

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

Attorney Docket No.: 11895-1

To the United States Patent and Trademark Office, Office of Public Records: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

FOOTHILL CAPITAL CORPORATION
a California corporation

2. Name and address of receiving party(ies):

RCGTM, INC.
1105 N. Market Street, Suite 1300
Wilmington, DE 19801

- ☐ Individual(s) citizenship:
☐ Association:
☐ General Partnership:
☐ Limited Partnership-State:
☒ Corporation-: DELAWARE
☐ Other:

3. Nature of conveyance:

- ☐ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☒ Other: Release of Security Agreement by Court Order
of U.S. Bankruptcy Court for the District of Delaware

If Assignee is not domiciled in the U.S.A., a domestic representative
designation is attached: ☐ Yes ☐ No

(Designations must be a separate document from Assignment.)

Execution Date: July 21, 1999

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

A. Trademark Application No.(s):

B. Trademark Registration No.(s):

2,068,680; 2,076,909; 2,076,910; 2,115,979; and
2,236,369

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

PATRICIA SMINK ROGOWSKI
CONNOLLY BOVE LODGE & HUTZ LLP
P. O. Box 2207
1007 N. Orange Street
Wilmington, DE 19899
Telephone: (302) 658-9141
Facsimile: (302) 658-5614

6. Total number of applications and registrations involved: [5]

7. Total fee (37 CFR 3.41) Cal. 1 x \$40.00 = \$ 40.00
4 x \$25.00 = \$ 100.00
\$ 140.00

- ☐ Fee enclosed.
☒ Authorized to be charged to Deposit Account.

8. Deposit Account number: 03-2775
(or any additional fees required)

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.

PATRICIA SMINK ROGOWSKI
Name of Person Signing
Reg. No. 33,791
Docket: 11895-1

Signature

October 28, 2003
Date

Total number of pages including cover sheet, attachments and document: [10]

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IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE DISTRICT OF DELAWARE

In re

READING CHINA AND GLASS, INC.,
 RCGH, INC., CALVERT IMPORTERS
 & DISTRIBUTORS, INC. and
 RCGTM, INC.,

Debtors.

Chapter 11

Case No. 98-2466 (MFW)

Jointly Administered

**ORDER: (A) APPROVING THE SALE OF CERTAIN
 REAL PROPERTY, REAL PROPERTY LEASES, AND
 TANGIBLE AND INTANGIBLE PERSONAL PROPERTY
 OWNED BY READING CHINA AND GLASS, INC. AND
 RCGTM, INC., FREE AND CLEAR OF LIENS, CLAIMS
 OF LIENS, CLAIMS AND ENCUMBRANCES, PURSUANT
 TO SECTIONS 363(b) AND (f) OF THE BANKRUPTCY
 CODE; (B) APPROVING PURCHASE AND SALE
 AGREEMENT; (C) AUTHORIZING READING CHINA
 AND GLASS, INC. TO ASSUME AND ASSIGN CERTAIN
 LEASES OF NONRESIDENTIAL REAL PROPERTY; AND
 (D) AUTHORIZING THE REJECTION OF CERTAIN EQUIPMENT LEASES**

Upon the motion, dated June 30, 1999 (the "Motion"), of Reading China and Glass, Inc. ("Reading China"), a Delaware corporation and RCGTM, Inc. ("RCGTM"), as debtors and debtors in possession (collectively, the "Debtors") for an order (a) authorizing and approving the proposed sale (the "Proposed Sale") by Reading China and RCGTM (the "Sellers") of (i) a certain parcel of nonresidential real property located in the Pencader Corporate Park, Parcel 27, commonly known as 100 Lake Drive, Newark, Delaware 19711, which includes an office/warehouse building located thereon and appurtenances thereto (the "Premises"), (ii) three leases (the "Leases") for retail space located at: VF Outlet Village, 739 Reading Avenue, Reading, PA 19611; Rockvale Square, 35 South Willowdale Drive, Building 9, Lancaster, PA 17602; and Center Point

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Plaza Shopping Center, 1307 New Churchman's Road, Building 2, Newark, DE 19702 (the "Leased Premises"), (iii) tangible personal property associated with the ownership, operation, maintenance, use and occupancy of the Premises (the "Personal Property"), and (iv) intangible personal property utilized in connection with the Debtors' businesses and set forth more fully below, including the trade names "Kitchen & Company" and "Reading China & More" (the "Intangibles," collectively with the Premises, the Leased Premises, and the Personal Property, the ("Assets") to Jay R. Brinsfield or his nominee ("Purchaser"), a primary stockholder of Reading China, Chief Executive Officer of Reading China, and Chairman of Reading China's Board of Directors, or such qualified buyer who makes a higher or better offer for the Properties (a "Successful Bidder") under a purchase and sale agreement dated June 28, 1999, (the "Purchase and Sale Agreement"), pursuant to sections 105(a) and 363(b) and (f) of title 11 of the United States Code (the "Bankruptcy Code"); (b) approving the Purchase and Sale Agreement, (c) authorizing the Debtors to assume and assign the leases (the "Leases") for the Leased Premises.

Upon this Court's Order dated July 8, 1999, scheduling a hearing with respect to the sale of the Assets, prescribing the form and manner of notice thereof, and approving certain bidding procedures (the "Scheduling Order"); and

Due notice of the proposed sale, the Scheduling Order and the Sale Hearing (as defined below) having been given to all parties entitled thereto under the Scheduling Order; and

A hearing having been held before this Court on July 21, 1999 to consider the sale of the Assets (the "Sale Hearing"), at which time all parties in interest were

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afforded an opportunity to be heard; and the Court having heard testimony and received evidence in support of approval of the sale of the Assets;

NOW, THEREFORE, based upon the Court's review of all of the evidence proffered or adduced at, memoranda and objections, if any, filed in connection with, and arguments of counsel made at, the Sale Hearing; and upon the entire record of the Sale Hearing; and after due deliberation thereon; and good cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:

1. This Court has jurisdiction to hear and determine the Motion pursuant to 28 U.S.C. §§ 157 and 1134.
2. Venue of this case in this district is proper pursuant to 28 U.S.C. § 1409(a).
3. Determination of the Motion is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A) and (N). The statutory predicates for the relief requested herein are sections 363, 365 and 1147 of the Bankruptcy Code and Rules 2002, 6004, 9007 and 9008 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").
4. The Debtors have followed the procedures for notice of the Motion and the Sale Hearing on the sale of the Assets as set forth in the Scheduling Order.
5. Proper, timely, adequate and sufficient notice of the Motion, the Sale Hearing and the sale of the Assets has been provided in accordance with section 102(i) of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9006 and 9008 and the Scheduling Order, and no other or further notice of the Motion, the Sale Hearing, or of the entry of this order is required.
6. A reasonable opportunity to object or be heard regarding the relief requested in the Motion has been afforded to all interested persons and entities, including

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(a) all parties, if any, who claim interests in or liens upon the Assets and (b) all governmental taxing authorities who have, or as a result of the sale of the Assets may have, claims, contingent or otherwise, against the Debtors.

7. The Purchase and Sale Agreement were negotiated and entered into in good faith and the Purchaser and Debtors are entitled to the protections of section 363(m) of the Bankruptcy Code in connection with the consummation of the sale of the Assets.

8. The Purchaser and the Debtors have provided adequate assurance of future performance of the remaining obligations under the Leases and otherwise satisfied the requirements of section 365(b)(1) in connection with the assumption of the Leases by the Debtors and the assignment thereof to the Purchaser.

9. Approval of the Purchase and Sale Agreement and consummation of the sale of the Assets at this time is in the best interests of the Debtors, their estates and their creditors.

10. Approval of the assumption and assignment of the Leases is in the best interests of the Debtors, their estates and their creditors.

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

1. The Motion be, and it hereby is, granted.
2. Except as otherwise expressly provided herein, all objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled, and all reservations of rights included therein are overruled on the merits.
3. The terms and conditions of the Purchase and Sale Agreement, as modified if necessary, are hereby approved in all respects, and the sale of the Assets

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pursuant to the Purchase and Sale Agreement is hereby authorized under sections 363(b) and (f) of the Bankruptcy Code.

4. The Debtors are authorized to execute and deliver, and empowered to fully perform under, consummate and implement, the Purchase and Sale Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase and Sale Agreement and to take all further actions as may reasonably be requested by the Purchaser for the purpose of assigning, transferring, granting, conveying and conferring to the Purchaser, or reducing to possession, any or all of the Assets.

5. The Purchaser and the Debtors are entitled to the protections of section 363(m) of the Bankruptcy Code in connection with the sale of the Assets pursuant to the Purchase and Sale Agreement.

6. Pursuant to section 363(f) of the Bankruptcy Code, the Assets shall be transferred to the Purchaser and upon the closing(s) under the Purchase and Sale Agreement shall be free and clear of any and all liens, claims, interests and encumbrances (collectively, the "Encumbrances"), except the Permitted Encumbrances (as defined in the Motion if any), with all such Encumbrances, if any, to attach to the net proceeds in the order of their priority, with the same validity, force and effect which they now have as against the Assets.

7. Except as expressly permitted by the Purchase and Sale Agreement, all persons and entities holding Encumbrances of any kind and nature with respect to the Assets hereby are barred from asserting such Encumbrances of any kind and nature against the Purchaser, its successors or assigns, or the Assets.

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8. On the date of the closing(s) under the Purchase and Sale Agreement (the "Closing Date"), each of the Debtors' creditors holding a lien on or claim against any of the Assets, if any, is authorized and directed to execute such documents and take all other actions as may be necessary to release its liens on or claims against the Assets as such liens or claims may have been recorded or may otherwise exist.

9. Each and every federal, state, and local governmental agency or department hereby is directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase and Sale Agreement.

10. This Court retains jurisdiction (i) to enforce and implement the terms and provisions of the Purchase and Sale Agreement, all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connection therewith, (ii) to resolve any disputes arising under or related to the Purchase and Sale Agreement, except as otherwise provided therein, and (iii) to interpret, implement and enforce the provisions of this Order.

11. The Purchase and Sale Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto in accordance with the terms thereof without further order of the Court, provided that any such modification, amendment or supplement is not material.

12. The transfer of the Assets to the Purchaser is not subject to taxation under any state or local law imposing a stamp, transfer or similar tax in accordance with section 1146(e) of the Bankruptcy Code.

13. Pursuant to section 365 of the Bankruptcy Code and Bankruptcy Rule 6006, the Debtors' assumption and assignment of: (i) the Leases and (ii) that

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certain sublease agreement, dated March 1, 1992, between Reading China, as Sublessor, and A&R Nissley, Inc., as Sublessee, as amended (the "Sublease"), are approved as of the date of the entry of this Order.

14. The Leases and the Sublease are transferred to, and shall remain in full force and effect for the benefit of the Purchaser in accordance with its terms notwithstanding any provision in the Leases or the Sublease (including those described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibit, restrict or condition such assignment or transfer, provided that any such prohibition, restriction or condition of assignment or transfer shall be negated only with respect to the assignment effected pursuant to this order and that such prohibition, restriction and condition of assignment shall otherwise remain in full force and effect as a part of the Leases and Sublease so assigned or transferred.

15. Pursuant to section 365(k) of the Bankruptcy Code, this Order assigning the Leases relieves the Debtors and their estates from any liability for any breach of the Leases occurring after such assignment.

16. The cure amount for the Leases are fixed in the amounts previously established by this court's Order: (A) Setting a Date to Conduct Auction of or Otherwise Sell Debtors' Interest in Certain Real Property Leases, (B) Scheduling a Hearing to Approve Sale, Assumption and Assignment; (C) Approving Terms and Conditions of Such Auction, and the Manner and Extent of Advertising of the Auction, and (D) Establishing Cure Amounts with Respect to Such Leases dated May 24, 1999. These amounts will be an allowed administrative expense pursuant to section 503(b)(1) of the Bankruptcy Code. The Court expressly finds this priority to be necessary to provide adequate assurance of cure pursuant to section 365(b)(1). The Debtors are hereby

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directed to pay the cure amounts within five (5) business days after the entry of this

Order by the Court out of the proceeds of the sale of the Assets.

17. As provided by Bankruptcy Rule 7062, this order shall be effective
and enforceable immediately upon entry.

Dated: Wilmington, Delaware

July 21, 1999



Mary F. Walrath
United States Bankruptcy Judge

U.S. Trustee
cc: D. Peress, Esq.
7-22-99

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Movant to send copies to
parties and file certificate
of service with the court.

34643.1001

Attachment to Recordation Form Cover Sheet

READING CHINA & MORE 2,068,680

READING CHINA 2,076,909

READING CHINA & GLASS 2,076,910

KITCHEN & COMPANY 2,115,979

YOUR KITCHEN & DINING
ROOM SUPERSTORE 2,236,369