

12-16-99 RECORD/ TR/

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To the Honorable Commissioner of Patents and

ginal documents or copy thereof.

1. Name of conveying party(ies):

Premium Coffee Distributors, Inc.

- Individual(s) Association
General Partnership Limited Partnership
Corporation-State
Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger
Security Agreement Change of Name
Other

Execution Date: July 31, 1997

2. Name and address of receiving party(ies)

First Colony Coffee & Tea

Name: Company, Inc.

Internal Address:

Street Address: 204-222 W. 22nd Street

City: Norfolk State: VA ZIP: 23517

- Individual(s) citizenship
Association
General Partnership
Limited Partnership
Corporation-State Virginia
Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? Yes No

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

74/684,576 - THE ORIGINAL PREMIUM COFFEE COMPANY

B. Trademark Registration No.(s)

1,589,181 - CAFFE BELLISSIMO
1,615,925 - BENCHELEY

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: A. Yates Dowell, III

Internal Address: Suite 309

Street Address: 1215 Jefferson Davis Hwy.

City: Arlington State: Va. ZIP: 22202

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41).....\$ 90.00

Enclosed check no. 3485

Authorized to be charged to deposit account T-341

8. Deposit account number:

04-1577

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

A. Yates Dowell, III

Name of Person Signing

Signature

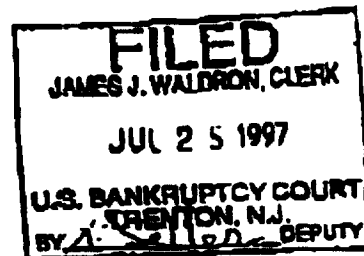
Date Dec 16, 1999

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Total number of pages including cover sheet, attachments, and documents

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 25 Abe Voorhees Drive
 Manasquan, New Jersey 08736
 (732) 223-8484
 Attorneys for Debtor
 Debtors in Possession
 Peter J. Broege
 PB 9313



**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEW JERSEY**

In re:

Premium Coffee
 Distributors, Inc.

Debtors

Chapter 11 Case NO. 96-50302

Judge: Honorable William H. Gindin
 Hearing Date: May 19, 1997 @ 10:00 a.m.

**ORDER AUTHORIZING SALE OF ASSETS FREE AND CLEAR OF
 LIENS, CLAIMS AND ENCUMBRANCES IN ACCORDANCE WITH
 SECTION 363(b)**

On May 19, 1997 ("Final Hearing"), Premium Coffee Distributors, Inc. ("Debtor"), Corim Coffee International ("Corim") and First Colony Coffee and Tea Company ("First Colony"), in person and/or by counsel, appeared before the United States Bankruptcy Court for the District of New Jersey ("Bankruptcy Court") in response to the notice of motion for order authorizing debtor in possession to sell assets free and clear of liens, claims, encumbrances and interests pursuant to 11 U.S.C. §363 with liens attaching to proceeds of sale ("Sale Motion").

It appearing to the Bankruptcy Court, and the Bankruptcy Court finds, that:

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1. The Debtor filed the Sale Motion in the Bankruptcy Court on May 12, 1997. In addition to the Sale Motion, the Debtor filed an application for order shortening time period for notice under Fed. R. Bankruptcy P. 9006(c)(1), an order shortening time period for notice and setting hearing and a certification of L. Gary Siaslo in support of Sale Motion ("Certification").

2. In the Sale Motion, the Debtor sought the entry of an order from the Bankruptcy Court authorizing it to sell certain assets of the Debtor, with the exception of a Probat Roaster, to Corim for Eight Hundred Fifty Thousand and 00/100 Dollars (\$850,000.00). The Sale Motion also provided for other parties to submit bids for the assets to the Bankruptcy Court at the Final Hearing, at which time the Bankruptcy Court would accept the highest and best bid and the one which is in the best interest of the estate.

3. At the Final Hearing, the Bankruptcy Court reviewed the exhibits introduced into evidence and admitted proffers of counsel for the various parties. At the conclusion of the hearing, the Bankruptcy Court made the following findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, made applicable by Bankruptcy Rule 7052 of the Federal Rules of Bankruptcy Procedure (hereafter referred to as "Bankruptcy Rules"):

A. The Debtor has provided adequate and reasonable notice of: (i) the Sale Motion; (ii) the bid procedures approved by the Bankruptcy Court; and (iii) the Final Hearing, all pursuant to Bankruptcy Rules 2002(a)(2) and (c)(1) and 6005.

B. The Sale Motion was proposed by the Debtor in good faith. Likewise, both the bid of Corim ("Corim Bid") as set forth in the Sale Motion, and the competing bid of First Colony ("First Colony Bid"), have been proposed in good faith and at arm's length with the Debtor and other parties in interest.

C. Neither the Debtor, nor its secured creditors, nor any of their respective officers, directors or affiliates, have any connection with, or interest in, either Corim or First Colony.

D. First Colony submitted a bid at the Final Hearing for the assets listed in the Sale Motion, plus all other assets of the Debtor including, without limitation, all of the furniture, fixtures and equipment listed on the Certification other than one Probat Model HNS00R Roaster sold to Praxis Werke, all inventory acquired in the ordinary course of business and on hand at Settlement (as this term is defined in paragraph 4 of this order), including without limitation, packaging, supplies, finished goods, raw materials, and work in process and all inventory described in the Certification, all trademarks, servicemarks and licenses material to the conduct of the business, including without limitation, those set forth on Exhibit "A" attached hereto, all accounts and notes receivable, including those described in the Certification and all collections generated by the business of the Debtor between May 19, 1997 and the Settlement, the corporate and trade name "Premium Coffee Distributors" and all associated goodwill; and customer lists, recipes, books and records and general intangibles (collectively referred to as the "Assets"). The First Colony Bid is the highest and best offer for the purchase of the Assets, and is superior to the Corim Bid.

E. A reasonable opportunity has been afforded to any person or entity wishing to make a higher and better offer than the First Colony Bid.

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F. The Debtor has sound business reasons for: (i) a pro-confirmation sale of substantially all of its assets, (ii) accepting the First Colony Bid; and (iii) selling the Assets to First Colony under the terms of this order.

G. The consideration offered by First Colony for the purchase of the Assets, as described in paragraph I of this order, is a fair and reasonable return for the Assets, and is in best interest of the creditors and the Debtor's bankruptcy estate.

H. The Debtor is the lawful owner of the Assets. The debtor is aware only of the liens encumbering the assets by Midstates Resources Corporation, the New Jersey Economic Development Authority and ACC Asset Service, (collectively referred to as the "Secured Lenders").

I. The Secured Lenders have consented, both affirmatively and by acquiescence, to sale of the Assets free and clear of their liens on the terms set forth in the Sale Motion, as modified by this order, within the meaning of 11 U.S.C. § 363 (f)(2). No other parties, including specifically Airport Associates II ("Landlord"), the present owner of the facility leased by Debtor, located at 430 Oberlin Avenue, Lakewood, New Jersey ("Facility"), have objected to sale of the Assets free and clear of their liens, claims, interests, rights or encumbrances.

J. This is a core proceeding, over which the Bankruptcy Court has original jurisdiction, pursuant to 28 U.S.C. § 157(b)(2)(A). This order is a judgment, as described in Bankruptcy Rule 9021, and contains findings of fact and conclusions of law, in accordance with Bankruptcy Rule 7052. It is an order authorizing the use, sale and lease of property, as contemplated by Bankruptcy Rule

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It is, therefore, **ADJUDGED, ORDERED and DECREED** that:

1. The First Colony Bid be, and it is, accepted and the sale and assignment by the Debtor of the Assets to First Colony for Eight Hundred Fifty Thousand and 00/100 Dollars (\$850,000.00) ("Consideration") be, and it is, confirmed.

2. In return for First Colony's obligation to pay the Consideration, the Debtor is authorized to, and does, sell and transfer the Assets to First Colony free and clear of any liens (including those of the Secured Lenders), claims, interests, rights and encumbrances, howsoever and whensoever created or suffered by the Debtor (collectively, the "Encumbrances"), of any and all persons, including without limitation, the consensual liens of the Secured Lenders and any real property "fixture" claim(s) of the Landlord.

3. The liens of the Secured Lenders and any other Encumbrances shall attach, in their present order of priority, to the Consideration in accordance with the terms of this order. The holders of the Encumbrances shall have no claim against or with respect to the Assets or First Colony, except as specifically provided in this order.

4. The Consideration shall be paid in cash as follows: A ten percent (10%) deposit (\$85,000.00) shall be due immediately upon the entry of this order on the docket of the Bankruptcy Court. The balance of the Consideration shall be due and payable in full at a settlement which shall be held on or before July 31, 1997, ("Settlement"). The Consideration shall be deposited in the trust

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account of the Debtor's attorneys to be disbursed to the holders of the Encumbrances whose claims are duly proven and allowed or upon further order of the Bankruptcy Court.

5. At Settlement, the Debtor is authorized and directed to pay all customary closing costs, including personal property tax proration and any recordation and release fees from the Consideration

6. At Settlement, the Debtor shall deliver to First Colony a bill of sale for the Assets in a form acceptable to First Colony. The Debtor and its officers bc, and they hereby are, authorized and directed to execute the bill of sale and such other documents as may be required to convey title of the Assets to First Colony at Settlement in accordance with the terms of his offer.

7. After May 19, 1997, the Debtor shall not purchase any inventory or equipment without the prior written consent of First Colony. If the Debtor purchases any raw coffee or tea inventory with the prior written consent of First Colony between May 20, 1997 and Settlement, then First Colony shall reimburse Debtor at Settlement for the actual cost of any raw coffee and tea inventory so purchased.

8. The Assets to be purchased include the amount of all collections generated by the Debtor between May 19, 1997 and Settlement ("Collections"). At Settlement, First Colony shall receive in cash the Collections. If there shall be a shortfall between the amount of cash tendered by Debtor to First Colony at Settlement and the amount of Collections, the Consideration shall be reduced and offset by the amount of any such shortfall.

9. First Colony's obligation to purchase the Assets is contingent upon: (a) the continued existence of the Assets at Settlement; and (b) that no material adverse change in the condition of the Assets or in the operation of the Debtor's business between May 19, 1997, and the Settlement shall

have occurred.

10. The Debtor shall afford First Colony complete access to its operations, employees, customers and books and records pending Settlement and shall keep First Colony fully advised of any and all business developments.
11. First Colony shall assume no liabilities of Debtor other than the obligation for the use and occupancy to Airport Associates II for the period from June 15, 1997, to August 15, 1997, as hereinafter set forth.
12. First Colony shall be obligated to remove the Assets from the Facility on or before Settlement or shall otherwise make arrangements with the Landlord to occupy the Facility for a period of time following Settlement on terms acceptable to First Colony and the Landlord. First Colony shall not assume the Debtor's lease for the Facility and shall not be responsible for any obligations of Debtor under such lease.
13. This order shall serve as the binding obligation among the parties, enforceable directly by and against, the parties in accordance with its terms, at law or in equity, for money damages or other relief. The Bankruptcy Court retains personal jurisdiction over the parties and exclusive jurisdiction over the subject matter, including the resolution of all disputes arising under this order.
14. The operation of this transaction shall be self-executing, and releases, termination

statements or other documents shall not be required to be filed or recorded in order to effectuate the provisions of this order and the sale and assignment of the Assets to First Colony free and clear of the Encumbrances. Nevertheless, the holders of any Incumbrances shall execute and deliver or record such releases, termination statements, and other such documents as the Debtor and/or First Colony may reasonably request. The cost of recordation of such releases and/or termination statements shall be the responsibility of the Debtor.

15. First Colony shall be entitled to the protections afforded by 11 U. S. C. § 363 (m) with respect to the sale of the Assets in the event this order, or any part of it, is reversed or modified on appeal.

16. First Colony shall perform all terms and conditions of a certain lease agreement between the Debtor and Airport Associates II for the commercial property located in Lakewood, New Jersey for the period of June 15, 1997, to and inclusive of August 15, 1997, including, in addition to the payment of all sums due for said sixty (60) day period on a pro-rata basis, the payment of a five thousand dollar (\$5,000.00) premium for each thirty (30) days of occupancy (total of ten thousand dollars, \$10,000.00). First Colony shall also vacate the aforesaid premises on or before August 15, 1997, leaving said premises intact and in broom clean condition.

17. The Bankruptcy Court shall retain jurisdiction regarding the use and occupancy of the commercial premises by First Colony.

18. This order is entered without prejudice as to the rights of any party to seek adjustments to the amount bid premised upon the failure of First Colony to consummate the purchase of the

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assets contemplated hereby on or before June 15, 1997.

19. A copy of the within order shall be served upon all Secured Lenders or their counsel, counsel for the unsecured creditors' committee, and the Office of the United States Trustee within 5 days after its entry.

Dated:

7/25/97



Honorable William H. Gindin, U.S.B.J.



First Colony Coffee & Tea Company, Inc.

AFFIDAVIT

State of Virginia
City of Norfolk, to wit

I Thomas J. Brockenbrough being first duly sworn, depose and say as follows:

1. I am Vice President of First Colony Coffee & Tea Company, Inc. and have been in this position for 27 years.
2. In 1997 I was directly involved in First Colony's purchase of the assets of Premium Coffee Distributors, Inc. which were being sold as a result of a bankruptcy proceeding.
3. Attached is a true copy of the Bill of Sale dated July 31, 1997 together with a true copy of the Court Order dated July 27, 1997 referenced in the Bill of Sale which transferred and assigned the assets of Premium Coffee Distributors, Inc. to First Colony Coffee & Tea Company, Inc., which is referred to as First Colony Coffee and Tea Company in the Bill of Sale and Court Order.
4. As a result of the aforesaid Bill of Sale and Court Order, the following trademarks and their associated applications, registrations, and goodwill were sold and assigned to First Colony Coffee & Tea Company, Inc., a corporation of the Commonwealth of Virginia with a business address of 204-222 W. 22nd Street, Norfolk, VA 23517 on July 31, 1997:

Application

Serial No.

Mark

74/684,576

THE ORIGINAL PREMIUM
COFFEE COMPANY and design

Registration Nos.

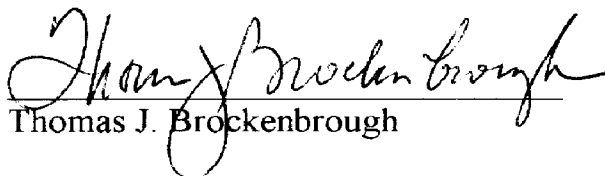
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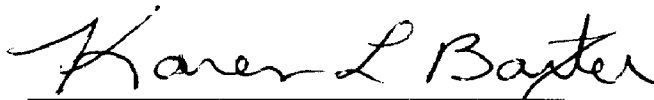
CAFFE BELLISSIMO

BENCHELEY


Thomas J. Brockenbrough

Subscribed and sworn to this 15th day of April 1999, in the city and state aforesaid, before me, the undersigned, a notary public in and for said city and state as witness my hand and official seal.

My commission expires the 30th day of June 2000.


Karen L. Baxter

BILL OF SALE

THIS BILL OF SALE is made this 31st day of July, 1997, by and between PREMIUM COFFEE DISTRIBUTORS, INC., a New Jersey corporation (the "Seller"), and FIRST COLONY COFFEE AND TEA COMPANY, a Delaware corporation (the "Purchaser").

For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Seller hereby BARGAINS, GRANTS, SELLS, ASSIGNS, TRANSFERS, CONVEYS and DELIVERS to Purchaser, pursuant to and in accordance with the provisions of the Order of the United States Bankruptcy Court, District of New Jersey, Authorizing Sale of Assets Free and Clear of Liens, Claims and Encumbrances in Accordance with Section 363(B) dated July 27, 1997, a true copy of which is attached hereto (the "Order"), all of the Assets (as such term is defined in the Order).

Purchaser represents and warrants to Seller that it has the full right, power and authority to execute this Bill of Sale and to perform all of its obligations hereunder.

EXCEPT AS SPECIFICALLY PROVIDED IN THE ORDER, SELLER MAKES NO REPRESENTATION, WARRANTY, COVENANT OR UNDERTAKING, EXPRESS OR IMPLIED, WITH RESPECT TO THE EXISTENCE OF ANY SPECIFIC ITEMS CONSTITUTING THE ASSETS OR THE QUANTITY THEREOF, THE SELLER'S BUSINESS OR PROSPECTS, OR THE CONDITION, QUALITY, MERCHANTABILITY (IN THE SENSE OF A UCC WARRANTY), FITNESS FOR A PARTICULAR PURPOSE OR VALUE OF THE ASSETS, AND THE ASSETS ARE SOLD WITHOUT RECOURSE ON AN ABSOLUTE "AS IS, WHERE IS" BASIS. THIS BILL OF SALE IS SUBJECT TO AND QUALIFIED IN ITS ENTIRETY BY THE EXACT TERMS OF THE ORDER.

IN WITNESS WHEREOF, this Bill of Sale has been executed as of the date first written above.

PREMIUM COFFEE DISTRIBUTORS, INC.

By: _____

Its: _____

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