cure Procedures, and (vi) the Bidding Procedures are appropriate and reasonably calculated to provide all interested parties with timely and proper notice of each, and no further notice of, or hearing on, each is necessary or required.

D. The Bidding Procedures and the Cure Procedures substantially in the form set forth in the Motion are fair, reasonable, and appropriate and are designed to maximize the value of the Debtors’ estates.

E. The Debtors have (a) articulated good and sufficient reasons to this Court to grant the relief requested in the Motion and (b) demonstrated sound business justifications to support such relief.

F. The Debtors have demonstrated a compelling and sound business justification for approving the payment of the Break-Up Fee under the circumstances and timing set forth in the Motion and Stalking Horse APA.

G. The Debtors' granting of Bid Protections to the Stalking Horse Bidder is (a) an actual and necessary cost and expense of preserving the Debtors' estates, within the meaning of section 503(b) of the Bankruptcy Code, (b) of substantial benefit to the Debtors' estates, (c) fair, reasonable and appropriate, in light of, among other things, (i) the size and nature of the proposed Sale of the Assets, (ii) the substantial efforts that have been expended by the Stalking Horse Bidder, and (iii) the benefits the Stalking Horse Bidder has provided to the Debtors' estates and creditors and all parties-in-interest herein.

H. The Debtors have (a) articulated good and sufficient reasons to this Court to grant the relief requested in the Motion and (b) demonstrated sound business justifications to support such relief.

I. Entry of this Bidding Procedures Order is in the best interests of the Debtors and their respective estates and creditors, and all other parties-in-interest.

IT IS THEREFORE, ORDERED, ADJUDGED AND DECREED THAT:

1. The (i) Bidding Procedures and (ii) Cure Procedures, are hereby APPROVED, and fully incorporated into this Bidding Procedures Order, and shall apply with respect to the proposed Sale of the Assets and assumption and assignment of Executory Contracts and unexpired Real Property Leases contemplated by the Motion. The Debtors are authorized to take any and all actions necessary or appropriate to implement the Bidding Procedures.

2. All objections to the relief requested in the Motion with respect to (i) the Bidding Procedures and (ii) the Cure Procedures that have not been withdrawn, waived or settled as announced at the Bidding Procedures Hearing, or resolved by stipulation signed by the Debtors and filed with this Court, are overruled on their merits.

### **AUCTION AND BIDDING PROCEDURES**

3. The Debtors are authorized to conduct the Auction. The Auction, if any, shall be conducted at Richards, Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801 (the "Auction Site") at 10:00 a.m. (prevailing Eastern time) on March 26, 2012 (the "Auction Date"), or at such other place and time or later date as determined by the Debtors. The Debtors shall notify all Qualified Bidders who have submitted Qualified Bids and expressed their intent to participate in the Auction as set forth in the Bidding Procedures. The Debtors are authorized, subject to the terms of this Bidding Procedures Order, to take all actions necessary, in the discretion of the Debtors, to conduct and implement such Auction.

4. The Debtors, in consultation with BOKF, N.A. d/b/a Bank of Oklahoma (the "DIP Lenders") and the Official Committee of Unsecured Creditors (the "Committee"), may (i) select, in their business judgment, pursuant to the Bidding Procedures the highest or otherwise best offer(s) and the Successful Bidder or Bidders, and (ii) reject any bid that, in the Debtors' business judgment, is (a) inadequate or insufficient, (b) not in conformity with the requirements of the Bankruptcy Code, the Bankruptcy Rules or the Bidding Procedures, or (c) contrary to the best interests of the Debtors and their estates, creditors, interest holders or parties-in-interest.

5. The failure to specifically include or reference any particular provision, section or article of the Bidding Procedures in this Bidding Procedures Order shall not diminish or impair the effectiveness of such procedures, it being the intent of this Court that the Bidding Procedures be authorized and approved in their entirety.

6. The Stalking Horse Bidder is deemed a Qualified Bidder, and the Stalking Horse Bidder's bid for the Assets is deemed a Qualified Bid. In the event there are no other

Qualifying Bids, the Debtors shall accept the Stalking Horse Bid and the Stalking Horse shall be the Successful Bidder.

### **THE BID PROTECTIONS**

7. The Bid Protections set forth in the Bidding Procedures including the Break-Up Fee and the minimum overbid are a reasonable inducement for the Stalking Horse Bidder's offer to purchase the Assets on the terms set forth in the Stalking Horse APA and compensation for the risks and lost opportunity costs incurred by the Stalking Horse Bidder. Solely for the purposes of determining a Successful Bid, any overbid submitted by the Stalking Horse Bidder shall be credited for the full amount of the Break-Up Fee potentially payable by the Debtors.

8. The payment to the Stalking Horse Bidder of the Break-Up Fee (i) is an actual and necessary cost and expense of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code, (ii) is of substantial benefit to the Debtors' estates, (iii) is reasonable and appropriate, including in light of the size and nature of the proposed Sale of the Assets and the efforts that have been and will be expended by the Stalking Horse Bidder, notwithstanding that the proposed Sale is subject to higher or better offers for the Assets, (iv) was negotiated on an arm's-length basis and in good faith, and (v) is necessary to ensure that the Stalking Horse Bidder will continue to be bound to the offer contained in the Stalking Horse APA.

9. Pursuant to sections 105, 363, 364, 503, 506 and 507 of the Bankruptcy Code, the Debtors are hereby authorized to pay, without further order of this Court, the Break-Up Fee pursuant to the terms and conditions set forth in the Stalking Horse APA. In connection therewith, the Debtors' obligation to pay the Break-Up Fee, as provided by the Stalking Horse

APA, shall survive termination of the Stalking Horse APA and, until paid in accordance with the Stalking Horse APA, shall constitute a superpriority administrative expense claim in favor of the Purchaser having superpriority, under section 364(c) of the Bankruptcy Code, payable out of the proceeds of a Competing Transaction (which shall be senior to any and all liens and claims of any creditors of or holders of equity interests in the Debtors, including pre-petition and post-petition amounts owing to the Debtors' pre-petition and post-petition senior secured lenders). To the extent that the Stalking Horse Bidder is not the Successful Bidder, the Successful Bidder is authorized and directed to pay the Break-Up Fee directly to the Stalking Horse Bidder by wire transfer of immediately available good funds to an account specified by the Stalking Horse Bidder at the closing of any transaction involving the Assets with the Successful Bidder. To the extent for any reason the Successful Bidder fails to pay the Break-Up Fee directly to the Stalking Horse Bidders, the Debtors are authorized and directed to pay the Break-Up Fee to the Purchasers without further order of the Court, out of the proceeds received from the Competing Transaction, when and as provided in Section 9.4 of the Stalking Horse APA. In the event that the DIP Lenders and the Prepetition Lenders submit a credit bid for the Assets, the Break-Up Fee shall be paid by the DIP Lender and the Prepetition Lenders, when and as provided in Section 9.4 of the Stalking Horse APA.

10. The Break-Up Fee is hereby approved and shall be paid to the Stalking Horse Bidder as set forth in Section 9.4 of the Stalking Horse APA. The Break-Up Fee shall be paid only if a Competing Transaction occurs and closes within six (6) months of the Auction.

11. The Break-Up Fee shall be the sole remedy of the Stalking Horse Bidder if the Stalking Horse APA is terminated under circumstances where the Break-Up Fee is payable.

### **ADDITIONAL NOTICE PROVISIONS**

12. On February 28, 2012 (the “Mailing Date”) the Debtors (or their agents) served the *Notice of Sale of Certain Assets Free and Clear of Liens, Claims, Encumbrances and Interests* [Docket No. 277] and a copy of *Order (A) Establishing Bidding and Auction Procedures Related to the Sale of Certain of the Debtors’ Assets; (B) Establishing Procedures for Approval of Related Bid Protections; (C) Scheduling an Auction and Sale Hearing; (D) Establishing Notice Procedures for Determining Cure Amounts for Executory Contracts and Leases to be Assigned; and (E) Granting Certain Related Relief* [Docket No. 275] (the “Original Bidding Procedures Order”) by first-class mail, postage prepaid, upon (a) the United States Trustee for the District of Delaware; (b) counsel to the Committee; (c) counsel to the agent for the Debtors’ prepetition and post-petition secured lender; (e) all parties asserting a security interest in the assets of the Debtors to the extent reasonably known to the Debtors; (f) each of the Debtors’ landlords and each of the notice parties identified in the real property leases, to the extent possible; (i) various federal, state, county and city tax and regulatory authorities; (j) all entities known to have expressed an interest in a transaction with respect to the Assets or that has been indentified by the Debtors or their advisors as a potential purchaser of the Assets; and (k) all parties requesting notice pursuant to Bankruptcy Rule 2002. The Debtors shall serve this Bidding Procedures Order upon all of the foregoing parties by first class mail within two (2) business day following the entry of this Bidding Procedures Order.

### **CURE PROCEDURES**

13. The Cure Procedures are approved.

14. On or before March 21, 2012, the Debtors shall serve upon the Debtors’ master creditor matrix, by first class mail, postage pre-paid, a 2-page supplemental notice of the



Sale Hearing and Objection Deadline, in a form agreed upon by Purchaser and Debtors. In advance of such mailing, \$3,500 was paid to the Debtors by Purchaser to defray the copying and postage costs for such mailing; such \$3,500 has been included in the amount of the Break-Up Fee and is payable to Purchaser when, if and as the Break-Up Fee is payable.

15. On February 10, 2012, March 9, 2012 and March 13, 2012, the Debtors filed a notice identifying all Executory Contracts and Real Property Leases that may be assumed and assigned in connection with the Sale (together with any subsequent notices identifying Executory Contracts and Real Property Leases that may be assumed and assigned in connection with the Sale, the “Cure Notice”), substantially in the form attached hereto as Exhibit 2 or any subsequent Cure Notice, with this Court and served or shall serve the Cure Notice on all non-debtor parties to any Executory Contracts and Real Property Leases (the “Contract Notice Parties”) that may be assumed by the Debtors and assigned to the Successful Bidder; *provided, however*, that the presence of an Executory Contract or Real Property Lease listed on Exhibit 2 does not constitute an admission that such Executory Contract or Real Property Lease is an executory contract or unexpired lease. The Debtors reserve all of their rights, claims and causes of action with respect to the Executory Contracts and Real Property Leases listed on Exhibit 2 or any subsequent Cure Notice.

16. The Cure Notice stated the Cure Amounts that the Debtors believe are necessary to assume such Executory Contracts and Real Property Leases pursuant to section 365 of the Bankruptcy Code and notified the non-debtor party that such party’s Executory Contract or Real Property Lease may be assumed and assigned to a purchaser of the Assets to be identified at the conclusion of the Auction. The Cure Notice also provided that objections to any

Cure Amount will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors.

17. All objections by non-debtor parties to the Cure Amount, must be filed within fourteen (14) days after service of the applicable Cure Notice (the “Cure Objection Deadline”) and served on (i) the Debtors’ counsel by mail, Richards Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801, (Attn: Daniel J. DeFranceschi, Esq. and Paul N. Heath, Esq.); and (ii) the Debtors by mail, Blitz U.S.A., Inc., 404 26th Ave. NW Miami, OK 74354 (Attn: Rocky Flick) (the “Cure Objection Notice Parties”).

18. The Debtors may amend the Cure Notice with respect to any Cure Amount. If the Debtors amend the Cure Notice, any non-debtor parties affected by the amendment must file any objection to the amended Cure Amount by the earlier of (i) fourteen (14) days after service of the amended Cure Notice or (ii) two days before the Sale Hearing and serve such objection on the Cure Objection Notice Parties.

19. Unless a non-debtor party to any Executory Contract or Real Property Lease files an objection to the Cure Amount by the Cure Objection Deadline, then such counterparty shall be (i) forever barred from objecting to the Cure Amount; and (ii) forever barred and estopped from asserting or claiming any Cure Amount against the Debtors, any Successful Bidder or any other assignee of the relevant Executory Contract or Real Property Lease.

20. All timely filed objections to any Cure Amount must set forth (i) the basis for the objection, (ii) the exact amount the party asserts as the Cure Amount, and (iii) sufficient documentation to support the Cure Amount alleged.

21. Hearings on objections to any Cure Amount may be held at the Sale Hearing or upon such other date as this Court may designate upon request by Debtors with prior consent of the Successful Bidder.

22. As soon as possible after the Closing Date, the Debtors shall file with this Court a post-closing notice that identifies the Executory Contracts and Real Property Leases which were assumed and assigned to the Successful Bidder as of the Closing Date.

### **ADDITIONAL PROVISIONS**

23. The Debtors are authorized and empowered to take such actions as may be necessary to implement and effect the terms and requirements established under this Bidding Procedures Order.

24. A Sale Hearing to approve the sale of substantially all of the Assets to any Successful Bidder and authorizing the assumption and assignment of certain executory contracts and unexpired leases shall be held on March 28, 2012 at 10:00 a.m. (prevailing Eastern Time), unless otherwise continued upon request by the Debtors.

25. Objections, if any, to any Sale must be filed by March 23, 2012 at 12:00 p.m. (prevailing Eastern Time) (the “Sale Objection Deadline”) and Objections if any, to the selection of the Successful Bidder or Successful Bidders (other than the Stalking Horse Bidder) or the Auction must be filed by March 27, 2012 at 12:00 p.m. (prevailing Eastern Time). Any and all Objections must be served on (i) counsel for the Debtors, Richards, Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801, (Attn: Daniel J. DeFranceschi, Esq. and Paul N. Heath, Esq.); (ii) the Debtors, Blitz U.S.A., Inc., 404 26th Ave. NW Miami, OK 74354 (Attn: Rocky Flick); (iii) counsel to the Official Committee of Unsecured Creditors, Lowenstein Sandler PC, 65 Livingston Avenue, Roseland, NJ 07068 (Attn: Kenneth

A. Rosen and Sharon L. Levin) and Womble Carlyle Sandridge & Rice, LLP, 222 Delaware Avenue, Suite 1501, Wilmington, DE 19801 (Attn: Francis A. Monaco, Jr.); and (iv) counsel to the Stalking Horse Bidder, Pepper Hamilton LLP, Hercules Plaza, Suite 5100, 1313 N. Market Street, Wilmington, Delaware 19801 (Attn: David M. Fournier); and (v) all other parties that have requested notice in these cases.

26. This Bidding Procedures Order shall be binding on and inure to the benefit of the Debtors, without limitation, including any chapter 7 or chapter 11 trustee or other fiduciary appointed for the estates of the Debtors.

27. This Bidding Procedures Order shall constitute the findings of fact and conclusions of law and shall take immediate effect upon execution hereof.

28. To the extent this Bidding Procedures Order is inconsistent with any prior order or pleading with respect to the Motion in these cases, the terms of this Bidding Procedures Order shall govern.

29. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 6006(d), 7062, 9014, or otherwise, this Court, for good cause shown, orders that the terms and conditions of this Bidding Procedures Order shall be immediately effective and enforceable upon its entry.

30. Notwithstanding anything to the contrary in the Motion, Bidding Procedures or this Bidding Procedures Order, the DIP Lenders and Prepetition Lenders reserve the right, to the extent permitted by Section 363(K) of the Bankruptcy Code, to submit a credit bid for the Assets. Notwithstanding any credit bid by the DIP Lenders, such credit bid shall not prejudice or impair the rights granted to the Committee in the Final Order Under 11 U.S.C. §§ 105(a), 361, 363 and 364 and Fed. R. Bankr. P. 2002, 4001 and 9014 (I) Authorizing Debtors

to Incur Postpetition Secured Indebtedness, (II) Granting Security Interests and Superpriority Claims, and (III) Approving the Use of Cash Collateral entered on December 12, 2011 [Docket No. 132] (the "Final DIP Order").

31. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Bidding Procedures Order, including, but not limited to, any matter, claim or dispute arising from or relating to the Bid Protection Procedures, the Stalking Horse APA, the Bidding Procedures and the implementation of this Bidding Procedures Order.

Dated: March 21, 2012  
Wilmington, Delaware

  
\_\_\_\_\_  
THE HONORABLE PETER J. WALSH  
UNITED STATES BANKRUPTCY JUDGE

# **Exhibit 1**

## **Bidding Procedures**

### **Amended Bidding Procedures**

On November 9, 2011, Blitz U.S.A, Inc. ("Blitz"), and 5 of its affiliates (collectively, the "Debtors") filed voluntary petitions under chapter 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Debtors' cases are jointly administered for procedural purposes under Case No. 11-13603 (PJW). As more fully described in the Stalking Horse APA (as defined below), the Debtors F3 Brands LLC, Blitz U.S.A., Inc. and Blitz RE Holdings, LLC seek to sell substantially all of the assets of F3 Brands LLC and certain real estate and other assets relating to the F3 Brands LLC business line (collectively, the "Assets") pursuant to section 363 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Sale").

Set forth below are the amended bidding procedures (the "Amended Bidding Procedures") to be employed in connection with an auction (the "Auction") for the Sale. At a hearing following the Auction (the "Sale Hearing"), the Debtors will seek entry of an order (the "Sale Order") from the Bankruptcy Court authorizing and approving the Sale to the Qualified Bidder (as defined below) that the Debtors determine to have made the highest or otherwise best bid for the Assets (the "Successful Bidder").

The Debtors, after consultation with the official committee of unsecured creditors (the "Committee") and BOKF, NA d/b/a Bank of Oklahoma, as the Debtors' pre- and postpetition secured lender (the "DIP Lenders"), have entered into an asset purchase agreement (the "Stalking Horse APA") with Scepter Holdings Inc. (the "Stalking Horse Bidder") to establish a minimum bidding price for the Debtors' Assets.

On February 7, 2012, the Debtors filed the *Debtors' Motion Pursuant to 11 U.S.C. §§ 105(a), 363, and 365 and Fed. R. Bankr. P. 2002, 6004, and 6006 for (I) Entry of an Order (A) Establishing Bidding and Auction Procedures Related to the Sale of Certain of the Debtors' Assets; (B) Establishing Procedures for Approving Related Bid Protections; (C) Scheduling an Auction and Sale Hearing; (D) Establishing Certain Notice Procedures for Determining Cure Amounts for Executory Contracts and Leases to Be Assigned; and (E) Granting Certain Related Relief; and (II) Entry of an Order (A) Approving the Sale of Certain of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances and Interests; and (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases*; (as supplemented by the Debtors on March 15, 2012, the "Bidding Procedures and Sale Motion"). On February 24, 2012, the Bankruptcy Court entered an order approving the Bidding Procedures (the "Original Bidding Procedures Order"). The Original Bidding Procedures Order also set March 28, 2012 as the date the Bankruptcy Court will conduct the Sale Hearing. On March \_\_, 2012, the Bankruptcy Court entered the Amended Bidding Procedures Order amending the Original Bidding Procedures Order and approving the Amended Bidding Procedures as set forth herein. At the Sale Hearing, the Debtors shall seek entry of an order from the Bankruptcy Court authorizing and approving the Sale of the Assets of the Debtors to the Stalking Horse Bidder or the Successful Bidder at the Auction.

### **Assets to be Sold**

The Debtors are offering for sale substantially all of the Assets and Potential Bidders (as defined below) may submit bids only for all or substantially all of the Assets. The Debtors shall retain all rights to the Assets that are not subject to a bid accepted by the Debtors and approved by the Bankruptcy Court at the Sale Hearing.

### **Communication with the Debtors**

Any party desiring to obtain a copy of the Original Bidding Procedures Order or the Amended Bidding Procedures Order approving these bidding procedures may do so by contacting the Debtors' counsel at Richards, Layton & Finger, PA, 920 North King Street, Wilmington, Delaware 19801, Attn: Daniel J. DeFranceschi, Esq. and Paul N. Heath, Esq. or (302) 651-7700 or by accessing the Debtors' claims, noticing and solicitation agent's website, Kurtzman Carson Consultants LLC at <http://www.kccllc.net/Blitz>.

Requests for additional information and due diligence access from Potential Bidders (as defined below) should be addressed to Capstone Financial Group, Inc., 11 Palmetto Parkway, Suite 104, Hilton Head Island, South Carolina 29926 or (843) 689-6450 (Attn: Dan Smith).

### **The Bidding Process**

The Debtors and their advisors, in consultation with the Committee and the DIP Lenders, shall (i) coordinate the efforts of Potential Bidders in conducting their due diligence investigations and receive offers from Potential Bidders, and (ii) negotiate and evaluate any offers made to purchase all or substantially all of the Assets (collectively, the "Bidding Process"). The Debtors, after consultation with the Committee, and the DIP Lenders, shall have the right, in the exercise of their fiduciary duties, to adopt such other rules for the Bidding Process (including rules that may depart from those set forth herein) that will better promote the goals of the Bidding Process; *provided, however*, that such other rules are not inconsistent with any of (i) the provisions of the Stalking Horse APA (including the deadlines therein), (ii) the Bid Deposit Requirement (as defined below), and (iii) the Bid Protections (as defined below) granted to the Stalking Horse Bidder herein.

### **Participation and Qualified Bid Requirements and Bid Deadline**

The Stalking Horse Bidder is a Qualified Bidder and entitled to participate in the Bidding Process. Any other person that wishes to participate in the Bidding Process (a "Potential Bidder") must become a "Qualified Bidder." As a prerequisite to becoming a Qualified Bidder, a Potential Bidder must deliver (unless previously delivered) to (i) the Debtors, Blitz U.S.A., Inc., 404 26th Ave. NW Miami, OK 74354 (Attn: Rocky Flick); (ii) counsel to the Debtors, Richards, Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801 (Attn: Daniel J. DeFranceschi, Esq. and Paul N. Heath, Esq.); (iii) investment bankers to the Debtors, Capstone Financial Group, Inc., 11 Palmetto Parkway, Suite 104, Hilton Head Island, South Carolina 29926 (Attn: Dan Smith); (iv) counsel to the agent for the Debtors' prepetition lenders and post-petition lenders, Frederick Dorwart Lawyers, Old City Hall, 124



East Fourth Street, Tulsa, OK 74103-5027 (Attn: Samuel S. Ory) and Klehr Harrison Harvey Branzburg LLP, 919 Market Street, Suite 1000, Wilmington, DE 19801 (Attn: Margaret M. Manning); and (v) counsel to the Official Committee of Unsecured Creditors, Lowenstein Sandler PC, 65 Livingston Avenue, Roseland, NJ 07068 (Attn: Kenneth A. Rosen and Jeffrey Prol) and Womble Carlyle Sandridge & Rice, LLP, 222 Delaware Avenue, Suite 1501, Wilmington, DE 19801 (Attn: Francis A. Monaco, Jr.) not later than 12:00 p.m. on March 23, 2012 (the "Bid Deadline"), its bid and the following information and documents (the "Required Bid Materials"):

- i. Identification of Potential Bidder. Identification of the Potential Bidder and any equity holders, in the case of a Potential Bidder which is an entity specially formed for the purpose of effectuating the contemplated transaction, and the representatives thereof who are authorized to appear and act on their behalf for all purposes regarding the contemplated transaction; and
- ii. Marked Agreement: An executed copy of a purchase agreement and a redline of a Potential Bidder's proposed purchase agreement and/or agency agreement reflecting variations from the Stalking Horse APA (the "Marked Agreement"). All Qualified Bids must provide (a) a commitment to close immediately upon the entry of the Sale Order; and (b) the identity of and contact information for the bidder and full disclosure of any affiliates and any debt or equity financing sources involved in such bid.
- iii. Financing Sources: Sufficient information, as may be requested by the Debtors, to allow the Debtors to determine that the bidder has the financial wherewithal to close a sale of the Assets, including, but not limited to:
  - (a) a signed commitment for any debt or equity financing;
  - (b) a bank account statement showing the ability of a Potential Bidder to pay cash for the Assets;
  - (c) contact names and numbers for verification of financing sources; and
  - (d) current audited financial statements (or such other form of financial disclosure and credit-quality support or enhancement acceptable to the Debtors) of the Potential Bidder or those entities that will guarantee in full the payment obligations of the Potential Bidder.
- iv. Minimum Bid Amount: Total consideration with a value equal to or greater than the amount in the Stalking Horse APA (the "Minimum Bid Amount") plus amounts necessary to meet the Initial Overbid Amount (as defined below).
- v. Irrevocability of Bid: A letter stating that the bidder's offer is irrevocable until the first business day after the Assets for which the Potential Bidder is submitting

a bid have been sold pursuant to the closing of the sale or sales approved by the Bankruptcy Court.

- vi. Bid Deposit: A cash deposit in the amount of 10% of the total consideration offered in the bid in the form of a wire transfer, certified check or such other form acceptable to the Debtors (the "Bid Deposit") which shall be placed into escrow with Richards, Layton & Finger, P.A. (in such capacity the "Escrow Agent"). The Bid Deposits shall not be subject to the claims, liens, security interests, or encumbrances of the Debtors' creditors, including those creditors serving as debtor in possession or cash collateral lenders to the Debtors, and funds shall be disbursed by the Escrow Agent only as follows: (i) if the Potential Bidder becomes the Successful Bidder, its Bid Deposit will be used to satisfy any Bid Protections to which the Stalking Horse Bidder is entitled hereunder by reason of it not being the Successful Bidder, with the balance, if any, to be released to the Debtors, and (ii) if such Potential Bidder is not the Successful Bidder at the Auction, then its Bid Deposit shall be returned to it as set forth herein (subject to the other provisions of these Bid Procedures and the terms of its asset purchase agreement with the Debtors).
- vii. Identification of Executory Contracts and Unexpired Real Property Leases: The bid shall identify with particularity the Debtors' executory contracts and unexpired leases with respect to which the bidder seeks to receive an assignment and any designation rights it seeks.
- viii. No Financing or Diligence Constituencies: The bid shall not contain any due diligence, financing or regulatory contingencies of any kind, though the bid may be subject to the satisfaction of specific conditions in all material respects at Closing.
- ix. Consent to Jurisdiction: The bid shall state that the offering party consents to the jurisdiction of the Bankruptcy Court.
- x. Corporate Authority: The bid shall include evidence of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the submitted purchase agreement of the bidder.

A "Qualified Bidder" is a Potential Bidder that delivers the Required Bid Materials described in subparagraphs i. - x. above, and that the Debtors, in consultation with the Committee and the DIP Lenders, determine is reasonably likely (based on financial information submitted by the Potential Bidder, the availability of financing, experience and other consideration deemed relevant by the Debtors), to be able to consummate a sale if selected as the Successful Bidder (as defined below). Not later than one (1) business day after a Potential Bidder delivers all of the Required Bid Materials required by subparagraphs i. - x. above, the Debtors shall determine, in consultation with the Committee and the DIP Lenders, and shall notify the Potential Bidder, if such Potential Bidder is a Qualified Bidder. The Stalking Horse Bidder also is a Qualified Bidder. A bid from a Qualified Bidder is a "Qualified Bid."

All bids, other than the Stalking Horse Bid, must include (unless such requirement is waived by the Debtors) the Required Bid Materials.

The Debtors, in consultation with the Committee and the DIP Lenders, reserve the right to determine the value of any Qualified Bid, and which Qualified Bid constitutes the highest or best offer. Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed a Qualified Bid. The Debtors shall notify the Stalking Horse Bidder as soon as practicable if one or more Qualified Bids are received. As soon as practicable after determination that a bid is a Qualified Bid, and in any event prior to the commencement of the Auction, the Debtors shall provide copies of such Qualified Bidder's Marked Agreement to the Stalking Horse Bidder and all other Qualified Bidders.

#### Access to Due Diligence Materials

Only the Stalking Horse Bidder and Potential Bidders who have executed a confidentiality agreement in form and substance acceptable to the Debtors are eligible to receive due diligence access or additional non-public information. If the Debtors determine that a Potential Bidder that has executed such a confidentiality agreement does not constitute a Qualified Bidder, then such Potential Bidder's right to receive due diligence access or additional non-public information shall terminate. As noted above, the Debtors have designated Capstone Financial Group, Inc. to coordinate all reasonable requests for additional information and due diligence access from the Potential Bidders. The Debtors shall not be obligated to furnish any due diligence information after the Bid Deadline (as defined below). Neither the Debtors nor any of their employees, officers, directors, affiliates, subsidiaries, representatives, agents advisors or professionals are responsible for, and shall bear no liability with respect to, any information obtained by Potential Bidders in connection with the sale of the Assets.

Each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Assets that are the subject of the Auction prior to the Bid Deadline; that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets in making its bid; and that it did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express, implied, by operation of law or otherwise regarding the Assets, or the completeness of any information provided in connection therewith, except as expressly stated in these Amended Bidding Procedures.

### Due Diligence From Bidders

Each Potential Bidder and Qualified Bidder (collectively, a “Bidder”) shall comply with all reasonable requests for additional information and due diligence access by the Debtors or their advisors regarding each such Bidder and its contemplated transaction. Failure by a Potential Bidder to comply with the requests for additional information and due diligence access shall be a basis for the Debtors to determine that such Potential Bidder is not a Qualified Bidder. Failure by a Potential or Qualified Bidder to comply with requests for additional information and due diligence access shall be a basis for the Debtors to determine that a Bid made by such Potential or Qualified Bidder (other than the Stalking Horse Bidder) is not a Qualified Bid.

### Credit Bid

The DIP Lenders and the Prepetition Lenders reserve the right to the extent permitted by Section 363(k) of the Bankruptcy Code, to submit a credit bid for the Assets. Notwithstanding any credit bid by the Dip Lenders, such credit bid shall not prejudice or impair the rights granted to the Committee in the Final DIP Order Under 11 U.S.C. §§ 105(a), 361, 363 and 364 and Fed. R. Bankr. P. 2002, 4001 and 9014 (I) Authorizing Debtors To Incur Postpetition Secured Indebtedness, (II) Granting Security Interests and Superpriority Claims, and (III) Approving the Use of Cash Collateral, entered on December 12, 2011 [Docket No. 132] (the “Final DIP Order”).

### “As Is, With All Faults”

The sale of the Assets shall be on an “as is” and “with all faults” basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Debtors, their agents, their representatives or their estates, except as otherwise provided in a definitive purchase agreement with the Debtors. By submitting a bid, each Potential Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its offer, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Assets, the financial performance of the Assets or the physical condition of the Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Amended Bidding Procedures or as set forth in a definitive purchase agreement with the Debtors.

### Free of Any and All Interests

Except as otherwise provided in the Stalking Horse APA or another Successful Bidder’s purchase agreement all of the Debtors’ right, title and interest in and to the Assets subject thereto shall be sold free and clear of any pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon (collectively, the “Interests”) to the maximum extent

permitted by section 363 of the Bankruptcy Code, with such Interests to attach to the net proceeds of the sale of the Assets with the same validity and priority as such Interests applied against the Assets.

### **The Auction and Auction Procedures**

If a Qualified Bid, other than that submitted by the Stalking Horse Bidder, has been received by the Debtors, the Debtors may conduct an auction (the "Auction") with respect to all or some of the Assets. The Auction shall be conducted at the offices of Richards, Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801 (the "Auction Site") at 10:00 a.m. (prevailing Eastern time) on March 26, 2012 (the "Auction Date"), or such other place and time as the Debtors shall notify all Qualified Bidders who have submitted Qualified Bids and expressed their intent to participate in the Auction as set forth above. Prior to moving the Auction Date, the Debtors shall consult with the Stalking Horse Bidder, the DIP Lenders, and the Committee.

Except as otherwise provided herein, based upon the terms of the Qualified Bids received, the number of Qualified Bidders participating in the Auction, and such other information as the Debtors determine is relevant, the Debtors, in consultation with the Committee and the DIP Lenders, may conduct the Auction in any manner that they determine will achieve the maximum value for the Assets. Bidding at the Auction shall be transcribed or videotaped. The Debtors thereafter, in consultation with the Committee and the DIP Lenders, may offer the Assets in such successive rounds as the Debtors, in consultation with the Committee and the DIP Lenders, determine to be appropriate so as to obtain the highest or otherwise best bid for the Assets.

If Qualified Bidders submit Qualified Bids, then the Debtors, in consultation with the Committee and the DIP Lenders, shall (i) promptly following the Bid Deadline, review each Qualified Bid on the basis of the financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the Sale, and (ii) as soon as practicable after the conclusion of the Auction, identify the highest or otherwise best offer for the Assets (to the extent any such bid is acceptable to the Debtors, in consultation with the Committee and the DIP Lenders, a "Successful Bid" and the Qualified Bidder submitting the Successful Bid, the "Successful Bidder"). At the Sale Hearing, the Debtors, after consultation with the Committee and the DIP Lenders, may present the Successful Bid to the Bankruptcy Court for approval. The Debtors reserve all rights not to submit any bid which is not acceptable to the Debtors for approval by the Bankruptcy Court. The Debtors acknowledge that the Stalking Horse Bid is a Qualified Bid and shall be submitted to the Bankruptcy Court for approval in the event that there are no other Successful Bids. Except as otherwise provided herein or as restricted by the Stalking Horse APA, the Debtors, in the exercise of their fiduciary duties, may adopt rules for bidding at the Auction that, in their business judgment, will better promote the goals of the bidding process, the Bankruptcy Code or any order of the Bankruptcy Court entered in connection herewith.

If no Qualified Bid is submitted by the Bid Deadline or all Qualified Bids that have been submitted have been withdrawn prior to the Bid Deadline or the Auction Date, then the Debtors

shall cancel the Auction and accept the Stalking Horse Bid (in which case, the Successful Bid shall be the Stalking Horse Bid, and the Successful Bidder shall be the Stalking Horse Bidder).

### **Break-Up Fee**

To provide an incentive and to compensate the Stalking Horse Bidder for performing the substantial due diligence and incurring the expenses necessary and entering into the Stalking Horse APA with the knowledge and risk that arises from participating in the sale and subsequent bidding process, the Debtors have agreed to pay the Stalking Horse Bidder, under the conditions outlined herein and in the Stalking Horse Asset Purchase Agreement, a break-up fee in the amount of \$438,500.00 (the "Break-Up Fee"). The Debtors will take into account the Break-Up Fee in each round of bidding.

The Break-Up Fee was a material inducement for, and a condition of, the Stalking Horse Bidder's entry into the Stalking Horse APA. The Break-Up Fee shall be payable as set forth herein and in the Amended Bidding Procedures Order and Section 9.4 of the Stalking Horse APA.

### **Overbid Amount; Minimum Bid Increment**

There shall be an overbid amount that a Potential Bidder must bid to exceed the Stalking Horse Bid ("Initial Overbid Amount") in order to be deemed a Qualified Bidder, and that amount shall be at least the purchase price under the Stalking Horse APA, plus the amount of any Bid Protections, plus \$100,000. For example, if the Stalking Horse APA provides a purchase price of \$13,000,000 and the Bid Protections equal \$300,000, a Potential Bidder would need to bid \$13,400,000 in order to be deemed a qualified bidder for the purposes of participating in the Auction. Subsequent bids shall not be less than \$100,000 in total consideration in excess of the preceding bid (less an amount equal to the Bid Protections where such subsequent bid is made by the Stalking Horse Bidder) subject to the Debtors' ability to adjust the bidding increments in accordance with the Amended Bidding Procedures. The Debtors will take into account any Bid Protections in each round of bidding.

### **Acceptance of Qualified Bids**

The Debtors shall sell the Assets to any Successful Bidder only upon the approval of a Successful Bid by the Bankruptcy Court after the Sale Hearing. The Debtors' presentation of a particular Qualified Bid to the Bankruptcy Court for approval does not constitute the Debtors' acceptance of the bid. The Debtors will be deemed to have accepted a bid only when the bid has been approved by the Bankruptcy Court at the Sale Hearing.

### **Return of Bid Deposit**

The Bid Deposit of the Successful Bidder shall be applied to the Purchase Price. The Bid Deposit of the Back-up Bidder (as defined below) shall be held by the Escrow Agent in an escrow account until: (a) the earlier of 30 days following May 15, 2012 (the "Termination Date") or two (2) business days after the Closing of the transaction contemplated by the Successful Bid, or (b) such other time as may be agreed to by the Debtors and the Back-Up

Bidder or as ordered by the Court, and thereafter returned to the Back-up Bidder. Bid Deposits of all other Qualified Bidders shall be held in an escrow account until no later than the earlier of fifteen (15) days following the auction or two (2) business days after the Sale Hearing, and thereafter returned to the respective bidders.

### **Sale Hearing**

A Sale Hearing is scheduled for March 28, 2012 at 10:00 a.m. (prevailing Eastern Time) in the Bankruptcy Court with Objections, if any, to any Sale must be filed by March 23, 2012 at 12:00 p.m. (prevailing Eastern Time) and Objections, if any, to the selection of the Successful Bidder or Successful Bidders (other than the Stalking Horse Bidder) or the Auction must be filed by March 27, 2012 at 12:00 p.m. Following the approval of the Sale of all or substantially all of the Assets to any Successful Bidder at the Sale Hearing, if the Successful Bidder fails to consummate an approved Sale with the Successful Bidder, the Debtors shall be authorized, but not required, to deem the next highest or otherwise best Qualified Bid (the "Back-Up Bid" and the party submitting the Back-Up Bid, the "Back-Up Bidder"), as disclosed at the Sale Hearing, the Successful Bid, and the Debtors in consultation with the Committee and the DIP Lenders shall be authorized, but not required, to consummate the sale with the Back-Up Bidder submitting such bid without further order of the Bankruptcy Court. The Back-Up Bid shall remain open until: (a) the earlier of 30 days following the Termination Date or the two (2) business days following after the Closing of the transaction contemplated by the Successful Bid, or (b) such other time as may be agreed to by the Debtors and the Back-Up Bidder or as ordered by the Court. The Debtors, in the exercise of their business judgment, in consultation with the DIP Lenders and the Committee, reserve their right to the extent consistent with the Stalking Horse APA to change the date of the Sale Hearing in order to achieve the maximum value for the Assets.

### **Modifications**

The Debtors, in consultation with the Committee and the DIP Lenders, may (a) determine which Qualified Bid, if any, is the highest or otherwise best offer; and (b) reject at any time before entry of an order of the Bankruptcy Court approving a Qualified Bid, any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code, the Amended Bidding Procedures, or the terms and conditions of sale, or (iii) contrary to the best interests of the Debtors, their estates and creditors.

### **Miscellaneous**

The Auction and Bid Procedures are solely for the benefit of the Debtors and nothing contained in the Original Bidding Procedures Order, the Amended Bidding Procedures Order or Bid Procedures shall create any rights in any other person or bidder (including without limitation rights as third party beneficiaries or otherwise) other than rights specifically inuring to the benefit of the Stalking Horse Bidder.

Except as provided in the Amended Bidding Procedures Order and Amended Bidding Procedures, the Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Amended Bidding Procedures Order.

## **Exhibit 2**

### **Cure Notice**



**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

<hr/>	)	
<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>BLITZ U.S.A., Inc., et al.,<sup>1</sup></b>	)	<b>Case No. 11-13603 (PJW)</b>
	)	
<b>Debtors.</b>	)	<b>(Jointly Administered)</b>
	)	
<hr/>	)	

**NOTICE OF EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES WHICH MAY BE ASSUMED AND ASSIGNED, PURSUANT  
TO SECTION 365 OF THE BANKRUPTCY CODE, IN CONNECTION  
WITH THE SALE OF CERTAIN OF THE DEBTORS' ASSETS  
AND THE PROPOSED CURE AMOUNTS WITH RESPECT THERETO**

**PLEASE TAKE NOTICE THAT:**

1. On February 7, 2012, the above captioned debtors and debtors in possession (collectively, the "Debtors") filed the Debtors' Motion Pursuant to 11 U.S.C. §§ 105(a), 363, and 365, and Bankruptcy Rules 2002, 6004, and 6006 for (I) Entry of an Order (A) Establishing Bidding and Auction Procedures Related to the Sale of Certain of the Debtors' Assets; (B) Establishing Procedures for Approving Related Bid Protections; (C) Scheduling an Auction and Sale Hearing; (D) Establishing Notice Procedures for Determining Cure Amounts for Executory Contracts and Leases to be Assigned; and (E) Granting Certain Related Relief; and (II) Entry of an Order (A) Approving the Sale of Certain of the Debtors' Assets Free and Clear Of All Liens, Claims, Encumbrances and Interests; and (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases [Docket No. 230] (the "Motion")<sup>2</sup> with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801 (the "Court").

2. Pursuant to the Motion, the Debtors seek the entry of an order (i) establishing bidding and auction procedures in connection with the sale of the Debtors' F3 Brands LLC business division assets (the "Assets"); (ii) establishing procedures for approval of bid protections, if any; (iii) scheduling an auction (the "Auction") and setting a date and time for

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: LAM 2011 Holdings, LLC (8742); Blitz Acquisition Holdings, Inc. (8825); Blitz Acquisition, LLC (8979); Blitz RE Holdings, LLC (9071); Blitz U.S.A., Inc. (8104); and F3 Brands LLC (2604). The location of the Debtors' corporate headquarters and the Debtors' service address is: 404 26th Ave. NW Miami, OK 74354.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion. For a copy of the Motion, please contact the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC at (807) - 606 - 7519.

a sale hearing (the "Sale Hearing") for the sale of the Assets (the "Sale"), and approving the form and manner of notice thereof; (iv) establishing procedures (the "Proposed Notice Procedures") for noticing and determining cure amounts for executory contracts ("Executory Contracts") and unexpired nonresidential real property leases ("Real Property Leases") to be assumed and assigned in connection with the Sale; and (v) granting certain related relief. By the Motion, the Debtors further request that at the Sale Hearing, subject to the results of the Auction, this Court enter a sale order (i) approving and authorizing the Sale; and (ii) authorizing the assumption and assignment of certain Executory Contracts and real Property Leases.

3. In accordance with the Proposed Notice Procedures, the Debtors hereby file this notice (the "Cure Notice") identifying (i) those Executory Contracts and Real Property Leases which may be assumed and assigned to a Stalking Horse Bidder, if any, its designee(s) or such other Successful Bidder, on the Closing Date in connection with the Sale of the Assets and in accordance with the procedures proposed in the Motion; and (ii) the proposed cure amount (the "Cure Amount") for each Executory Contract and Real Property Lease identified on the Cure Notice.

4. You have been identified as a party to an Executory Contract or Real Property Lease that the Debtors may seek to assume and/or assign. The Executory Contract or Real Property Lease with respect to which you have been identified as a non-Debtor counterparty, and the corresponding proposed Cure Amount for such Executory Contract or Real Property Lease has been set forth on Exhibit 1 attached hereto. The Debtors' records reflect that other than the Cure Amount, there are no other defaults under the Executory Contract or Real Property Lease.

5. Objections, if any, to the proposed Cure Amount or the Stalking Horse Adequate Assurance Information<sup>3</sup> must be made in writing, filed with the Bankruptcy Court, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, and served so as to be received by the Debtors, counsel for the Debtor on or before **4:00 p.m. (prevailing Eastern Time) on February 24, 2012** (the "Cure Objection Deadline"). Service should be made by mail to: (i) the Debtors' counsel by mail Richards Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801, (Attn: Daniel J. DeFranceschi, Esq. and Paul N. Heath, Esq.), and (ii) the Debtors by mail, Blitz U.S.A., Inc., 404 26th Ave. NW Miami, OK 74354 (Attn: Rocky Flick). The objection must set forth (i) the basis for the objection, (ii) the exact amount the party asserts as the Cure Amount, and (iii) sufficient documentation to support the Cure Amount alleged.

6. If an objection is timely filed, a hearing with respect to the objection will be held before the Honorable Peter J. Walsh, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6<sup>th</sup> Floor,

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<sup>3</sup> The Debtors anticipate selecting a Stalking Horse Bidder on or before February 27, 2012. Within five (5) business days of the selection of the Stalking Horse Bidder, the Debtors will provide notice of same to all parties in interest and will provide Stalking Horse Adequate Assurance Information to all non-debtor parties to Executory Contracts and Real Property Leases. The notice will establish a deadline for filing any objection to the Adequate Assurance Information. In the event that the Successful Bidder is not the Stalking Horse Bidder, objections regarding adequate assurance of future performance may be raised at the Sale Hearing.

Courtroom 2, Wilmington, Delaware 19801, at the Sale Hearing or at a later hearing, as determined by the Debtors in consultation with the Court.

7. UNLESS YOU FILE AN OBJECTION TO THE PROPOSED CURE AMOUNT SET FORTH ON EXHIBIT 1 HERETO AND SERVE SUCH OBJECTION IN ACCORDANCE WITH THE INSTRUCTIONS AND DEADLINES SET FORTH HEREIN, YOU SHALL BE FOREVER BARRED FROM OBJECTING TO THE CURE AMOUNT SET FORTH ON EXHIBIT 1 AND FOREVER BARRED AND ESTOPPED FROM ASSERTING OR CLAIMING ANY CURE AMOUNT AGAINST THE DEBTORS, ANY SUCCESSFUL BIDDER OR ANY OTHER ASSIGNEE OF THE RELEVANT EXECUTORY CONTRACT OR REAL PROPERTY LEASE.

8. The presence of a contract or agreement listed on Exhibit 1 attached hereto does not constitute an admission that such contract or agreement is an executory contract or unexpired lease or that such contract will be assumed by the Debtors and assigned to any Successful Bidder. The Debtors reserve all of their rights, claims and causes of action with respect to the contracts and agreements listed on Exhibit 1 attached hereto.

Dated: February 10, 2012  
Wilmington, Delaware

  
Daniel J. DeFranceschi (No. 2732)  
Paul N. Heath (No. 3704)  
Amanda R. Steele (No. 5530)  
RICHARDS, LAYTON & FINGER, P.A.  
One Rodney Square  
920 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 651-7700  
Facsimile: (302) 651-7701

*Counsel to the Debtors and  
Debtors in Possession*

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**Exhibit 1**

**SCHEDULE OF EXECUTORY CONTRACT CURE AMOUNTS**

Name	Address 1	Description	Cure Amount
GS1 Company	7887 Washington Village Drive, Suite 300, Dayton, OH, 45459	F3 Brands UPC Bar Code License	\$0.00
Miami Butane Company	2008 N. Main, Miami, OK, 74354	F3 Brands Natural Gas Lease	\$0.00
Mutual Assurance Administrators	3121 Quail Springs Parkway, Oklahoma City, 73134	Workers Compensation Program Administrative Services Agreement	\$0.00
Premium Financing Specialists	13520 Wyandotte Street, Kansas City, MO, 64145	F3 Brands Insurance Security	\$0.00
Unisource	7472 Collections Ctr. Dr, Chicago, IL, 60693	Stapack RQ8	\$2,520.51
Unisource	7472 Collections Ctr. Dr, Chicago, IL, 60693	Equipment purchase	\$1,860.00
Washington Electronics	611 N Pine, Pittsburg, KS, 66762	Two way radios	\$0.00
Academy Ltd	1800 North Mason Road, Katy TX 77449	F3 Brands Vendor Agreement	\$0.00
Advance Stores Company Inc	5008 Airport Road, Roanoke, VA 24012	F3 Brands Vendor Agreement	\$0.00
Alliance Parts Warehouse LLC	600 Fiber Optic Drive, North Little Rock, AR 72117	F3 Brands Vendor Agreement	\$0.00
Amazon.Com Inc.	PO Box 12010-AZ, Hemet, CA 92546	F3 Brands Vendor Agreement	\$0.00
AutoZone Parts Inc. (USA)	PO Box 2198, Dept 8030, Memphis, TN 38101	F3 Brands Vendor Agreement	\$0.00
AutoZone Parts Inc. (Mexico)	PO Box 2198, Dept 8030, Memphis, TN 38101	F3 Brands Vendor Agreement	\$0.00
BI-Mart	220 S. Seneca Road, Eugene, OR 97402	F3 Brands Vendor Agreement	\$0.00
Bomgaars	1805 Zenith Drive, Sioux City, IA 51108	F3 Brands Vendor Agreement	\$0.00
Gander Mountain Company	180 East Fifth Street, Suite 1300, St. Paul, MN 55101	F3 Brands Vendor Agreement	\$0.00
Home Depot USA, Inc.	PO Box 12010-HD, Hemet, CA 92546	F3 Brands Vendor Agreement	\$0.00
Mills Fleet Farm	1300 South Lyndale Dr., PO Box 1199, Appleton, WI 54912	F3 Brands Vendor Agreement	\$0.00
Northern Tool & Equipment Company	PO Box 257, Dept. 67, Portland, MI 48875	F3 Brands Vendor Agreement	\$0.00
Orchard Supply Hardware LLC	PO Box 49027, San Jose, CA 95161	F3 Brands Vendor Agreement	\$0.00
Orgill Worldwide Distribution	3742 Tyndale Dr., Memphis, TN 38125	F3 Brands Vendor Agreement	\$0.00
Orscheln Farm & Home LLC	PO Box 220, Moberly, MO	F3 Brands Vendor Agreement	\$0.00
Pep Boys	PO Box 12010-PB, Hemet, CA 92546	F3 Brands Vendor Agreement	\$0.00
Sears Holdings Management Corp	3333 Beverly Road, Hoffman Estates, IL 60179	F3 Brands Vendor Agreement	\$0.00
Target	1000 Nicollet Mall TPN-1303, Minneapolis, MN 55403	F3 Brands Vendor Agreement	\$0.00
True Value Company	PO Box 12010-TV, Hemet, CA 92546	F3 Brands Vendor Agreement	\$0.00
United Marketing Inc.	1801 W 4th Street, Marion, IN 46952	F3 Brands Vendor Agreement	\$0.00
Wal-Mart Stores	702 SW 8th Street, Bentonville, AR 72716	F3 Brands Vendor Agreement	\$0.00
Fred's, Inc.	4300 New Getwell, Memphis, TN 38118	F3 Brands Vendor Agreement	\$0.00
House Hasson Hardware	3125 Water Plant Road, Knoxville, TN 37914	F3 Brands Vendor Agreement	\$0.00
Keystone Automotive Operations, Inc.	44 Tunkhannock Avenue, Exeter, PA 18643	F3 Brands Vendor Agreement	\$0.00
Kroger Co., The	1014 Vine St., Cincinnati, OH 45202	F3 Brands Vendor Agreement	\$0.00
Levin's Auto Supply	8141 Elder Creek Road, Sacramento, CA 95824	F3 Brands Vendor Agreement	\$0.00
Lowe's	PO Box 1000, Mooresville, NC 28115	F3 Brands Vendor Agreement	\$0.00
	3280 Virginia Beach Blvd., Virginia Beach, VA 23452	F3 Brands Vendor Agreement	\$0.00
Navy Exchange Service Command (Nexcom)	233 S. Patterson, PO Box 1897, Springfield, MO 65802	F3 Brands Vendor Agreement	\$0.00
O'Reilly Auto Parts		F3 Brands Vendor Agreement	\$0.00

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
BLITZ U.S.A., Inc., <i>et al.</i> , <sup>1</sup>	)	Case No. 11-13603 (PJW)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	

**SUPPLEMENTAL NOTICE OF EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES WHICH MAY BE ASSUMED AND ASSIGNED, PURSUANT  
TO SECTION 365 OF THE BANKRUPTCY CODE, IN CONNECTION  
WITH THE SALE OF CERTAIN OF THE DEBTORS' ASSETS  
AND THE PROPOSED CURE AMOUNTS WITH RESPECT THERETO**

PLEASE TAKE NOTICE THAT:

1. On February 7, 2012, the above captioned debtors and debtors in possession (collectively, the "Debtors") filed the Debtors' Motion Pursuant to 11 U.S.C. §§ 105(a), 363, and 365, and Bankruptcy Rules 2002, 6004, and 6006 for (I) Entry of an Order (A) Establishing Bidding and Auction Procedures Related to the Sale of Certain of the Debtors' Assets; (B) Establishing Procedures for Approving Related Bid Protections; (C) Scheduling an Auction and Sale Hearing; (D) Establishing Notice Procedures for Determining Cure Amounts for Executory Contracts and Leases to be Assigned; and (E) Granting Certain Related Relief; and (II) Entry of an Order (A) Approving the Sale of Certain of the Debtors' Assets Free and Clear Of All Liens, Claims, Encumbrances and Interests; and (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases [Docket No. 230] (the "Motion")<sup>2</sup> with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801 (the "Court").

2. Pursuant to the Motion, the Debtors sought the entry of an order (i) establishing bidding and auction procedures in connection with the sale of the Debtors' F3 Brands LLC business division assets (the "Assets"); (ii) establishing procedures for approval of bid protections, if any; (iii) scheduling an auction (the "Auction") and setting a date and time for

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: LAM 2011 Holdings, LLC (8742); Blitz Acquisition Holdings, Inc. (8825); Blitz Acquisition, LLC (8979); Blitz RE Holdings, LLC (9071); Blitz U.S.A., Inc. (8104); and F3 Brands LLC (2604). The location of the Debtors' corporate headquarters and the Debtors' service address is: 404 26th Ave. NW Miami, OK 74354.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion. For a copy of the Motion, please contact the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC at (807) - 606 - 7519.

a sale hearing (the "Sale Hearing") (which has been scheduled for **March 28, 2012 at 1:30 p.m. (Eastern Daylight Time)**) for the sale of the Assets (the "Sale"), and approving the form and manner of notice thereof; (iv) establishing procedures (the "Proposed Notice Procedures") for noticing and determining cure amounts for executory contracts ("Executory Contracts") and unexpired nonresidential real property leases ("Real Property Leases") to be assumed and assigned in connection with the Sale; and (v) granting certain related relief. By the Motion, the Debtors further requested that at the Sale Hearing, subject to the results of the Auction, this Court enter a sale order (i) approving and authorizing the Sale; and (ii) authorizing the assumption and assignment of certain Executory Contracts and real Property Leases.

3. On February 24, 2012, the Court entered the **Order (A) Establishing Bidding and Auction Procedures in connection with the Sale of the Debtors' Assets; (B) Establishing Procedures for Approval of Bid Protections; (C) Scheduling the Auction and setting Sale Hearing; (D) Establishing Certain Notice Procedures for Determining Cure Amounts for Executory Contracts and Leases to be Assigned; and (E) Granting Certain Related Relief** [Docket No. 275] which approved, among other things, the Proposed Notice Procedures (the "Notice Procedures") for noticing and determining cure amounts for Executory Contracts and Real Property Leases.

4. On February 10, 2012, the Debtors filed a notice (the "First Notice") identifying (i) those Executory Contracts and Real Property Leases which may be assumed and assigned to a Stalking Horse Bidder, if any, its designee(s) or such other Successful Bidder, on the Closing Date in connection with the Sale and in accordance with the procedures approved in the Order; and (ii) the proposed cure amount (the "Cure Amount") for each Executory Contract and Real Property Lease identified on the First Notice.

5. In addition to the Executory Contracts and Real Property Leases identified in the First Notice, the Debtors hereby file this notice (the "Supplemental Notice") identifying the following (i) Executory Contracts and Real Property Leases which may be assumed and assigned to a Stalking Horse Bidder, if any, its designee(s) or such other Successful Bidder, on the Closing Date in connection with the Sale and in accordance with the procedures approved in the Order; and (ii) the proposed Cure Amount for each Executory Contract and Real Property Lease identified on this Supplemental Notice.

6. You have been identified as a party to an Executory Contract or Real Property Lease that the Debtors may seek to assume and/or assign. The Executory Contract or Real Property Lease with respect to which you have been identified as a non-Debtor counterparty, and the corresponding proposed Cure Amount for such Executory Contract or Real Property Lease has been set forth on Exhibit 1 attached hereto. The Debtors' records reflect that other than the Cure Amount, there are no other defaults under the Executory Contract or Real Property Lease.

7. Objections, if any, to the proposed Cure Amount or the Stalking Horse Adequate Assurance Information<sup>3</sup> must be made in writing, filed with the Bankruptcy Court, 824

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<sup>3</sup> While to date, no Stalking Horse Bidder has been selected. Within five (5) business days of the selection of the Stalking Horse Bidder, the Debtors will provide notice of same to all parties in interest and will

Market Street, 3rd Floor, Wilmington, Delaware 19801, and served so as to be received by the Debtors and their counsel on or before **4:00 p.m. (Eastern Daylight Time) on March 26, 2012** (the "Cure Objection Deadline"). Service should be made by mail to: (i) the Debtors' counsel by mail Richards Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801, (Attn: Daniel J. DeFranceschi, Esq. and Paul N. Heath, Esq.), and (ii) the Debtors by mail, Blitz U.S.A., Inc., 404 26th Ave. NW Miami, OK 74354 (Attn: Rocky Flick). The objection must set forth (i) the basis for the objection, (ii) the exact amount the party asserts as the Cure Amount, and (iii) sufficient documentation to support the Cure Amount alleged.

8. If an objection is timely filed, a hearing with respect to the objection will be held before the Honorable Peter J. Walsh, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6<sup>th</sup> Floor, Courtroom 2, Wilmington, Delaware 19801, at the Sale Hearing or at a later hearing, as determined by the Debtors in consultation with the Court.

9. UNLESS YOU FILE AN OBJECTION TO THE PROPOSED CURE AMOUNT SET FORTH ON EXHIBIT 1 HERETO AND SERVE SUCH OBJECTION IN ACCORDANCE WITH THE INSTRUCTIONS AND DEADLINES SET FORTH HEREIN, YOU SHALL BE FOREVER BARRED FROM OBJECTING TO THE CURE AMOUNT SET FORTH ON EXHIBIT 1 AND FOREVER BARRED AND ESTOPPED FROM ASSERTING OR CLAIMING ANY CURE AMOUNT AGAINST THE DEBTORS, ANY SUCCESSFUL BIDDER OR ANY OTHER ASSIGNEE OF THE RELEVANT EXECUTORY CONTRACT OR REAL PROPERTY LEASE.

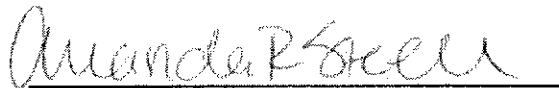
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provide Stalking Horse Adequate Assurance Information to all non-debtor parties to Executory Contracts and Real Property Leases. The notice will establish a deadline for filing any objection to the Adequate Assurance Information. In the event that the Successful Bidder is not the Stalking Horse Bidder, objections regarding adequate assurance of future performance may be raised at the Sale Hearing.



10. The presence of a contract or agreement listed on Exhibit 1 attached hereto does not constitute an admission that such contract or agreement is an executory contract or unexpired lease or that such contract will be assumed by the Debtors and assigned to any Successful Bidder. The Debtors reserve all of their rights, claims and causes of action with respect to the contracts and agreements listed on Exhibit 1 attached hereto.

Dated: March 9, 2012  
Wilmington, Delaware



Daniel J. DeFranceschi (No. 2732)  
Paul N. Heath (No. 3704)  
Julie A. Finocchiaro (No. 5303)  
Amanda R. Steele (No. 5530)  
RICHARDS, LAYTON & FINGER, P.A.  
One Rodney Square  
920 North King Street  
Wilmington, Delaware 19801  
Telephone: (302) 651-7700  
Facsimile: (302) 651-7701

*Counsel to the Debtors and  
Debtors in Possession*

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**Exhibit 1**

**SCHEDULE OF EXECUTORY CONTRACT CURE AMOUNTS**

Name	Address	Description	Cure Amount
Clearwater Enterprises, L.L.C.	5637 N. Classen Blvd., Oklahoma City, Oklahoma 73118	Natural Gas Supplier	\$0.00
CHEP Equipment Pooling Systems	8517 South Park Circle, Orlando, Florida, 32819	Pallets and Containers Supplier	\$0.00
Ross Nanotechnology LLC	104 N. Maple Avenue, PO Box 646, Leola, Pennsylvania, 17540	Proprietary Information Agreement	\$0.00
Bennett Design	71 Kingston Main Street, Hillsboro, New Mexico 88042	Industrial Design Services	\$0.00

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

<hr/>	)	
In re:	)	Chapter 11
	)	
BLITZ U.S.A., Inc., <i>et al.</i> , <sup>1</sup>	)	Case No. 11-13603 (PJW)
	)	
Debtors.	)	(Jointly Administered)
	)	
<hr/>	)	

**SECOND SUPPLEMENTAL NOTICE OF EXECUTORY CONTRACTS AND  
UNEXPIRED LEASES WHICH MAY BE ASSUMED AND ASSIGNED, PURSUANT  
TO SECTION 365 OF THE BANKRUPTCY CODE, IN CONNECTION  
WITH THE SALE OF CERTAIN OF THE DEBTORS' ASSETS AND  
THE PROPOSED CURE AMOUNTS WITH RESPECT THERETO**

PLEASE TAKE NOTICE THAT:

1. On February 7, 2012, the above captioned debtors and debtors in possession (collectively, the "Debtors") filed the Debtors' Motion Pursuant to 11 U.S.C. §§ 105(a), 363, and 365, and Bankruptcy Rules 2002, 6004, and 6006 for (I) Entry of an Order (A) Establishing Bidding and Auction Procedures Related to the Sale of Certain of the Debtors' Assets; (B) Establishing Procedures for Approving Related Bid Protections; (C) Scheduling an Auction and Sale Hearing; (D) Establishing Notice Procedures for Determining Cure Amounts for Executory Contracts and Leases to be Assigned; and (E) Granting Certain Related Relief; and (II) Entry of an Order (A) Approving the Sale of Certain of the Debtors' Assets Free and Clear Of All Liens, Claims, Encumbrances and Interests; and (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases [Docket No. 230] (the "Motion")<sup>2</sup> with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801 (the "Court").

2. Pursuant to the Motion, the Debtors sought the entry of an order (i) establishing bidding and auction procedures in connection with the sale of the Debtors' F3 Brands LLC business division assets (the "Assets"); (ii) establishing procedures for approval of bid protections, if any; (iii) scheduling an auction (the "Auction") and setting a date and time for a sale hearing (the "Sale Hearing") (which has been scheduled for **March 28, 2012 at 1:30 p.m.**

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: LAM 2011 Holdings, LLC (8742); Blitz Acquisition Holdings, Inc. (8825); Blitz Acquisition, LLC (8979); Blitz RE Holdings, LLC (9071); Blitz U.S.A., Inc. (8104); and F3 Brands LLC (2604). The location of the Debtors' corporate headquarters and the Debtors' service address is: 404 26th Ave. NW Miami, OK 74354.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion. For a copy of the Motion, please contact the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC at (807) - 606 - 7519.

(**Eastern Daylight Time**)) for the sale of the Assets (the "Sale"), and approving the form and manner of notice thereof; (iv) establishing procedures (the "Proposed Notice Procedures") for noticing and determining cure amounts for executory contracts ("Executory Contracts") and unexpired nonresidential real property leases ("Real Property Leases") to be assumed and assigned in connection with the Sale; and (v) granting certain related relief. By the Motion, the Debtors further requested that at the Sale Hearing, subject to the results of the Auction, this Court enter a sale order (i) approving and authorizing the Sale; and (ii) authorizing the assumption and assignment of certain Executory Contracts and real Property Leases.

3. On February 24, 2012, the Court entered the **Order (A) Establishing Bidding and Auction Procedures in connection with the Sale of the Debtors' Assets; (B) Establishing Procedures for Approval of Bid Protections; (C) Scheduling the Auction and setting Sale Hearing; (D) Establishing Certain Notice Procedures for Determining Cure Amounts for Executory Contracts and Leases to be Assigned; and (E) Granting Certain Related Relief** [Docket No. 275] which approved, among other things, the Proposed Notice Procedures (the "Notice Procedures") for noticing and determining cure amounts for Executory Contracts and Real Property Leases.

4. On February 10, 2012, the Debtors filed a notice (the "First Notice") identifying (i) those Executory Contracts and Real Property Leases which may be assumed and assigned to a Stalking Horse Bidder, if any, its designee(s) or such other Successful Bidder, on the Closing Date in connection with the Sale and in accordance with the procedures approved in the Order; and (ii) the proposed cure amount (the "Cure Amount") for each Executory Contract and Real Property Lease identified on the First Notice.

5. On March 9, 2012, the Debtors filed a supplemental notice (the "Supplemental Notice", and together with the First Notice, the "Previous Notices") identifying further (i) Executory Contracts and Real Property Leases which may be assumed and assigned to a Stalking Horse Bidder, if any, its designee(s) or such other Successful Bidder, on the Closing Date in connection with the Sale and in accordance with the procedures approved in the Order; and (ii) the proposed Cure Amount for each Executory Contract and Real Property Lease identified on the Supplemental Notice.

6. In addition to the Executory Contracts and Real Property Leases identified in the Previous Notices, the Debtors hereby file this second supplemental notice (the "Second Supplemental Notice") identifying the following (i) Executory Contracts and Real Property Leases which may be assumed and assigned to a Stalking Horse Bidder, if any, its designee(s) or such other Successful Bidder, on the Closing Date in connection with the Sale and in accordance with the procedures approved in the Order; and (ii) the proposed Cure Amount for each Executory Contract and Real Property Lease identified on this Second Supplemental Notice.

7. You have been identified as a party to an Executory Contract or Real Property Lease that the Debtors may seek to assume and/or assign. The Executory Contract or Real Property Lease with respect to which you have been identified as a non-Debtor counterparty, and the corresponding proposed Cure Amount for such Executory Contract or Real Property Lease, has been set forth on Exhibit 1 attached hereto. The Debtors' records reflect that

other than the Cure Amount, there are no other defaults under the Executory Contract or Real Property Lease.

8. Objections, if any, to the proposed Cure Amount or the Stalking Horse Adequate Assurance Information<sup>3</sup> must be made in writing, filed with the Bankruptcy Court, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, and served so as to be received by the Debtors and their counsel on or before **4:00 p.m. (Eastern Daylight Time) on March 27, 2012** (the "**Cure Objection Deadline**"). Service should be made by mail to: (i) the Debtors' counsel by mail Richards Layton & Finger, P.A., One Rodney Square, 920 N. King Street, Wilmington, Delaware 19801, (Attn: Daniel J. DeFranceschi, Esq. and Paul N. Heath, Esq.), and (ii) the Debtors by mail, Blitz U.S.A., Inc., 404 26th Ave. NW Miami, OK 74354 (Attn: Rocky Flick). The objection must set forth (i) the basis for the objection, (ii) the exact amount the party asserts as the Cure Amount, and (iii) sufficient documentation to support the Cure Amount alleged.

9. If an objection is timely filed, a hearing with respect to the objection will be held before the Honorable Peter J. Walsh, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6<sup>th</sup> Floor, Courtroom 2, Wilmington, Delaware 19801, at the Sale Hearing or at a later hearing, as determined by the Debtors in consultation with the Court.

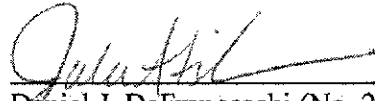
10. UNLESS YOU FILE AN OBJECTION TO THE PROPOSED CURE AMOUNT SET FORTH ON EXHIBIT 1 HERETO AND SERVE SUCH OBJECTION IN ACCORDANCE WITH THE INSTRUCTIONS AND DEADLINES SET FORTH HEREIN, YOU SHALL BE FOREVER BARRED FROM OBJECTING TO THE CURE AMOUNT SET FORTH ON EXHIBIT 1 AND FOREVER BARRED AND ESTOPPED FROM ASSERTING OR CLAIMING ANY CURE AMOUNT AGAINST THE DEBTORS, ANY SUCCESSFUL BIDDER OR ANY OTHER ASSIGNEE OF THE RELEVANT EXECUTORY CONTRACT OR REAL PROPERTY LEASE.

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<sup>3</sup> No Stalking Horse Bidder has been selected to date. However, within five (5) business days of the selection of the Stalking Horse Bidder, the Debtors will provide notice of same to all parties in interest and will provide Stalking Horse Adequate Assurance Information to all non-debtor parties to Executory Contracts and Real Property Leases. The notice will establish a deadline for filing any objection to the Adequate Assurance Information. In the event that the Successful Bidder is not the Stalking Horse Bidder, objections regarding adequate assurance of future performance may be raised at the Sale Hearing.

11. The presence of a contract or agreement listed on Exhibit 1 attached hereto does not constitute an admission that such contract or agreement is an executory contract or unexpired lease or that such contract will be assumed by the Debtors and assigned to any Successful Bidder. The Debtors reserve all of their rights, claims and causes of action with respect to the contracts and agreements listed on Exhibit 1 attached hereto.

Dated: March 13, 2012  
Wilmington, Delaware

  
\_\_\_\_\_  
Daniel J. DeFranceschi (No. 2732)  
Paul N. Heath (No. 3704)  
Julie A. Finocchiaro (No. 5303)  
Amanda R. Steele (No. 5530)  
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Facsimile: (302) 651-7701

*Counsel to the Debtors and  
Debtors in Possession*

---

**Exhibit 1**

**SCHEDULE OF EXECUTORY CONTRACT CURE AMOUNTS**



Name	Address	Description	Cure Amount
Empower, Family Health America, L.C.	401 E. Douglas, Suite 505, Wichita, KS 67202	Payroll timeslock system	\$0.00
Fast Critb, Tofino Software Inc.,	207-1425 Marine Drive, West Vancouver, BC, Canada, V7T 1B9	Web-based business to order machine parts	\$300.00