

05-10-2002

Form PTO-1594
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)
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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

102085204

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Trend-Lines, Inc.

4-30-02

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

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: October 29, 2001

2. Name and address of receiving party(ies)

Name: Woodworkers Warehouse, Inc.

Internal

Address:

Street Address: 135 American Legion Highway

City: Revere State: MA Zip: 02151

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State Delaware
- 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 registration number(s):

A. Trademark Application No.(s) 75/925,810
75/926,786; 75/922,760

B. Trademark Registration No.(s) 1,544,938; 1,983,739;
1,988,103; 1,986,737; 1,533,312; 1,556,257; 1,226,392; 1,737,995

Additional number(s) attached Yes No

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

Name: Robert E. Rosenthal

Internal Address: Duane Morris LLP

Street Address: One Liberty Place

City: Philadelphia State: PA Zip: 19103-7346

6. Total number of applications and registrations involved:

11

7. Total fee (37 CFR 3.41) \$ 290.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

04-1691-041619

DO NOT USE THIS SPACE

9. Signature.

Robert E. Rosenthal

Name of Person Signing

Signature

April 22, 2002

Date

23

05/09/2002 DRYRNE 00000112 041679 75925810

Total number of pages including cover sheet, attachments, and document:
Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

01 FC:481
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THE COMMONWEALTH OF MASSACHUSETTS

ARTICLES OF *CONSOLIDATION / *MERGER
(General Laws, Chapter 156B, Section 79)

I hereby approve the within Articles of *Consolidation / *Merger and,
the filing fee in the amount of \$ 250 , having been paid,
said articles are deemed to have been filed with me this 29th
day of October , 20 01 .

Effective date _____



WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

SECRETARY OF THE
COMMONWEALTH
01 OCT 29 PM 3:51
CORPORATION DIVISION

TO BE FILLED IN BY CORPORATION
Photocopy of document to be sent to:

Patrick T. McCloskey _____

Kronish Lieb Weiner & Hellman LLP

1114 Avenue of the Americas, New York, NY 10036

Telephone: (212) 479-6123

Fax: (212) 479-6275

The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

One Ashburton Place, Boston, Massachusetts 02108-1512

ARTICLES OF *CONSOLIDATION / *MERGER

(General Laws, Chapter 156B, Section 79)

01241642

~~Consolidation~~ *merger of

(m) Trend-Lines, Inc.

(S) Woodworkers Warehouse, Inc. (ME)

the constituent corporations, into

(S) Woodworkers Warehouse, Inc. (ME)

~~Consolidation~~ *one of the constituent corporations organized under the laws of: Delaware

The undersigned officers of each of the constituent corporations certify under the penalties of perjury as follows:

1. An agreement of ~~consolidation~~ *merger has been duly adopted in compliance with the requirements of General Laws, Chapter 156B, Section 79, and will be kept as provided by Subsection (c) thereof. The ~~resulting~~ *surviving corporation will furnish a copy of said agreement to any of its stockholders, or to any person who was a stockholder of any constituent corporation, upon written request and without charge.

2. The effective date of the ~~consolidation~~ *merger determined pursuant to the agreement of ~~consolidation~~ *merger shall be the date approved and filed by the Secretary of the Commonwealth. If a later effective date is desired, specify such date which shall not be more than thirty days after the date of filing:

3. (For a merger)

**The following amendments to the Articles of Organization of the surviving corporation have been effected pursuant to the agreement of merger:

None.

(For a consolidation)

(a) The purpose of the resulting corporation is to engage in the following business activities:

- C
- P
- M
- R.A.

*Delete the inapplicable words.

Note: If the space provided under any article or item on this form is insufficient, additions shall be set forth on separate 8 1/2 x 11 sheets of paper with a left margin of at least 1 inch. Additions to more than one article may be made on a single sheet as long as each article requiring each addition is clearly indicated.

156b79n 4/400

(For a consolidation)

(b) State the total number of shares and the par value, if any, of each class of stock which the resulting corporation is authorized to issue:

WITHOUT PAR VALUE		WITH PAR VALUE		
TYPE	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
Common:		Common:		
Preferred:		Preferred:		

** (c) If more than one class of stock is authorized, state a distinguishing designation for each class and provide a description of the preferences, voting powers, qualifications, and special or relative rights or privileges of each class and of each series then established.

** (d) The restrictions, if any, on the transfer of stock contained in the agreement of consolidation are:

** (e) Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or stockholders, or of any class of stockholders:

Item 4 below may be deleted if the resulting / surviving corporation is organized under the laws of a state other than Massachusetts.

4. The information contained in Item 4 is not a permanent part of the Articles of Organization of the *resulting / *surviving corporation.

(a) The street address of the *resulting / *surviving corporation in Massachusetts is: (post office boxes are not acceptable)

** If there are no provisions state "None".

(b) The name, residential address and post office address of each director and officer of the *resulting / *surviving corporation is:

NAME	RESIDENTIAL ADDRESS	POST OFFICE ADDRESS
President:		
Treasurer:		
Clerk:		
Directors:		

(c) The fiscal year end (i.e. tax year) of the *resulting / *surviving corporation shall end on the last day of the month of:

(d) The name and business address of the resident agent, if any, of the *resulting / *surviving corporation is:

Item 5 below may be deleted if the resulting/surviving corporation is organized under the laws of Massachusetts.

5. The ~~corporation~~ *surviving corporation hereby agrees that it may be sued in the Commonwealth of Massachusetts for any prior obligation of any constituent Massachusetts corporation, any prior obligation of any constituent foreign corporation qualified under General Laws, Chapter 181, and any obligations hereafter incurred by the *resulting / *surviving corporation, including the obligation created by General Laws, Chapter 156B, Section 85, so long as any liability remains outstanding against the corporation in the Commonwealth of Massachusetts, and it hereby irrevocably appoints the Secretary of the Commonwealth as its agent to accept service of process in any action for the enforcement of any such obligation, including taxes, in the same manner as provided in Chapter 181.


* See Item 6 - (Sheet attached)
FORMASSACHUSETTS CORPORATIONS

The undersigned *President ~~XXXXXX~~ and ~~XXXXXX~~ Assistant Clerk of Trend-Lines, Inc., a corporation organized under the laws of Massachusetts, further state under the penalties of perjury that the agreement of ~~XXXXXX~~ *merger has been duly executed on behalf of such corporation and duly approved in the manner required by General Laws, Chapter 156B, Section ~~73~~ 73.

Walter Spokowski  , *President ~~XXXXXX~~

David Garbus  Assistant Clerk ~~XXXXXX~~

FOR CORPORATIONS ORGANIZED IN A STATE OTHER THAN MASSACHUSETTS

The undersigned, † Walter Spokowski and †† Richard Mandell  , a corporation organized under the laws of Woodworkers Warehouse, Inc.

Delaware, further state under the penalties of perjury that the agreement of ~~XXXXXX~~

*merger has been duly adopted by such corporation in the manner required by the laws of Delaware.

*Delete the inapplicable words.
†Specify the officer having powers and duties corresponding to those of the president or vice president of a Massachusetts corporation organized under General Laws, Chapter 156B.
††Specify the officer having powers and duties corresponding to the clerk or assistant clerk of such a Massachusetts corporation.

† President See above
†† Secretary See above

Item 6

This merger has been approved by an order of the United States Bankruptcy Court, District of Massachusetts in *In re Trend-Lines, Inc. et al.* (Case Number 00-15431), a copy of which is attached hereto, and no further action of the directors or stockholders of the constituent corporations is required.

DUCKETED

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION

In re:)
)
)
TREND-LINES, INC.,)
)
)
Debtor.)

Chapter 11
Case No. 00-15431-CJK
Substantively Consolidated
Estate

In re:)
)
)
POST TOOL, INC.,)
)
)
Debtor.)

October 17, 2001

**ORDER CONFIRMING FIRST AMENDED JOINT
REORGANIZATION PLAN OF TREND-LINES, INC. AND
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

The *First Amended Joint Reorganization Plan of Trend-Lines, Inc. and the Official Committee of Unsecured Creditors* (the "Plan") dated September 7, 2001, proposed by Trend-Lines, Inc. and Post Tool, Inc. (collectively the "Debtor") and the Official Committee of Unsecured Creditors (the "Committee"), having been transmitted to creditors, and after notice of and a hearing to consider the Plan, after an offer of proof and an affidavit submitted by the Debtor, and after reviewing the *Report of Plan Voting* filed with the Court, the Court FINDS as follows:

A. On or about August 31, 2001, the Debtor filed a *Motion for Authority to Enter Into Emergence Financing Commitment Letter With Secured Lender* (the "Exit Financing Motion") which sought, among other things, authority to enter into a certain commitment letter

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with Bank of America, N.A., as agent for certain lenders (each and together, "BankAmerica"), to provide exit financing to the Debtor (the "Exit Financing Facility") on the Effective Date. No opposition to the Exit Financing Motion was filed and the Court granted the Exit Financing Motion by Endorsement Order on September 17, 2001.

B. The consummation by the Debtor of the Exit Financing Facility is a condition precedent to the effectiveness of the Plan.

C. The Exit Financing Facility provides, among other things, that BofA will be granted first liens on all of the Debtor's assets.

D. In order to facilitate the procurement of trade credit by Reorganized Trend-Lines pursuant to the Plan, the Debtor has asked that certain vendors commence the shipment of goods on credit after the Confirmation Date, on the condition that the Debtor hold such goods in trust pending the Effective Date of the Plan. The procurement of such trade credits is a condition precedent to the effectiveness of the Plan.

E. On October 11, 2001, the Debtor and the Committee filed a *Joint Motion to Approve Nonmaterial Modification to First Amended Joint Reorganization Plan of Trend-Lines, Inc. and the Official Committee of Unsecured Creditors* (the "Motion to Modify").

F. In accordance with the Plan, on October 11, 2001, the Debtor and the Committee filed a plan supplement (the "Plan Supplement").

G. Objections to the Plan (collectively the "Objections") were filed by: (i) the State of Connecticut Department of Revenue (the "CDOR"); (ii) O'Connell Tilton Limited Partnership; (iii) Andover Capital Group, Inc.; (iv) Levin Management Corporation; and (v) MSI Realty Trust.

1 All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Plan.

H. The Plan complies with the provisions of the United States Bankruptcy Code (the "Code").

I. The Debtor and the Committee have complied with the provisions of the Code.

J. The Plan has been proposed in good faith and not by any means forbidden by law.

K. Any payment made or to be made by the Debtor, or by a person issuing securities or acquiring property under the Plan, for services or for costs and expenses in, or in connection with the case, or in connection with the Plan and incident to the case, have been fully disclosed to the Court and are reasonable or, if to be fixed after confirmation of the Plan, will be subject to the approval of the Court.

L. The identity and affiliations of the persons who are to be directors, officers or trustees of Reorganized Trend-Lines after confirmation of the Plan have been fully disclosed, and the appointment of such persons to such offices, or their continuance therein, is consistent with the interests of the creditors and equity security holders and with public policy.

M. The identities of any insiders that will be employed or retained by Reorganized Trend-Lines and the nature of their compensation have been fully disclosed.

N. Each holder of a Claim or Interest in each impaired class of Claims or Interests will receive or retain under the Plan on account of such Claim or Interest property of a value, as of the Effective Date, that is not less than the amount that such holder would so receive or retain if the Debtor were liquidated under Chapter 7 of the Code on the Effective Date.

O. With respect to each Allowed Secured Claim provided for by the Plan and subject to the terms of the Stipulations, the holder of such Allowed Secured Claims have accepted the Plan or will receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value of such holder's interest in the Debtor's bankruptcy estate's (the "Estate")

interest in the property that secures such claims.

P. With respect to any Allowed Claims of the kind specified in Section 507(a)(1) or 507(a)(2) of the Code, the holders of such Allowed Claims will receive cash on the Effective Date equal to the Allowed amount of such Claims or will be treated pursuant to an agreement between the parties.

Q. With respect to any Allowed Claims of the kind specified in Section 507(a)(3), 507(a)(4), 507(a)(5), 507(a)(6) or 507(a)(7) of the Code, the holders of such Allowed Claims will receive cash on the Effective Date equal to the Allowed amount of such Claims.

R. With respect to any Allowed Claims of the kind specified in Section 507(a)(8) of the Code, the holders of such Allowed Claims will receive, at the Debtor's discretion either (i) cash on the Effective Date equal to the amount of the Allowed Claim; (ii) deferred cash payments over a period not exceeding six years after the date of assessment of such Allowed Priority Tax Claim, plus interest at the Case Interest Rate; (iii) deferred cash payments in five equal monthly payments, commencing thirty (30) days after the Effective Date, in aggregate principal amount equal to the Allowed Priority Tax Claim, plus interest on the unpaid portion thereof at the Case Interest Rate; or (iv) such treatment as to which the Debtor and the holder of the Allowed Priority Tax Claim shall have agreed upon in writing.

S. At least one class of Claims that is impaired under the Plan, determined without including any acceptances of the Plan by any insider, has accepted the Plan.

T. Confirmation of the Plan is not likely to be followed by the need for further financial reorganization, of the Debtor or any successor to the Debtor under the Plan.

U. Reorganized Trend-Lines will be able to make all payments required to be made on the Effective Date under the Plan and to otherwise comply with the Plan.

V. All fees payable under Section 1930 of Title 28 due prior to the Confirmation Hearing have been paid. Subject to the terms of this Order, the Plan provides for the payment of all future fees payable under Section 1930 of Title 28.

W. The Debtor is not obligated for any retiree benefits, as that term is defined in section 1114 of the Code.

X. The Plan does not discriminate unfairly, and is fair and equitable, with respect to each class of Claims or Interests that is impaired under the Plan.

Y. Service of (i) the Plan, (ii) the *First Amended Disclosure Statement With Respect to First Amended Joint Reorganization Plan of Trend-Lines, Inc. and the Official Committee of Unsecured Creditors* (the "Disclosure Statement"), (iii) the order of the Court approving the Disclosure Statement dated September 10, 2001, and (iv) the associated materials described in the order approving the Disclosure Statement dated September 10, 2001, was adequate and in compliance with the applicable Rules of Bankruptcy Procedure and in accordance the applicable orders of the Court.

Z. Confirmation of the Plan is in the best interest of the Debtor, its creditors and the Estate.

NOW THEREFORE, based upon all of the evidence, including the findings set forth above, the evidence proffered or adduced at the Confirmation Hearing, the objections filed to Confirmation, and the entire record of the Confirmation Hearing and of the Debtor's chapter 11 case, and after due deliberation thereon, and good cause appearing therefore, it is hereby

ORDERED that:

1. The Motion to Modify is hereby allowed.
2. The Plan, as modified, be and hereby is confirmed.

3. Subject to the terms of this Order, the Objections are overruled.
4. Reorganized Trend-Lines is authorized and directed to implement the terms of the Plan.
5. To the extent any Person provides goods to the Debtor on credit during the period from the Confirmation Date until the earlier of the Effective Date or October 28, 2001, such goods shall be held in trust by the Debtor, shall not be eligible inventory for purposes of the limitations of the borrowing base provided for in the Interim Order Authorizing Cash Collateral dated September 10, 2001 and prior cash collateral orders (the "Cash Collateral Orders") and shall not be subject to any Lien until the occurrence of the Effective Date. Until the Effective Date, such goods, although not eligible inventory, shall be reported on the borrowing base certificates provided by the Debtor to BofA, which shall identify the dollar amount of the goods and the vendors from whom the goods were received. On the Effective Date, such goods shall be automatically released from trust and shall be automatically subject to the first priority liens of BofA. On the Effective Date, BofA shall be and is hereby automatically granted valid, first priority perfected liens and security interests in and to all such goods and their proceeds without the necessity of BofA taking possession, filing financing statements or other documents. In the event that the Effective Date does not occur by October 28, 2001, the Debtor shall immediately return the goods received on credit or pay in full the invoices related thereto, in which case, upon payment in full, the goods shall be released from trust and shall be subject to the liens and security interests granted to BofA pursuant to the Cash Collateral Orders. On and after the Effective Date, goods received on credit shall be deemed released to Reorganized Trend-Lines and the goods shall be available for sale by Reorganized Trend-Lines in the ordinary course of its business and shall be subject to the liens and interests granted to BofA.

6. BofA shall retain its continuing, replacement and additional liens and security interests in the property of the Debtor and the Reorganized Trend-Lines granted pursuant to the Cash Collateral Orders, the Plan and the Exit Financing Facility, subject to the valid and existing liens of other creditors which are of record and which had priority pre-petition over the pre-petition liens and security interests of BofA. The continuing, replacement and additional liens and security interests granted pursuant to the Cash Collateral Orders, the Plan (including without limitation the liens on the Leased Premises) and the Exit Financing Facility shall be and hereby are automatically deemed perfected on the Effective Date without the necessity of BofA taking possession, filing financing statements, mortgages, leasehold mortgages or other documents. Reorganized Trend-Lines shall execute such agreements, documents and instruments in connection with the Exit Financing Facility as BofA may reasonably request. The adequate protection provisions of the Cash Collateral Orders shall continue after the Confirmation Date and remain in full force and effect until the Effective Date.

7. Unless agreed to in writing by the Debtor and the holder of a Cure Claim, all Allowed Cure Claims shall be paid as soon as practicable after the Effective Date, but in no event later than thirty (30) days from the Effective Date. To the extent a Cure Claim is disputed, the Debtor shall reserve cash in an amount equal to the asserted Cure Claim until the Cure Claim becomes an Allowed Claim.

8. To the extent, under Article III, Section A(3) of the Plan, the Debtor elects, in its sole discretion, to pay any Allowed Claim asserted by the CDOR or the Massachusetts Department of Revenue (the "MDOR") in deferred cash payments over a period not exceeding six years from the date of assessment of the CDOR's or the MDOR's Allowed Claim, plus interest: (a) the interest rate for any Allowed Claim held by the CDOR or the MDOR shall be

equal to the rate set forth in 26 U.S.C. §6621, plus two and one-half percent (2.5%); and (b) the deferred payments on account of any Allowed Claim held by the CDOR or the MDOR shall be made on a quarterly basis.

9. On the Effective Date and prior to the reincorporation of Reorganized Trend-Lines in Delaware, the Certificate of Incorporation of Reorganized Trend-Lines shall be amended to change its authorized capital stock to 7,500,000 shares of common stock, par value \$.01 per share, and such amendment is hereby authorized without further act or action by the board of directors or stockholders of the Debtor or Reorganized Trend-Lines. Exhibits B and C to the Motion to Modify will be effective as of the reincorporation of Reorganized Trend-Lines in the State of Delaware.

10. The Debtor will be responsible for timely payment of fees incurred pursuant to 28 U.S.C. § 1930(a)(6). After confirmation the Debtor will serve the United States Trustee with a monthly final report for each month (or portion thereof) the case remains open. The monthly financial report shall include the following:

- a. A statement of all disbursements made during the course of the month, whether or not pursuant to the plan;
- b. A summary, by class, of amounts distributed or property transferred to each recipient under the plan, and an explanation of the failure to make any distributions or transfers of property under the plan;
- c. The Debtor's projections as to its continuing ability to comply with the terms of the plan;
- d. A description of any other factors which may materially affect the Debtor's ability to consummate the plan; and
- e. An estimated date when an application for final decree will be filed with the court (in the case of the final monthly report, the date the decree was filed).

11. All dividends shall be disbursed in accordance with the Claims deemed allowed pursuant to Section 1111 of the Code, and any deviation therefrom shall be made only after application and approval of this Court.

12. This Court will retain all authority and jurisdiction after confirmation of the Plan to enforce the provisions, purposes and intent of the Plan or any modification thereof, including without limitation, matters or proceedings related to:

- a. The allowance, disallowance, reconsideration, estimation, compromise, settlement, adjustment, treatment, or liquidation of Claims and objections thereto;
- b. The allowance of Claims and requests for payment of Administrative Claims and expenses of the Estate;
- c. The right, title or interest of Reorganized Trend-Lines, as may be modified under the Plan, in any Asset, including, without limitation, the assertion of Liens against such Asset;
- d. The resolution of controversies and disputes, including, without limitation, disputes regarding the interpretation of the Plan and this Order and the correction of any mistake, defect or omission regarding the interpretation or enforcement of the Plan and this Order;
- e. The modification of this Plan pursuant to Section 1127 of the Bankruptcy Code;
- f. The adjudication of any adversary action or other proceeding brought by the Debtor, the Committee and/or Reorganized Trend-Lines, prior to or after confirmation of the Plan, to enforce or prosecute any cause of action, chose in action or right or recover any claim of the Debtor, the Estate and/or the Committee;
- g. The entry of orders in aid of implementation of the Plan;
- h. Such other matters for which jurisdiction is provided under the Bankruptcy Code, the Plan, this Order or other applicable law; and
- i. The entry of a final decree closing the Chapter 11 Case.

13. Except as provided in Section 1141(d) of the Code and except as otherwise provided in the Plan, the provisions of the Plan and this Confirmation Order shall bind Reorganized Trend-Lines and all holders of Claims or Interests and will be a judicial determination of discharge of all debts that arose before the Effective Date and any liability on a Claim that is determined under Section 502 of the Code, as if such Claim had arisen before the Effective Date, whether or not a proof of claim based on any such debt or liability is filed under Section 501 of the Code, whether or not a Claim based on such debt or liability is allowed under Section 502 of the Code, whether or not such holder is impaired under the Plan and whether or not such holder has accepted the Plan, and shall terminate all rights, claims and interests of such holder, except as provided in the Plan. The Plan will be binding upon and inure to the benefit of the Debtor, its Creditors, the holders of Interests, Reorganized Trend-Lines and their respective successors and assigns.

14. Except as otherwise provided in the Plan, the confirmation of the Plan vests all of the Debtor's assets and all property of the Estate in Reorganized Trend-Lines.

15. Except as otherwise provided in the Plan or in any stipulation or agreement approved by the Court or order of the Court, the property dealt with by the Plan is free and clear of all Claims, Liens and Interests of creditors and equity security holders of the Debtor, including, but not limited to, any alleged right of setoff, subrogation or recoupment alleged against such property.

16. Except as otherwise provided in the Plan, the Debtor shall be discharged and released from any debt, as that term is defined in Section 101(12) of the Code, that arose before the Effective Date of such confirmation, and any debt of a kind specified in Section 502(g), 502(h) or 502(i) of the Code, whether or not (a) a proof of claim based on such debt is filed or

deemed filed under Section 501 of the Code; (b) such claim is allowed under Section 502 of the Code; or (c) the holder of such claim has accepted the Plan.

17. Except as otherwise provided in the Plan or in any stipulation approved by the Court, the rights afforded in the Plan and the treatment of all Claims and Interests in the Plan shall be in exchange for and in complete satisfaction, discharge, and release of Claims and Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtor, the Estate, Reorganized Trend-Lines and any of their respective assets. Except as otherwise provided in the Plan (a) on the Effective Date, all Claims against the Debtor and the Estate will be satisfied, discharged and released in full and (b) all Persons shall be permanently precluded and enjoined from asserting against the Debtor, the Estate, Reorganized Trend-Lines, the Committee or their assets, any other or further Claims or Interests based upon any act or omission, transaction, or other activity of any kind or nature that occurred before the Effective Date.

18. Except as otherwise provided in the Plan or in this Confirmation Order, upon the Effective Date, the Debtor shall be deemed discharged and released under section 1141(d)(1)(A) of the Code from any and all debts. This Confirmation Order is a judicial determination of discharge of all liabilities of the Debtor, subject to the occurrence of the Effective Date.

19. Unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Case pursuant to Sections 105 or 362 of the Code or otherwise extant on the Effective Date shall remain in full force and effect, until such time as the Bankruptcy Court orders otherwise. Among other things, the confirmation of the Plan constitutes an injunction: (i) prohibiting any person from taking any act, commencing any suit or enforcing any right, including the right to a judicial or non-judicial foreclosure of any Lien, which has the effect of asserting, liquidating or enforcing

any Claim provided for in the Plan or this Order against any asset of the Estate or Reorganized Trend-Lines, whether before or after disposition of such asset by the Debtor or Reorganized Trend-Lines; and (ii) prohibiting any person from taking any act, commencing any suit or enforcing any right which has the effect of asserting, liquidating or enforcing any Claim provided for in the Plan or this Order against Reorganized Trend-Lines.

20. No entity may commence or continue any action or proceeding, or perform any act to interfere with the implementation and consummation of this Plan and the payments to be made hereunder.

21. Except as provided in the Plan, and notwithstanding any applicable law to the contrary, any and all documents, whether recorded or not and including, without limitation, the Debtor's articles of organization, any loan documents and any documents creating a Lien, shall automatically be amended to the extent necessary to comply with the terms of the Plan and this Order without the need for the preparation, execution or recording of further documentation.

BY THE COURT:



Hon. Carol J. Kenner
U.S. Bankruptcy Judge

Date: October 17, 2001
315814

10/17/01

Docketed

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MASSACHUSETTS
EASTERN DIVISION**

_____)
In re:)
TREND-LINES, INC.,)
Debtor.)
_____)
In re:)
POST TOOL, INC.,)
Debtor.)
_____)

**Chapter 11
Case No. 00-15431-CJK
Substantively Consolidated
Estate**

**JOINT MOTION TO APPROVE NONMATERIAL MODIFICATION TO FIRST
AMENDED JOINT REORGANIZATION PLAN OF TREND-LINES, INC. AND THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

To the Honorable Carol J. Kenner, Bankruptcy Judge:

Trend-Lines, Inc. (the "Debtor") and the Official Committee of Unsecured Creditors (the "Committee")(collectively, the "Plan Proponents"), by and through their counsel, respectfully file this joint motion to approve certain nonmaterial modifications to the First Amended Joint Reorganization Plan of Trend-Lines, Inc. and the Official Committee of Unsecured Creditors ("Plan") in accordance with 11 U.S.C. § 1127. In support thereof, the movants state as follows:

Background

1. On August 11, 2000 (the "Petition Date"), the Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code. The Debtor continues to operate as a debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

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2. The Debtor is a Massachusetts corporation with corporate headquarters located at 126 Oxford Street, Lynn, Massachusetts.

3. The Debtor is a specialty retailer of power and hand tools and their related accessories, operating a chain of stores under the name "Woodworkers Warehouse." The Debtor previously retailed golf equipment and supplies, operating a chain of stores under the name "Golf Day." As of the Petition Date, the Debtor operated 120 "Woodworkers Warehouse" retail outlets and 73 "Golf Day" stores in the northeastern United States. The Debtor sold its tools, golf products and supplies through separate mail order catalogs and over the Internet via separate websites.

4. As of the Petition Date, the Debtor employed approximately 780 people on a full-time basis and 560 people on a part-time basis.

5. Shortly after the filing, the Debtor sought and obtained permission to liquidate its golf inventory by means of a going-out-of-business sale. In conjunction with the going-out-of-business sale, the Debtor closed its Golf Day retail stores.

6. On September 7, 2001, the Debtor and the Committee filed the Plan. A hearing on confirmation of the Plan is scheduled for October 17, 2001.

Plan Modifications

I. Continuation of Employee Benefits

7. The Plan calls for the Debtor to continue to operate its Woodworkers Warehouse retail stores. The continued operation of the Woodworkers Warehouse stores will entail retention of employees and the continued provision of employee fringe benefits.

8. Article VIII. E. of the Plan may be read to curtail or otherwise limit certain employee benefits currently provided. The Plan Proponents seek to clarify that Article VIII. E. of the Plan

does not alter or effect the continued provision, following the Effective Date of the Plan, of the existing employment benefits identified below:

(i) the Debtor's current 401(k) savings plan, as such plan may be amended from time to time, including the provision for Debtor's match of employee contributions up to three percent (3%) of salary;

(ii) the Debtor's current short-term and long-term disability insurance plans, and the life insurance plan, all provided through Prudential Insurance, as such plan or provider may be amended from time to time;

(iii) the Debtor's health insurance plan currently being provided by Blue Cross/Blue Shield, as such plan or provider may be amended from time to time;

(iv) the Debtor's dental insurance plan currently being provided by Aetna Insurance, as such plan or provider may be amended from time to time; and

(v) continuation of vacation and sick pay policies and accrued benefits as presently in effect, as the same may be amended from time to time.

II. Re-incorporation of the Debtor

9. The Debtor also proposes to modify the Plan to provide for the creation of a wholly owned subsidiary under Delaware law of Trend-Lines or the Reorganized Trend-Lines which shall merge with the parent and become the surviving entity. The surviving entity will have all of the obligations of the Reorganized Trend-Lines as provided in the Plan after the Effective Date. The purpose of the change is for the surviving entity to become a Delaware corporation so as to provide, among other things, for the newly appointed Board of Directors to have the protections provided for under Delaware law. In connection with this modification, the following Plan modifications are required:

(i) amendment to section 1.91 of the Plan, at page 9, to read:

Reorganized Trend-Lines means Trend-Lines, or any successor thereto by merger, consolidation, or otherwise, on and after the Effective Date;

(ii) deletion of the second to last sentence of Article V. A. (1) of the Plan, at page 15;

(iii) the insertion of a new Article V. A. (4) to the Plan which shall provide:

Creation of New Subsidiary; Merger of Parent into Subsidiary. On or before the Effective Date, Trend-Lines or Reorganized Trend-Lines shall organize and form Woodworker's Warehouse, Inc., a Delaware corporation and a wholly-owned subsidiary of the parent. Effective on the Effective Date, the parent shall merge with and into Woodworker's Warehouse, Inc. and Woodworker's Warehouse, Inc. shall be the surviving corporation. The surviving entity will have all of the obligations of the Reorganized Trend-Lines as provided in the Plan after the Effective Date. The formation of Woodworker's Warehouse, Inc. and the merger of the parent with and into its wholly-owned subsidiary, Woodworker's Warehouse, Inc., and the execution, delivery, and filing of any certificates or other instruments in connection therewith are hereby authorized without further act or action by the board of directors or stockholders of Trend-Lines, Reorganized Trend-Lines, or Woodworker's Warehouse, Inc. and without further act or action under applicable law, regulation, order or rule.

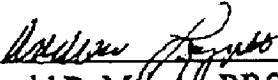
10. The Plan Proponents are authorized to modify the Plan provisions pursuant to 11 U.S.C. § 1127(a). Approval of the Plan modifications is in the best interests of the bankruptcy estate, as such modifications will: increase the Debtor's ability to retain employees and provide a smooth transition through the confirmation process; and ensure that the corporate restructuring of the Debtor is accomplished in the most effective manner. The proposed modifications will not result in prejudice to any parties-in-interest.

Wherefore, the parties request that this Court:

1. Approve the Plan modifications requested herein; and
2. Grant such other relief as is just and proper.

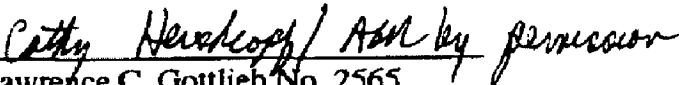
Trend-Lines, Inc.,

By counsel:



Harold B. Murphy BBO 362610
Andrew G. Lizotte BBO # 559609
Hanify & King, Professional Corporation
One Federal Street
Boston, MA 02110
(617) 423-0400-

Official Committee of Unsecured
Creditors, by counsel:



Lawrence C. Gottlieb No. 2565
Cathy Hersheopf No. 5875
Kronish Lieb Weiner & Hellman LLP
1114 Avenue of the Americas
New York, NY 10036
(212) 479-6000

Dated:
315352

10/11/01

768090

12078


THE COMMONWEALTH OF MASSACHUSETTS

ARTICLES OF *CONSOLIDATION / *MERGER
(General Laws, Chapter 156B, Section 79)

I hereby approve the within Articles of *Consolidation / *Merger and,
the filing fee in the amount of \$ 250 , having been paid,
said articles are deemed to have been filed with me this 29th
day of October , 20 01 .

SECRETARY OF THE
COMMONWEALTH
01 OCT 29 PM 3:51
CORPORATION DIVISION

Effective date _____



WILLIAM FRANCIS GALVIN
Secretary of the Commonwealth

TO BE FILLED IN BY CORPORATION
Photocopy of document to be sent to:

Patrick T. McCloskey

Kronish Lieb Weiner & Hellman LLP

1114 Avenue of the Americas, New York, NY 10036
Telephone: (212) 479-6123
Fax: (212) 479-6275

The Commonwealth of Massachusetts

William Francis Galvin
Secretary of the Commonwealth
One Ashburton Place, Boston, Massachusetts 02108-1512

ARTICLES OF *CONSOLIDATION / *MERGER

(General Laws, Chapter 156B, Section 79)

087
01241642

*Consolidation of *merger of

(m) Trend-Lines, Inc.

(S) Woodworkers Warehouse, Inc. (M2)

the constituent corporations, into

(S) Woodworkers Warehouse, Inc. (M2)

~~XXXXXXXXXXXX~~ one of the constituent corporations organized under the laws of: Delaware

The undersigned officers of each of the constituent corporations certify under the penalties of perjury as follows:

1. An agreement of ~~consolidation~~ *merger has been duly adopted in compliance with the requirements of General Laws, Chapter 156B, Section 79, and will be kept as provided by Subsection (c) thereof. The ~~resulting~~ *surviving corporation will furnish a copy of said agreement to any of its stockholders, or to any person who was a stockholder of any constituent corporation, upon written request and without charge.

2. The effective date of the ~~consolidation~~ *merger determined pursuant to the agreement of ~~consolidation~~ *merger shall be the date approved and filed by the Secretary of the Commonwealth. If a later effective date is desired, specify such date which shall not be more than thirty days after the date of filing:

3. (For a merger)

**The following amendments to the Articles of Organization of the surviving corporation have been effected pursuant to the agreement of merger:

None.

(For a consolidation)

(a) The purpose of the resulting corporation is to engage in the following business activities:

- C []
P []
M []
R.A. []

*Delete the inapplicable words.
Note: If the space provided under any article or item on this form is insufficient, additions shall be set forth on separate 8 1/2 x 11 sheets of paper with a left margin of at least 1 inch. Additions to more than one article may be made on a single sheet as long as each article requiring each addition is clearly indicated.

P.C.

(For a consolidation)

(b) State the total number of shares and the par value, if any, of each class of stock which the *resulting* corporation is authorized to issue:

WITHOUT PAR VALUE		WITH PAR VALUE		
TYPE	NUMBER OF SHARES	TYPE	NUMBER OF SHARES	PAR VALUE
Common:		Common:		
Preferred:		Preferred:		

******(c) If more than one class of stock is authorized, state a distinguishing designation for each class and provide a description of the preferences, voting powers, qualifications, and special or relative rights or privileges of each class and of each series then established.

******(d) The restrictions, if any, on the transfer of stock contained in the agreement of consolidation are:

******(e) Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or stockholders, or of any class of stockholders:

Item 4 below may be deleted if the *resulting /surviving* corporation is organized under the laws of a state other than Massachusetts.

4. The information contained in Item 4 is *not* a permanent part of the Articles of Organization of the *resulting / *surviving corporation.

(a) The street address of the *resulting / *surviving corporation in Massachusetts is: *(post office boxes are not acceptable)*

***If there are no provisions state "None".*

(b) The name, residential address and post office address of each director and officer of the *resulting / *surviving corporation is:

NAME	RESIDENTIAL ADDRESS	POST OFFICE ADDRESS
President:		
Treasurer:		
Clerk:		
Directors:		

(c) The fiscal year end (i.e. tax year) of the *resulting / *surviving corporation shall end on the last day of the month of:

(d) The name and business address of the resident agent, if any, of the *resulting / *surviving corporation is:

Item 5 below may be deleted if the resulting/surviving corporation is organized under the laws of Massachusetts.

5. The ~~resulting~~ *surviving corporation hereby agrees that it may be sued in the Commonwealth of Massachusetts for any prior obligation of any constituent Massachusetts corporation, any prior obligation of any constituent foreign corporation qualified under General Laws, Chapter 181, and any obligations hereafter incurred by the *resulting / *surviving corporation, including the obligation created by General Laws, Chapter 156B, Section 85, so long as any liability remains outstanding against the corporation in the Commonwealth of Massachusetts, and it hereby irrevocably appoints the Secretary of the Commonwealth as its agent to accept service of process in any action for the enforcement of any such obligation, including taxes, in the same manner as provided in Chapter 181.

* See Item 6 - (Sheet attached)
FORMASSACHUSETTS CORPORATIONS

The undersigned *President ~~XXXXXX~~ and ~~XXXXXX~~ Assistant Clerk of Trend-Lines, Inc., a corporation organized under the laws of Massachusetts, further state under the penalties of perjury that the agreement of ~~XXXXXX~~ *merger has been duly executed on behalf of such corporation and duly approved in the manner required by General Laws, Chapter 156B, Section ~~73~~ 73.

Walter Spokowski Walter Spokowski, *President ~~XXXXXX~~

David Garbus David Garbus Assistant Clerk ~~XXXXXX~~

FOR CORPORATIONS ORGANIZED IN A STATE OTHER THAN MASSACHUSETTS

The undersigned, † Walter Spokowski and Richard Mandell, a corporation organized under the laws of Woodworkers Warehouse, Inc.

Delaware, further state under the penalties of perjury that the agreement of ~~XXXXXX~~

*merger has been duly adopted by such corporation in the manner required by the laws of Delaware.

*Delete the inapplicable words.
†Specify the officer having powers and duties corresponding to those of the president or vice president of a Massachusetts corporation organized under General Laws, Chapter 156B.
††Specify the officer having powers and duties corresponding to the clerk or assistant clerk of such a Massachusetts corporation.

† President See above
‡ Secretary See above

Item 6

This merger has been approved by an order of the United States Bankruptcy Court, District of Massachusetts in *In re Trend-Lines, Inc. et al.* (Case Number 00-15431), a copy of which is attached hereto, and no further action of the directors or stockholders of the constituent corporations is required.

DUCKETED

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
EASTERN DIVISION

In re:
TREND-LINES, INC.,
Debtor.

Chapter 11
Case No. 00-15431-CJK
Substantively Consolidated
Estate

In re:
POST TOOL, INC.,
Debtor.

October 17, 2001

**ORDER CONFIRMING FIRST AMENDED JOINT
REORGANIZATION PLAN OF TREND-LINES, INC. AND
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

The *First Amended Joint Reorganization Plan of Trend-Lines, Inc. and the Official Committee of Unsecured Creditors* (the "Plan") dated September 7, 2001, proposed by Trend-Lines, Inc. and Post Tool, Inc. (collectively the "Debtor") and the Official Committee of Unsecured Creditors (the "Committee"), having been transmitted to creditors, and after notice of and a hearing to consider the Plan, after an offer of proof and an affidavit submitted by the Debtor, and after reviewing the *Report of Plan Voting* filed with the Court, the Court FINDS as follows:

A. On or about August 31, 2001, the Debtor filed a *Motion for Authority to Enter Into Emergence Financing Commitment Letter With Secured Lender* (the "Exit Financing Motion") which sought, among other things, authority to enter into a certain commitment letter

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with Bank of America, N.A., as agent for certain lenders (each and together, "BankAmerica"), to provide exit financing to the Debtor (the "Exit Financing Facility") on the Effective Date. No opposition to the Exit Financing Motion was filed and the Court granted the Exit Financing Motion by Endorsement Order on September 17, 2001.

B. The consummation by the Debtor of the Exit Financing Facility is a condition precedent to the effectiveness of the Plan.

C. The Exit Financing Facility provides, among other things, that BofA will be granted first liens on all of the Debtor's assets.

D. In order to facilitate the procurement of trade credit by Reorganized Trend-Lines pursuant to the Plan, the Debtor has asked that certain vendors commence the shipment of goods on credit after the Confirmation Date, on the condition that the Debtor hold such goods in trust pending the Effective Date of the Plan. The procurement of such trade credits is a condition precedent to the effectiveness of the Plan.

E. On October 11, 2001, the Debtor and the Committee filed a *Joint Motion to Approve Nonmaterial Modification to First Amended Joint Reorganization Plan of Trend-Lines, Inc. and the Official Committee of Unsecured Creditors* (the "Motion to Modify").

F. In accordance with the Plan, on October 11, 2001, the Debtor and the Committee filed a plan supplement (the "Plan Supplement").

G. Objections to the Plan (collectively the "Objections") were filed by: (i) the State of Connecticut Department of Revenue (the "CDOR"); (ii) O'Connell Tilton Limited Partnership; (iii) Andover Capital Group, Inc.; (iv) Levin Management Corporation; and (v) MSI Realty Trust.

¹ All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Plan.

H. The Plan complies with the provisions of the United States Bankruptcy Code (the "Code").

I. The Debtor and the Committee have complied with the provisions of the Code.

J. The Plan has been proposed in good faith and not by any means forbidden by law.

K. Any payment made or to be made by the Debtor, or by a person issuing securities or acquiring property under the Plan, for services or for costs and expenses in, or in connection with the case, or in connection with the Plan and incident to the case, have been fully disclosed to the Court and are reasonable or, if to be fixed after confirmation of the Plan, will be subject to the approval of the Court.

L. The identity and affiliations of the persons who are to be directors, officers or trustees of Reorganized Trend-Lines after confirmation of the Plan have been fully disclosed, and the appointment of such persons to such offices, or their continuance therein, is consistent with the interests of the creditors and equity security holders and with public policy.

M. The identities of any insiders that will be employed or retained by Reorganized Trend-Lines and the nature of their compensation have been fully disclosed.

N. Each holder of a Claim or Interest in each impaired class of Claims or Interests will receive or retain under the Plan on account of such Claim or Interest property of a value, as of the Effective Date, that is not less than the amount that such holder would so receive or retain if the Debtor were liquidated under Chapter 7 of the Code on the Effective Date.

O. With respect to each Allowed Secured Claim provided for by the Plan and subject to the terms of the Stipulations, the holder of such Allowed Secured Claims have accepted the Plan or will receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value of such holder's interest in the Debtor's bankruptcy estate's (the "Estate")

interest in the property that secures such claims.

P. With respect to any Allowed Claims of the kind specified in Section 507(a)(1) or 507(a)(2) of the Code, the holders of such Allowed Claims will receive cash on the Effective Date equal to the Allowed amount of such Claims or will be treated pursuant to an agreement between the parties.

Q. With respect to any Allowed Claims of the kind specified in Section 507(a)(3), 507(a)(4), 507(a)(5), 507(a)(6) or 507(a)(7) of the Code, the holders of such Allowed Claims will receive cash on the Effective Date equal to the Allowed amount of such Claims.

R. With respect to any Allowed Claims of the kind specified in Section 507(a)(8) of the Code, the holders of such Allowed Claims will receive, at the Debtor's discretion either (i) cash on the Effective Date equal to the amount of the Allowed Claim; (ii) deferred cash payments over a period not exceeding six years after the date of assessment of such Allowed Priority Tax Claim, plus interest at the Case Interest Rate; (iii) deferred cash payments in five equal monthly payments, commencing thirty (30) days after the Effective Date, in aggregate principal amount equal to the Allowed Priority Tax Claim, plus interest on the unpaid portion thereof at the Case Interest Rate; or (iv) such treatment as to which the Debtor and the holder of the Allowed Priority Tax Claim shall have agreed upon in writing.

S. At least one class of Claims that is impaired under the Plan, determined without including any acceptances of the Plan by any insider, has accepted the Plan.

T. Confirmation of the Plan is not likely to be followed by the need for further financial reorganization, of the Debtor or any successor to the Debtor under the Plan.

U. Reorganized Trend-Lines will be able to make all payments required to be made on the Effective Date under the Plan and to otherwise comply with the Plan.

V. All fees payable under Section 1930 of Title 28 due prior to the Confirmation Hearing have been paid. Subject to the terms of this Order, the Plan provides for the payment of all future fees payable under Section 1930 of Title 28.

W. The Debtor is not obligated for any retiree benefits, as that term is defined in section 1114 of the Code.

X. The Plan does not discriminate unfairly, and is fair and equitable, with respect to each class of Claims or Interests that is impaired under the Plan.

Y. Service of (i) the Plan, (ii) the *First Amended Disclosure Statement With Respect to First Amended Joint Reorganization Plan of Trend-Lines, Inc. and the Official Committee of Unsecured Creditors* (the "Disclosure Statement"), (iii) the order of the Court approving the Disclosure Statement dated September 10, 2001, and (iv) the associated materials described in the order approving the Disclosure Statement dated September 10, 2001, was adequate and in compliance with the applicable Rules of Bankruptcy Procedure and in accordance the applicable orders of the Court.

Z. Confirmation of the Plan is in the best interest of the Debtor, its creditors and the Estate.

NOW THEREFORE, based upon all of the evidence, including the findings set forth above, the evidence proffered or adduced at the Confirmation Hearing, the objections filed to Confirmation, and the entire record of the Confirmation Hearing and of the Debtor's chapter 11 case, and after due deliberation thereon, and good cause appearing therefore, it is hereby

ORDERED that:

1. The Motion to Modify is hereby allowed.
2. The Plan, as modified, be and hereby is confirmed.

3. Subject to the terms of this Order, the Objections are overruled.
4. Reorganized Trend-Lines is authorized and directed to implement the terms of the Plan.
5. To the extent any Person provides goods to the Debtor on credit during the period from the Confirmation Date until the earlier of the Effective Date or October 28, 2001, such goods shall be held in trust by the Debtor, shall not be eligible inventory for purposes of the limitations of the borrowing base provided for in the Interim Order Authorizing Cash Collateral dated September 10, 2001 and prior cash collateral orders (the "Cash Collateral Orders") and shall not be subject to any Lien until the occurrence of the Effective Date. Until the Effective Date, such goods, although not eligible inventory, shall be reported on the borrowing base certificates provided by the Debtor to BofA, which shall identify the dollar amount of the goods and the vendors from whom the goods were received. On the Effective Date, such goods shall be automatically released from trust and shall be automatically subject to the first priority liens of BofA. On the Effective Date, BofA shall be and is hereby automatically granted valid, first priority perfected liens and security interests in and to all such goods and their proceeds without the necessity of BofA taking possession, filing financing statements or other documents. In the event that the Effective Date does not occur by October 28, 2001, the Debtor shall immediately return the goods received on credit or pay in full the invoices related thereto, in which case, upon payment in full, the goods shall be released from trust and shall be subject to the liens and security interests granted to BofA pursuant to the Cash Collateral Orders. On and after the Effective Date, goods received on credit shall be deemed released to Reorganized Trend-Lines and the goods shall be available for sale by Reorganized Trend-Lines in the ordinary course of its business and shall be subject to the liens and interests granted to BofA.

6. BofA shall retain its continuing, replacement and additional liens and security interests in the property of the Debtor and the Reorganized Trend-Lines granted pursuant to the Cash Collateral Orders, the Plan and the Exit Financing Facility, subject to the valid and existing liens of other creditors which are of record and which had priority pre-petition over the pre-petition liens and security interests of BofA. The continuing, replacement and additional liens and security interests granted pursuant to the Cash Collateral Orders, the Plan (including without limitation the liens on the Leased Premises) and the Exit Financing Facility shall be and hereby are automatically deemed perfected on the Effective Date without the necessity of BofA taking possession, filing financing statements, mortgages, leasehold mortgages or other documents. Reorganized Trend-Lines shall execute such agreements, documents and instruments in connection with the Exit Financing Facility as BofA may reasonably request. The adequate protection provisions of the Cash Collateral Orders shall continue after the Confirmation Date and remain in full force and effect until the Effective Date.

7. Unless agreed to in writing by the Debtor and the holder of a Cure Claim, all Allowed Cure Claims shall be paid as soon as practicable after the Effective Date, but in no event later than thirty (30) days from the Effective Date. To the extent a Cure Claim is disputed, the Debtor shall reserve cash in an amount equal to the asserted Cure Claim until the Cure Claim becomes an Allowed Claim.

8. To the extent, under Article III, Section A(3) of the Plan, the Debtor elects, in its sole discretion, to pay any Allowed Claim asserted by the CDOR or the Massachusetts Department of Revenue (the "MDOR") in deferred cash payments over a period not exceeding six years from the date of assessment of the CDOR's or the MDOR's Allowed Claim, plus interest: (a) the interest rate for any Allowed Claim held by the CDOR or the MDOR shall be

equal to the rate set forth in 26 U.S.C. §6621, plus two and one-half percent (2.5%); and (b) the deferred payments on account of any Allowed Claim held by the CDOR or the MDOR shall be made on a quarterly basis.

9. On the Effective Date and prior to the reincorporation of Reorganized Trend-Lines in Delaware, the Certificate of Incorporation of Reorganized Trend-Lines shall be amended to change its authorized capital stock to 7,500,000 shares of common stock, par value \$.01 per share, and such amendment is hereby authorized without further act or action by the board of directors or stockholders of the Debtor or Reorganized Trend-Lines. Exhibits B and C to the Motion to Modify will be effective as of the reincorporation of Reorganized Trend-Lines in the State of Delaware.

10. The Debtor will be responsible for timely payment of fees incurred pursuant to 28 U.S.C. § 1930(a)(6). After confirmation the Debtor will serve the United States Trustee with a monthly final report for each month (or portion thereof) the case remains open. The monthly financial report shall include the following:

- a. A statement of all disbursements made during the course of the month, whether or not pursuant to the plan;
- b. A summary, by class, of amounts distributed or property transferred to each recipient under the plan, and an explanation of the failure to make any distributions or transfers of property under the plan;
- c. The Debtor's projections as to its continuing ability to comply with the terms of the plan;
- d. A description of any other factors which may materially affect the Debtor's ability to consummate the plan; and
- e. An estimated date when an application for final decree will be filed with the court (in the case of the final monthly report, the date the decree was filed).

11. All dividends shall be disbursed in accordance with the Claims deemed allowed pursuant to Section 1111 of the Code, and any deviation therefrom shall be made only after application and approval of this Court.

12. This Court will retain all authority and jurisdiction after confirmation of the Plan to enforce the provisions, purposes and intent of the Plan or any modification thereof, including without limitation, matters or proceedings related to:

- a. The allowance, disallowance, reconsideration, estimation, compromise, settlement, adjustment, treatment, or liquidation of Claims and objections thereto;
- b. The allowance of Claims and requests for payment of Administrative Claims and expenses of the Estate;
- c. The right, title or interest of Reorganized Trend-Lines, as may be modified under the Plan, in any Asset, including, without limitation, the assertion of Liens against such Asset;
- d. The resolution of controversies and disputes, including, without limitation, disputes regarding the interpretation of the Plan and this Order and the correction of any mistake, defect or omission regarding the interpretation or enforcement of the Plan and this Order;
- e. The modification of this Plan pursuant to Section 1127 of the Bankruptcy Code;
- f. The adjudication of any adversary action or other proceeding brought by the Debtor, the Committee and/or Reorganized Trend-Lines, prior to or after confirmation of the Plan, to enforce or prosecute any cause of action, chose in action or right or recover any claim of the Debtor, the Estate and/or the Committee;
- g. The entry of orders in aid of implementation of the Plan;
- h. Such other matters for which jurisdiction is provided under the Bankruptcy Code, the Plan, this Order or other applicable law; and
- i. The entry of a final decree closing the Chapter 11 Case.

13. Except as provided in Section 1141(d) of the Code and except as otherwise provided in the Plan, the provisions of the Plan and this Confirmation Order shall bind Reorganized Trend-Lines and all holders of Claims or Interests and will be a judicial determination of discharge of all debts that arose before the Effective Date and any liability on a Claim that is determined under Section 502 of the Code, as if such Claim had arisen before the Effective Date, whether or not a proof of claim based on any such debt or liability is filed under Section 501 of the Code, whether or not a Claim based on such debt or liability is allowed under Section 502 of the Code, whether or not such holder is impaired under the Plan and whether or not such holder has accepted the Plan, and shall terminate all rights, claims and interests of such holder, except as provided in the Plan. The Plan will be binding upon and inure to the benefit of the Debtor, its Creditors, the holders of Interests, Reorganized Trend-Lines and their respective successors and assigns.

14. Except as otherwise provided in the Plan, the confirmation of the Plan vests all of the Debtor's assets and all property of the Estate in Reorganized Trend-Lines.

15. Except as otherwise provided in the Plan or in any stipulation or agreement approved by the Court or order of the Court, the property dealt with by the Plan is free and clear of all Claims, Liens and Interests of creditors and equity security holders of the Debtor, including, but not limited to, any alleged right of setoff, subrogation or recoupment alleged against such property.

16. Except as otherwise provided in the Plan, the Debtor shall be discharged and released from any debt, as that term is defined in Section 101(12) of the Code, that arose before the Effective Date of such confirmation, and any debt of a kind specified in Section 502(g), 502(h) or 502(i) of the Code, whether or not (a) a proof of claim based on such debt is filed or

deemed filed under Section 501 of the Code; (b) such claim is allowed under Section 502 of the Code; or (c) the holder of such claim has accepted the Plan.

17. Except as otherwise provided in the Plan or in any stipulation approved by the Court, the rights afforded in the Plan and the treatment of all Claims and Interests in the Plan shall be in exchange for and in complete satisfaction, discharge, and release of Claims and Interests of any nature whatsoever, including any interest accrued on such Claims from and after the Petition Date, against the Debtor, the Estate, Reorganized Trend-Lines and any of their respective assets. Except as otherwise provided in the Plan (a) on the Effective Date, all Claims against the Debtor and the Estate will be satisfied, discharged and released in full and (b) all Persons shall be permanently precluded and enjoined from asserting against the Debtor, the Estate, Reorganized Trend-Lines, the Committee or their assets, any other or further Claims or Interests based upon any act or omission, transaction, or other activity of any kind or nature that occurred before the Effective Date.

18. Except as otherwise provided in the Plan or in this Confirmation Order, upon the Effective Date, the Debtor shall be deemed discharged and released under section 1141(d)(1)(A) of the Code from any and all debts. This Confirmation Order is a judicial determination of discharge of all liabilities of the Debtor, subject to the occurrence of the Effective Date.

19. Unless otherwise provided, all injunctions or stays provided for in the Chapter 11 Case pursuant to Sections 105 or 362 of the Code or otherwise extant on the Effective Date shall remain in full force and effect, until such time as the Bankruptcy Court orders otherwise. Among other things, the confirmation of the Plan constitutes an injunction: (i) prohibiting any person from taking any act, commencing any suit or enforcing any right, including the right to a judicial or non-judicial foreclosure of any Lien, which has the effect of asserting, liquidating or enforcing

any Claim provided for in the Plan or this Order against any asset of the Estate or Reorganized Trend-Lines, whether before or after disposition of such asset by the Debtor or Reorganized Trend-Lines; and (ii) prohibiting any person from taking any act, commencing any suit or enforcing any right which has the effect of asserting, liquidating or enforcing any Claim provided for in the Plan or this Order against Reorganized Trend-Lines.

20. No entity may commence or continue any action or proceeding, or perform any act to interfere with the implementation and consummation of this Plan and the payments to be made hereunder.

21. Except as provided in the Plan, and notwithstanding any applicable law to the contrary, any and all documents, whether recorded or not and including, without limitation, the Debtor's articles of organization, any loan documents and any documents creating a Lien, shall automatically be amended to the extent necessary to comply with the terms of the Plan and this Order without the need for the preparation, execution or recording of further documentation.

BY THE COURT:



Hon. Carol J. Kenner
U.S. Bankruptcy Judge

Date: October 17, 2001
315814

10/17/01

DUCKETED

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MASSACHUSETTS
EASTERN DIVISION**

_____)
In re:)
)
TREND-LINES, INC.,)
)
Debtor.)

Chapter 11
Case No. 00-15431-CJK
Substantively Consolidated
Estate

_____)
In re:)
)
POST TOOL, INC.,)
)
Debtor.)
_____)

**JOINT MOTION TO APPROVE NONMATERIAL MODIFICATION TO FIRST
AMENDED JOINT REORGANIZATION PLAN OF TREND-LINES, INC. AND THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

To the Honorable Carol J. Kenner, Bankruptcy Judge:

Trend-Lines, Inc. (the "Debtor") and the Official Committee of Unsecured Creditors (the "Committee")(collectively, the "Plan Proponents"), by and through their counsel, respectfully file this joint motion to approve certain nonmaterial modifications to the First Amended Joint Reorganization Plan of Trend-Lines, Inc. and the Official Committee of Unsecured Creditors ("Plan") in accordance with 11 U.S.C. § 1127. In support thereof, the movants state as follows:

Background

1. On August 11, 2000 (the "Petition Date"), the Debtor filed a voluntary petition under Chapter 11 of the Bankruptcy Code. The Debtor continues to operate as a debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

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2. The Debtor is a Massachusetts corporation with corporate headquarters located at 126 Oxford Street, Lynn, Massachusetts.

3. The Debtor is a specialty retailer of power and hand tools and their related accessories, operating a chain of stores under the name "Woodworkers Warehouse." The Debtor previously retailed golf equipment and supplies, operating a chain of stores under the name "Golf Day." As of the Petition Date, the Debtor operated 120 "Woodworkers Warehouse" retail outlets and 73 "Golf Day" stores in the northeastern United States. The Debtor sold its tools, golf products and supplies through separate mail order catalogs and over the Internet via separate websites.

4. As of the Petition Date, the Debtor employed approximately 780 people on a full-time basis and 560 people on a part-time basis.

5. Shortly after the filing, the Debtor sought and obtained permission to liquidate its golf inventory by means of a going-out-of-business sale. In conjunction with the going-out-of-business sale, the Debtor closed its Golf Day retail stores.

6. On September 7, 2001, the Debtor and the Committee filed the Plan. A hearing on confirmation of the Plan is scheduled for October 17, 2001.

Plan Modifications

I. Continuation of Employee Benefits

7. The Plan calls for the Debtor to continue to operate its Woodworkers Warehouse retail stores. The continued operation of the Woodworkers Warehouse stores will entail retention of employees and the continued provision of employee fringe benefits.

8. Article VIII. E. of the Plan may be read to curtail or otherwise limit certain employee benefits currently provided. The Plan Proponents seek to clarify that Article VIII. E. of the Plan

does not alter or effect the continued provision, following the Effective Date of the Plan, of the existing employment benefits identified below:

(i) the Debtor's current 401(k) savings plan, as such plan may be amended from time to time, including the provision for Debtor's match of employee contributions up to three percent (3%) of salary;

(ii) the Debtor's current short-term and long-term disability insurance plans, and the life insurance plan, all provided through Prudential Insurance, as such plan or provider may be amended from time to time;

(iii) the Debtor's health insurance plan currently being provided by Blue Cross/Blue Shield, as such plan or provider may be amended from time to time;

(iv) the Debtor's dental insurance plan currently being provided by Aetna Insurance, as such plan or provider may be amended from time to time; and

(v) continuation of vacation and sick pay policies and accrued benefits as presently in effect, as the same may be amended from time to time.

II. Re-incorporation of the Debtor

9. The Debtor also proposes to modify the Plan to provide for the creation of a wholly owned subsidiary under Delaware law of Trend-Lines or the Reorganized Trend-Lines which shall merge with the parent and become the surviving entity. The surviving entity will have all of the obligations of the Reorganized Trend-Lines as provided in the Plan after the Effective Date. The purpose of the change is for the surviving entity to become a Delaware corporation so as to provide, among other things, for the newly appointed Board of Directors to have the protections provided for under Delaware law. In connection with this modification, the following Plan modifications are required:

(i) amendment to section 1.91 of the Plan, at page 9, to read:

Reorganized Trend-Lines means Trend-Lines, or any successor thereto by merger, consolidation, or otherwise, on and after the Effective Date;

(ii) deletion of the second to last sentence of Article V. A. (1) of the Plan, at page 15;

(iii) the insertion of a new Article V. A. (4) to the Plan which shall provide:

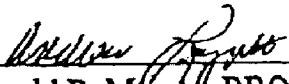
Creation of New Subsidiary; Merger of Parent into Subsidiary. On or before the Effective Date, Trend-Lines or Reorganized Trend-Lines shall organize and form Woodworker's Warehouse, Inc., a Delaware corporation and a wholly-owned subsidiary of the parent. Effective on the Effective Date, the parent shall merge with and into Woodworker's Warehouse, Inc. and Woodworker's Warehouse, Inc. shall be the surviving corporation. The surviving entity will have all of the obligations of the Reorganized Trend-Lines as provided in the Plan after the Effective Date. The formation of Woodworker's Warehouse, Inc. and the merger of the parent with and into its wholly-owned subsidiary, Woodworker's Warehouse, Inc., and the execution, delivery, and filing of any certificates or other instruments in connection therewith are hereby authorized without further act or action by the board of directors or stockholders of Trend-Lines, Reorganized Trend-Lines, or Woodworker's Warehouse, Inc. and without further act or action under applicable law, regulation, order or rule.

10. The Plan Proponents are authorized to modify the Plan provisions pursuant to 11 U.S.C. § 1127(a). Approval of the Plan modifications is in the best interests of the bankruptcy estate, as such modifications will: increase the Debtor's ability to retain employees and provide a smooth transition through the confirmation process; and ensure that the corporate restructuring of the Debtor is accomplished in the most effective manner. The proposed modifications will not result in prejudice to any parties-in-interest.

Wherefore, the parties request that this Court:

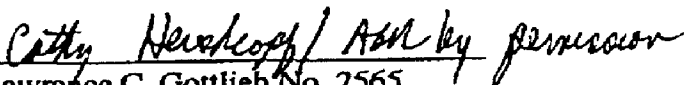
1. Approve the Plan modifications requested herein; and
2. Grant such other relief as is just and proper.

Trend-Lines, Inc.,
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Dated: 10/11/01
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