

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
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<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	RELEASE BY SECURED PARTY		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Fleet Capital Corporation		07/30/2001	CORPORATION: RHODE ISLAND
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	GTC Properties, Inc.		
<b>Street Address:</b>	1105 North Market Street, Suite 1300		
<b>City:</b>	Wilmington		
<b>State/Country:</b>	DELAWARE		
<b>Postal Code:</b>	19801		
<b>Entity Type:</b>	CORPORATION: DELAWARE		
<b>PROPERTY NUMBERS Total: 4</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	0700945	MANAGER	
Registration Number:	0696759	HOMESTEAD	
Registration Number:	0219268	SETH THOMAS	
Registration Number:	0068894	S.T.	
<b>CORRESPONDENCE DATA</b>			
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<b>ATTORNEY DOCKET NUMBER:</b>	211158-10044		
<b>NAME OF SUBMITTER:</b>	Scott J. Giordano		

**CH \$115.00 0700945**

Signature:	/Scott J. Giordano/
Date:	06/23/2008
<b>Total Attachments: 24</b> source=Release of Security Interest - Fleet to GTI#page1.tif source=Release of Security Interest - Fleet to GTI#page2.tif source=Release of Security Interest - Fleet to GTI#page3.tif source=Release of Security Interest - Fleet to GTI#page4.tif source=Release of Security Interest - Fleet to GTI#page5.tif source=Release of Security Interest - Fleet to GTI#page6.tif source=Release of Security Interest - Fleet to GTI#page7.tif source=Release of Security Interest - Fleet to GTI#page8.tif source=Release of Security Interest - Fleet to GTI#page9.tif source=Release of Security Interest - Fleet to GTI#page10.tif source=Release of Security Interest - Fleet to GTI#page11.tif source=Release of Security Interest - Fleet to GTI#page12.tif source=Release of Security Interest - Fleet to GTI#page13.tif source=Release of Security Interest - Fleet to GTI#page14.tif source=Release of Security Interest - Fleet to GTI#page15.tif source=Release of Security Interest - Fleet to GTI#page16.tif source=Release of Security Interest - Fleet to GTI#page17.tif source=Release of Security Interest - Fleet to GTI#page18.tif source=Release of Security Interest - Fleet to GTI#page19.tif source=Release of Security Interest - Fleet to GTI#page20.tif source=Release of Security Interest - Fleet to GTI#page21.tif source=Release of Security Interest - Fleet to GTI#page22.tif source=Release of Security Interest - Fleet to GTI#page23.tif source=Release of Security Interest - Fleet to GTI#page24.tif	

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

IN RE:

GENERAL TIME CORPORATION

Debtor.

: CHAPTER 11  
: CASE NO. 01-68893-CRM  
: JUDGE MULLINS

IN RE:

GTC PROPERTIES, INC.,

Debtor.

: CHAPTER 11  
: CASE NO. 01-68894-CRM  
: JUDGE MULLINS  
: (Jointly administered under  
: Case No. 01-68893)

GENERAL TIME CORPORATION,  
GTC PROPERTIES, INC.

Movants,

vs.

: CONTESTED MATTER

FLEET CAPITAL CORPORATION;  
WACHOVIA BANK, N.A.; PNC BANK, N.A.;  
LASALLE NATIONAL BANK ; ARK-CLO  
2000-1, LIMITED; and TALLEY INDUSTRIES  
OF ARIZONA,

Respondents.

**ORDER APPROVING SALE OF ASSETS TO  
PARK LANE ASSOCIATES, INC. FREE AND  
CLEAR OF LIENS, CLAIMS, AND ENCUMBRANCES**

On July 9, 2001 (the "Petition Date"), General Time Corporation ("General Time") and GTC Properties ("GTC") (collectively, the "Debtors") filed their petitions for relief under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code"). The Debtors have remained in possession and management of their assets and businesses as debtors in possession

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pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code. By Order entered on July 13, 2001, this Court ordered that the cases be jointly administered.

Fleet Capital Corporation ("Fleet"), Wachovia Bank, N.A., PNC Bank, N.A., LaSalle National Bank, and Ark-Clo Industries 200-1, Limited (collectively, the "Lenders"), are participants in a lending facility under which Fleet is the collateral agent. The Debtors are indebted to the Lenders under this facility in the amount of approximately \$49.6 million. The claim of the Lenders is allegedly secured by a first priority security interest in substantially all of the assets of the Debtors. Carpenter Technology Corporation, through its predecessor in interest, Talley International Investments, filed a UCC financing statement in the name of Talley Industries of Arizona ("Talley"); however, the Debtors contend that Talley's filing has expired due to failure to renew its financing statement and that, accordingly, any claim Talley has is an unsecured claim. Spartus Electronics Corporation had filed a UCC financing statement. The notice sent to Spartus Electronics Corporation at the address in the UCC was returned as that company is no longer in business and has no registered agent for service of process. To the best of Debtors' information, knowledge and belief, no amounts are owed to Spartus Electronics Corporation and its claim was satisfied in 1997 or 1998.

On July 11, 2001 Debtors filed their "Motion for Order (1) Authorizing the Sale of Assets Free and Clear of Liens, Claims and Encumbrances; and (2) Approving Procedures for Bids to Purchase Assets and Request for Expedited Hearing Thereon to be Set for a Date from July 23 through July 26, 2001" (the "Sale Motion")<sup>1</sup>. In the Sale Motion, the Debtors seek authorization pursuant to §§ 105, 363, and 1146(c) of the Bankruptcy Code and Rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") to sell certain assets owned in connection with the Debtors' business, primarily GTC's intellectual property, free and clear of liens, claims, charges, equities, licenses, restrictions, encumbrances and the like, including, without limitation, any liens or security interests claimed by the Lenders, Talley, Spartus and any other purported secured creditor or lienholder, in accordance with the bid package and bid procedures established by the Debtors prior to the Petition Date, as described below. GTC extensively marketed these assets both pre-petition and post-petition to all parties it is aware of which might have been reasonably interested in these assets and conducted two rounds of bidding before accepting bids.

Generally, the assets that the Debtors propose to sell are the Debtors' intellectual property, accouterments and inventory relating to the worldwide Westclox, Big Ben and Seth Thomas businesses. The assets in the intellectual property to be sold include, where applicable, the following: trade names, patents, website domains, drawings, product design files, customer listings and contacts and sales history by model, supplier contracts, tooling owned by either Debtor, recent catalogs and price lists, and photography. Bids were also solicited on the Debtors' worldwide rights to the

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<sup>1</sup>Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Sale Motion or the Park Lane APAs, as the case may be.

General Time" trademark, but no satisfactory bids were received. In connection with solicitation bids on these intellectual property assets, the Debtors also sought bids on certain "add-on" assets. These "add-on" assets are the Debtors' inventory, receivables, and machinery and equipment located in Athens, Georgia.

On July 13, 2001, this Court entered its "Order and Notice Regarding Debtors' Emergency Motion For Order (1) Authorizing The Sale of Assets Free and Clear of Liens, Claims and Encumbrances; and (2) Approving Procedures for Bids to Purchase Assets and Request for Expedited Hearing Thereeto to be Set for a Date from July 23 Through July 26" (the "Emergency Order and Notice"). As reflected in Certificates of Service filed with the Court, the Debtors have served a copy of the Emergency Order and Notice on all creditors of the Debtors, including Lenders, and the U.S. Trustee, and all parties known to be asserting any security interest, lien, license, or title interest in the Debtors' Assets.

In the Emergency Order and Notice, the Court shortened the time for notice of the hearing on the proposed sale to nine (9) days and scheduled a hearing for July 26, 2001 at 10 o'clock a.m. (the "Sale Hearing"). The Emergency Order and Notice required that any party in interest objecting to the relief requested in the Sale Motion file its objection with the Bankruptcy Court Clerk and serve a copy on counsel for the Debtors not later than two business days prior to the Sale Hearing.

Objections were filed by Times Pacific Limited, Omxey Enterprises Co., Ltd, the Official Committee of Unsecured Creditors (the "Committee"), Fleet Capital Corporation, for itself and as collateral agent for the Lenders, the Georgia Department of Natural Resources, and three ocean carriers, APL Co. Pte, Ltd., Hyundai Merchant Marine Co., Ltd., Yangming Marine Transport Corp. (the "Ocean Carriers"). Certain objections were withdrawn or limited as noted on the record at the Sale Hearing.

The Sale Motion came on for hearing before the Court at the Sale Hearing conducted on July 26, 2001. At the conclusion of the Sale Hearing, the Court authorized and approved, on the terms, conditions, stipulations, and agreements announced on the record at the Sale Hearing, the sale of certain assets to Salton, Inc. ("Salton") and the sale of certain other assets to Park Lane Associates, Inc. ("Park Lane"). This Order deals only with the sale of assets to Park Lane, and all of the findings of fact and conclusions of law set forth herein shall apply only with regard to issues relating to the sale to Park Lane, and is without prejudice to the rights of any parties in interest with regard to the sale of assets to Salton, which will be the subject of a separate order.

Having considered the Sale Motion as applicable to the sale to Park Lane, the presentations of the parties at the Sale Hearing, and the Court's entire record in these cases, the Court has determined that the relief requested in the Sale Motion with regard to the sale of assets to Park Lane

Exhibit A

Exhibit B

Exhibit C

D

should be granted and that the Debtors should be authorized to sell certain assets to Park Lane as set forth herein on the basis of the following findings of fact and conclusions of law.<sup>2</sup>

### Findings of Fact

In addition to the factual statements set forth above which are incorporated herein as findings of fact, the Court makes the following findings of fact:

1. General Time is a Delaware corporation headquartered in Norcross, Georgia. Debtor's primary locations are: the company's headquarters is in Norcross, Georgia, which encompasses the administrative, financial and marketing operations; and the primary distribution and manufacturing site in Athens, Georgia. GTC Properties, the co-Debtor, is also a Delaware corporation and is a wholly-owned subsidiary of General Time that owns and licenses tradenames and other intellectual property used by General Time in labeling, advertising and otherwise marketing its products. General Time and GTC Properties also maintain a storage space for exhibits in Chicago, Illinois, a sales office in Naperville, Illinois, an office in Causeway Bay, Hong Kong, an office and distribution center in Peterborough, Ontario, Canada, and an office and distribution center in Warwick, England.

2. As of June 1, 2001, General Time was the largest clock manufacturer in the United States, and a leading supplier of clocks worldwide. General Time controls the most recognized and established brand names in the domestic clock industry, including Seth Thomas®, Westclox®, Big Ben®, Baby Ben®, and Spartus®. In fiscal 2000, General Time sold over 19.6 million clocks across its broad distribution base of customers, which includes mass merchants, specialty retailers, discount stores, and office supply stores. General Time achieved net revenues of \$108.8 million for the fiscal year ending February 29, 2000, and estimated net revenues of \$98.1 million for the 2001 fiscal year. During that time period, General Time maintained an estimated 47% share of the U.S. market, measured in total units sold.

3. As of the Petition Date, the Debtors allegedly owed approximately \$49.6 million in senior secured debt to the Lenders, a consortium of lending institutions for which Fleet acts as collateral agent, which debt is secured by substantially all of General Time's and GTC's assets. Debtors owe their trade creditors approximately \$5.4 million. In addition, Debtors allegedly owe Klode, Inc. approximately \$7.8 million in connection with a loan arising out of a recapitalization in November 1997.

4. As of the Petition Date, the Debtors' assets, with their estimated values,<sup>3</sup> include the

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<sup>2</sup>Where appropriate, findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact. FED. R. BANKR. P. 7052.

<sup>3</sup>The Court makes no finding with regard to the actual value of any of these assets, the allocations of the sales prices as to any of these assets, the allocation of proceeds of the sale of assets as between the two Debtors, and the perfection, priority, amount and validity of claims. The rights of any parties in interest with regard to any matters

following: approximately \$18.5 million in worldwide accounts receivable; \$12.5 million in worldwide inventory; furniture and equipment with an estimated recovery value of \$1.7 million; an Athens, Georgia manufacturing plant appraised at a value in excess of \$3 million, but subject to environmental issues that may reduce its value, and intellectual property. As of the date of the Sale Hearing, the values were approximately \$20.0 million in worldwide accounts receivable; and \$10.0 million in worldwide inventory as reflected on the Debtors' books and records. The inventory consists of: i) approximately \$5.5 million of finished goods packaged in cartons for delivery to retailers bearing the Westclox and/or the Big Ben trademarks which are owned by the Debtors and in their actual possession at the Debtors' facilities in Athens, Georgia, Peterborough, Ontario, Canada, and Warwick, United Kingdom (the "Westclox/Big Ben Owned Inventory"); ii) approximately \$1.2 million of finished goods packaged in cartons for delivery to retailers bearing the trademarks which are owned by the Debtors and in their actual possession at the Debtors' facilities in Athens, Georgia, Peterborough, Ontario, Canada, and Warwick, United Kingdom (the "Seth Thomas Owned Inventory"); approximately \$2.6 million of goods in transit that the Ocean Carriers have shipped and that are not in the Debtors' possession, approximately \$1.5 million of which bears the Westclox, Big Ben or Seth Thomas trademarks ("the Goods in Transit"); and approximately \$1.7 million of remaining inventory consisting of work in process, spare parts, goods branded with the General Time trademark, nonbranded finished goods, and third party licensed inventory which are owned by the Debtors and in their actual possession at the Debtors' facilities in Athens, Georgia, Peterborough, Ontario, Canada, and Warwick, United Kingdom (the "Other Owned Inventory"). The Other Owned Inventory and the Westclox/Big Ben Owned Inventory are collectively referred to as the "Excluded Inventory".

5. Representations and agreements were made on the record and agreed to by the Debtors, the Lenders, the Ocean Carriers, the Committee and other objecting parties i) that the Debtors' interest, if any, in the Goods in Transit was not being sold; ii) that the Debtors would escrow funds from the proceeds of the Westclox/Big Ben Owned Inventory to preserve the rights, if any, of various vendors who had sent reclamation claims to the Debtors pursuant to the applicable provisions of the Uniform Commercial Code (the "Reclamation Claimants"); iii) that, to the extent any of the Goods in Transit bears the Westclox, Big Ben or Seth Thomas trademarks, Debtors would receive an unlimited license back from any buyer of the trademarks to the Westclox, Big Ben and Seth Thomas intellectual property so that Debtors (or their assigns, including, without limitation, the Lenders) who are ultimately determined to have an interest in the Goods in Transit could sell the Goods in Transit, notwithstanding the sale of the Westclox, Big Ben and Seth Thomas trademarks and associated intellectual property rights, provided that the buyer of any trademark would have the right to match any bid made for the sale of the Goods in Transit; and iv) that the payment of any proceeds of the sale to the Lenders was without prejudice to the rights of any creditor or party in

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relating to any of the foregoing are reserved and will not be prejudiced or affected by the terms of this Order.

interest having standing to do so later contests the extent, validity, perfection and enforceability of the Lenders' asserted security interest, and seek disgorgement. All of the aforesaid representations and agreements are to be terms and conditions of any sale. With the inclusion of these terms and conditions as part of any sale, all objections, other than the Lenders' objection that, as a condition of consenting to the sale as required by 11 U.S.C. § 363, they consent to the final form of any asset purchase agreement and the order approving any sale, were either resolved, withdrawn, or are not meritorious and should be overruled.

6. MainStream Management, LLC ("MainStream") was engaged in March 2000 to perform an operational assessment to determine the financial viability of General Time and to explore options to restructure the business. In approximately July 2000, Debtors entered into a consulting agreement with MainStream, under which MainStream provided financial and operational consulting services, with the goal of improving Debtors' financial performance. Thereafter, General Time greatly reduced operating costs by closing much of the operation at the Athens, Georgia location, reducing the headquarters staff, and reducing freight costs. However, even with these improvements, projections revealed that the Debtors could not realistically service or repay their current debt and the Debtors continued to suffer operating losses. Consequently, the Debtors concluded that the best alternative for maximizing their value was a sale of the Debtors' businesses.

7. To assist the Debtors in the sale of the companies, the Debtors, on November 28, 2000 retained Pricewaterhouse Coopers Securities, L.L.C. ("PwCS") to provide strategic advisory and investment banking services. Specifically, PwCS was retained to act as the Debtors' exclusive financial advisor with respect to either a restructuring of the Debtors' liabilities or a sale of the companies. PwCS managed the process of attempting to structure a sale of the Debtors' businesses for the benefit of their creditors. PwCS went through an extensive sale effort, including a review and analysis of the operations of General Time and the preparation of an information memorandum for use in marketing the Debtors' businesses. After extensive due diligence by, and discussions with, a number of strategic, financial, and international buyers, PwCS brought to the Debtors what appeared to be the most viable sale alternative, a going concern offer for substantially all of the Debtors' assets (including intellectual property, inventory and accounts receivable) for an aggregate consideration of approximately \$24 million from Baupost Capital, L.L.C. ("Baupost"). A letter of intent was signed with Baupost on or about May 23, 2001. Notwithstanding the Debtors' extensive efforts to effectuate a sale, in early June it became apparent that the Baupost transaction would not close. Therefore, the Debtors no longer maintained full operations as had been the case as of the time of the Baupost offer.

8. On or about June 11, 2001, the Debtors retained Corporate Dispositions, LLC ("Dispositions"), which is 100% owned by MainStream, to assist the Debtors in the sale and liquidation of the Debtors' assets, primarily their intellectual property, inventory, equipment, furniture and receivables. Additionally, Dispositions, with the assistance of MainStream, established a

procedure to solicit bids for either the sale of the businesses in their entirety or by discrete product lines and assets, which bids were due on July 6, 2001.

9. Because the Debtors believed that there was a possibility that a potential purchaser would be interested in buying the business outside of bankruptcy and effectuating a non-judicial workout, the Debtors did not immediately file after it became apparent the Baupost sale would not be consummated. However, based on the bids that were received on Friday, July 6, 2001, the Debtors realized that there was insufficient interest in a sale of the businesses as an entirety. Additionally, the Debtors had been advised by a number of their creditors that they planned to file an Involuntary Petition. Consequently, the Debtors determined that it was in the best interests of all parties to file Chapter 11 cases in order to conduct an orderly liquidation of the Debtors' assets and maximize their value for the Debtors' creditors.

10. In June 2001, the Debtors, with the assistance of Dispositions, prepared a bid package to solicit bids on certain of the Debtors' assets, which primarily included GTC's intellectual property.<sup>4</sup> The bid package was organized around the intellectual property of the five primary businesses of the Debtors: 1) Westclox US Business; 2) Big Ben US Business; 3) Seth Thomas US Business; 4) Westclox United Kingdom Business; and 5) Westclox Canada Business. The bid package sought bids on each business's intellectual property and accouterments, which include (where applicable and without limiting the other intellectual property being conveyed) the following: trade names; patents; website domains; drawings; product design files; customer listings, and contacts and sales history by model; supplier contracts; tooling owned by either Debtor, recent catalogs and price lists; photography and similar items. Pursuant to the bid package, bids were solicited on any one or more of the businesses. Bids were also solicited on the Debtors' Asian intellectual property assets and worldwide rights to the "General Time" trademark. In connection with solicitation of bids on these intellectual property assets, the Debtors also sought bids on certain "add-on" assets. These "add-on" assets are the Debtors' inventory, receivables, and machinery and equipment located in Athens, Georgia.

11. On June 26, 2001, the bid package was sent to 39 different companies. Dispositions identified these potential purchasers and interested buyers through contacting nearly 100 entities (both financial and strategic buyers) which either had a presence in the consumer goods industry or were known to have a desire to enter the consumer goods industry. Dispositions asked these entities to indicate whether they had an interest in the Debtors' assets. The 39 companies which received the bid package indicated an interest in the Debtors' assets. Said companies were required to sign

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<sup>4</sup> The bid package also provided for certain assets other than intellectual property to be bid on as add ons. These additional assets included inventory; accounts receivable; certain production equipment and tooling owned by either Debtor located in Athens, Georgia unrelated to Westclox, Big Ben and Seth Thomas; and the Seth Thomas antique clock collection; and certain historical documents and memorabilia.

confidentiality agreements prior to receipt of the bid package.

12. The bid package required these prospective purchasers to provide written bids to the Debtors specifying the exact assets on which the bidder was bidding, the form of payment, and any contingencies. All written bids were due from these prospective purchasers by Friday, July 6, 2001.

13. As a result of these extensive sales efforts, on or prior to July 6, 2001, the Debtors received 13 bids on portions of the Debtors' assets, primarily the intellectual property. A list of the bids that the Debtors received was attached to the Sale Motion and the Emergency Order and Notice and are incorporated herein by reference.

14. The bid procedures set forth in the bid package and the Sale Motion provided that the Debtors would, in their business judgment, choose the bidders whose bids provided the highest economic value to the Debtors as finalists and that the Debtors would notify those finalists of their selection via phone and facsimile by July 10, 2001. Finalists were then to be permitted to conduct due diligence for a period of eight days, from Wednesday July 11, 2001 through Wednesday July 18, 2001, with final bids to be due on July 20, 2001, two days after due diligence was completed. From the final bids, the Debtors, in the exercise of their business judgment, would select the best bid(s) which will be deemed the winning bid(s). The bid procedures provided, further, for the closing of the sale(s) to the winning bidder(s) to take place no later than July 27, 2001. The bid procedures provides that all sales conducted pursuant to this bid procedure will be final with payment due in full in good funds at closing, that the Debtors will provide no warranties expressed or implied, including, without limitation, warranties related to merchantability or fitness for a particular purpose, except the Debtors will warrant that they have title to the intellectual property being sold and that, accordingly, all successful purchasers will accept the assets purchased in "as is, where is," with all faults condition.

15. At the Sale Hearing, the Debtors advised the Court that based on the bidding and sale process, the Debtors had reached with Park Lane to sell to Park Lane, for \$4,250,000, on the terms and conditions announced at the Sale Hearing and set forth in this Order, the following property: all right, title and interest of either of the Debtors in the intellectual property and goodwill worldwide related to Seth Thomas, including, without limitation, the trademarks, service marks, designs, logos, indicia, corporate or entity names, company names, business names, fictitious business names, tradenames, trade styles, trade dress and registrations related to the applicable businesses any other applications, registrations, including UPC registration, amendments or renewals thereof, and any and all goodwill of the business connected with the use of and symbolized by such trademarks, all copyrights related to the applicable businesses and all designs, drawings, graphics, advertising, promotional materials, packaging, software data, documentation, manuals, code, chart, plans, and other works related to the Seth Thomas business anywhere in the world, and any revisions or modifications thereof, and any other applications, registrations, extensions or renewals of the copyright therein, trade names, patents, Website domain names, supplier contacts, customer listings,

trade secrets and sales records and history by model, tooling owned by either Debtor, recent catalogs and price lists and photography, and the Seth Thomas Owned Inventory, in each case related to the Seth Thomas business anywhere in the world. The Debtors and Park Lane thereafter memorialized the terms and conditions of the sale in that certain Asset Purchase Agreement among the Debtors and Park Lane dated as of July 30, 2001 (together with the exhibits thereto and related documents, the "Park Lane APA").

16. Assets exclude, among other things, (i) cash on hand or on deposit with utilities or any other person as of the Closing Date, (ii) Sellers' stock transfer records, (iii) Sellers' owned equipment and leases of equipment, if any, (iv) Sellers' corporate records and minute book (other than supplier or customer lists and information related to the intellectual property noted above), (v) Sellers' accounting software and computer systems (subject to downloading information and programs being conveyed), (vi) Sellers' real property located in Athens, Ga.; (vii) Sellers' antique clock collection, historical documents and memorabilia; (viii) tax refunds and general intangibles including prepaid insurance refunds (other than claims held by Sellers against other parties related to infringement of the Seth Thomas intellectual property); (ix) all claims, causes of action, suits debts, obligations, liabilities and demands of any kind, character or nature whatsoever, whether in law or in equity, known or unknown, actual or contingent, or disputed or undisputed, that Sellers now have or ever had against any person or entity, including, without limitation, any claims under 11 U.S.C. §§105, 542, 544, 546, 547, 548, 549, 550 or 553, other than claims held by Sellers against other parties related to infringement of the Seth Thomas intellectual property; (x) Excluded Inventory; (xi) Sellers' non-recent advertising, catalogues, pricing and photographs; and (xii) Goods in Transit.

17. The Park Lane APA is attached hereto as Exhibit "A". Certain confidential portions of the schedules thereto are not being filed with the Court. The assets which are being sold pursuant to the Park Lane APA are hereinafter referred to as the "Assets". The purchase price to be paid under the Park Lane APA is fair, reasonable, and adequate and is the highest and best bid received for these assets, either as lots or in the aggregate, after two rounds of bidding.

18. The Debtors cannot continue the operation of their businesses as going concerns and have been unable to sell their businesses as going concerns such that the orderly liquidation of the assets of the Debtors is necessary and there is no reasonable alternative to such orderly liquidation. The Debtors are unable to commit to retailers to deliver an ongoing flow of goods to them and therefore, the value of the intellectual property is rapidly declining and needs to be sold immediately. Although reorganization of the Debtors as a going concern is thus not possible, the prompt and effective liquidation of assets will facilitate a Chapter 11 plan providing for the liquidation of the Debtors and is in the best interests of the Debtors, their estates, and creditors. The sales as proposed herein are in furtherance of effectuating a Chapter 11 plan that the Debtors intend to file with regard to the liquidation of the Debtors.

19. The procedures followed by the Debtors and Dispositions, both before and after the Petition Date, with regard to the marketing and sale of the Assets were reasonably calculated to, and did, expose the Assets to the market and were designed to, and did, produce the highest value possible in the context of these cases. Among other things, the bidding procedures resulted in identification of likely purchasers, providing adequate notice and information to them about the sale to permit them to participate in the process if they desired, and provided sufficient time for likely purchasers to prepare and submit proposals to purchase the Assets. The Park Lane APA has been negotiated at arms' length and in good faith. The Debtors and Park Lane have substantially complied with the bidding procedures in all material respects.

20. The prompt sale of the Assets is important to the realization of the highest value therefrom. Delay in the sale of the Assets would result in additional expenses to the Debtors and their estates and could result in the withdrawal of bids by purchasers. Because the sales process began prior to the filing of the petition, because there is no realistic alternative to the sale of the Assets, and because the sales procedures have produced the highest value from the Assets in the circumstances of these cases, the Court finds that adequate and reasonable notice of the sale has been given. Specifically, the Court finds that further notice would not benefit the Debtors, their estates, or creditors and that further delay would in fact be harmful to those interests.

21. The Lenders have consented to the sale on the terms set forth herein. The alleged security interests of Talley is the subject of a bona fide dispute. The Spartus UCC filing has lapsed and to the extent any obligations remain outstanding, such lien is not valid or enforceable in these bankruptcy cases.

22. The Debtors have not received any reclamation claims with regard to Seth Thomas Inventory.

23. All rights related to the Goods in Transit including, without limitation, the existence of any right, title, or interest of the Debtors in the Goods in Transit, the validity, priority, and extent of any interest in the Goods in Transit, are expressly reserved and not affected by this Order. No sale or transfer of any interest in the Goods in Transit is authorized or shall occur as a result of the approval of the Park Lane APA.

24. The Debtors have given adequate notice of the Sale Motion and the Sale Hearing as is appropriate under the circumstances. The Debtors have served notice of the Sale Hearing on all known creditors and shareholders of either Debtor, including all parties known to be asserting any security interest, lien, license or title interest in either of the Debtors' assets.

### Conclusions of Law

Based on the findings of fact set forth above, the Court makes the following conclusions of law:

1. This Court has jurisdiction to hear and determine the Sale Motion pursuant to 28 U.S.C. § 157 and § 1334. Venue of these cases in this district is proper pursuant to 28 U.S.C. § 1409(a). Determination of the Sale Motion is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A), (N) and (O). The statutory predicates for the relief requested herein are sections 105, 363, and 1146 (c) of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, and 6006 and 9014.

2. Due and adequate notice and hearing with regard to the Sale Motion and the Sale Hearing have been provided in accordance with § 102(1) of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, and 6006. A reasonable and sufficient opportunity to object or be heard regarding the relief requested in the Sale Motion has been afforded to all interested parties and entities. No other or further notice of the Sale Motion and no further hearing are required with regard to the relief afforded by this Order and with regard to the sale of the Assets. The Debtors have shown good cause for the shortening of notice otherwise required with regard to the sale of the Assets.

3. Fair, reasonable, and adequate notice of the sales of the Assets has been given under the circumstances.

4. Approval of the Park Lane APA and consummation of the sale of the Assets pursuant thereto are in the best interests of the Debtors, their creditors, and the Debtors' estates. The sale of the Assets contemplated by the Park Lane APA reflects the exercise of the Debtors' sound business judgment. The Debtors have articulated good and sufficient business justification for the sale of the Assets on the terms set forth in the Park Lane APA pursuant to § 363(b) of the Bankruptcy Code outside of a Chapter 11 plan, and a sound business purpose exists with regard to such sale, in that, among other things:

- a. The Debtors do not have the financial ability to reorganize their businesses as going concerns under Chapter 11 of the Bankruptcy Code, have been unable to effect a sale of their businesses as a going concern, and are unlikely to be able to effect such a sale;
- b. There does not exist sufficient time to propose and seek confirmation of a Chapter 11 plan of liquidation prior to effecting the sale of Assets as proposed without incurring substantial additional expense and risking potential substantial reduction in value of the Assets;

- c. The Debtors and Park Lane have at all times acted in good faith; and
- d. The price to be paid for the Assets under the Park Lane APA is fair, reasonable and adequate.

Approval of the sale to Park Lane will enhance the ability of the Debtors to proceed with a Chapter 11 plan of liquidation for the Debtors. The Assets to be sold are subject to depreciation in value, and any delay in consummating the sales as proposed may subject the Debtors and their estates to further risk of loss through either additional expense or decline in value of the Assets. Based on the foregoing and the findings and conclusions set forth elsewhere in this Order, authorization of the sales pursuant to §§ 363 and 105 of the Bankruptcy Code is appropriate. *Committee of Equity Security Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063 (2<sup>nd</sup> Cir. 1983).

5. It is uncontroverted (a) that the Debtors' own sole, unconditional, good and full title to the Assets identified in the Park Lane APA; (b) that the Debtors have full power and authority to execute the Park Lane APA and all other documents contemplated thereby and that the sale of Assets by the Debtors contemplated thereby has been duly and validly authorized; (c) that the Debtors have all the power and authority necessary to consummate the transactions contemplated by the Park Lane APA upon entry of this Order and that the consummation of the transactions contemplated by said agreements is in compliance with the provisions hereof, will not conflict with or result in a breach of any provision of law, the terms, conditions or provisions of, any order of any court or other agency of government, the charter or bylaws of either Debtor, or result in the creation or imposition of any lien, charge or encumbrance of any kind whatsoever on any of the Assets; and (d) that no consents or approvals, other than those expressly provided for in the Park Lane APA, are required for the Debtors to consummate the transactions contemplated by the Park Lane APA.

6. The purchase price to be paid under the Park Lane APA is fair, adequate, and reasonable.

7. The Park Lane APA was negotiated, proposed and entered into by the parties without collusion, in good faith, and from arm's length bargaining positions. Park Lane is a good faith purchaser as such term is defined under § 363(m) of the Bankruptcy Code and, as such, is entitled to the protections afforded thereby. Neither the Debtors nor Park Lane have engaged in any conduct that would cause or permit the Park Lane APA to be avoided under § 363(n) of the Bankruptcy Code.

8. The Debtors have shown sufficient grounds for authorization of the sale of the Assets pursuant to the Park Lane APA free and clear of any liens, claims, charges, equities, licenses, restrictions, security interests, encumbrances or the like pursuant to § 363(f) and other applicable

provisions of the Bankruptcy Code including those: (a) that purport to give any party a right or option to effect any forfeiture, modification, right of first refusal, or termination of the Debtors or any purchaser's interest in the Assets, or any similar rights and (b) relating to taxes arising under or out of, in connection with, or in any way relating to the operation of the Debtors' business prior to the closing date. Consequently, the transfer of Assets pursuant to the Park Lane APA (a) shall constitute legal, valid and effective transfers of property of the Debtors' estates to the purchasers, and (b) will vest each purchaser with all right, title, of the Debtors in and to the respective Assets free and clear of all liens, claims, charges, equities, licenses, restrictions, security interests, encumbrances or the like under § 363(f) and other applicable sections of the Bankruptcy Code and shall not subject the purchaser to any liability whatsoever with respect to the operation of the Debtors' business prior to the closing date as applicable to purchaser or by reason of such transfer under the laws of the United States, any state, territory, or possession thereof, or the district of Columbia, based, in whole or in part, directly, indirectly, contingently or otherwise, on any theory of law or equity, including, without limitation, any liability or obligation (including, without limitation, under any theory of successor or transferee liability whatsoever) for any of the following items which relate in any way to either of the Debtors or their businesses:

- a. all accounts and other payables, including, without limitation, any liabilities for cooperative advertising, rebates, volume discounts and any other retailer/customer programs.
- b. all warranty, product return, product liability or product recalls or similar claims or liabilities.
- c. all wages or benefits or obligations of any nature whatsoever related to current or former employees or independent contractors of the Debtors, including any claimed liabilities under any Federal or state employment related or safety laws, rules or regulations, including, without limitation, workers compensation claims, or any liabilities under any collective bargaining, pension, severance or similar agreement or plan relating to any of Debtors' current or former employees or any premiums or other amounts due or underfunding of the same.
- d. all inter-company obligations among any of the Debtors or their affiliates;
- e. all liabilities for any kinds of taxes, including, without limitation, income, sales, payroll, other withholding, personal property, transfer or other taxes related to Debtors or this transaction.
- f. any claim, action, suit or proceeding arising from or related to the presence,

generation, emissions, storage, treatment, transport or disposal of any Hazardous Material from to, at, in, on or under any facility owned or used by any Debtor or its affiliates and any other environmental related liabilities related in any way to either Debtor or any of their affiliates. Hazardous Material shall mean any explosives, radioactive materials, polychlorinated biphenyls, petroleum and petroleum by-products, hazardous waste as defined by Section 1004(5) of the Solid Waste Disposal Act, as amended from time to time and hazardous substances as defined by Section 101(14) of the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, or any successor or supplementary act related thereto and all related regulations of applicable governmental entities.

- g. any claim, action, suit or proceeding arising from or related to any antitrust laws.
- h. any claim, action, suit or proceeding arising from or related to any non-compliance with the bulk sales act of any state, the compliance of which the Debtors and purchaser hereunder are expressly relieved from. Such acts are superseded by Section 363 of the Bankruptcy Code and the supremacy clause of the United States Constitution. The notice to all creditors and opportunity to object to this sale in this Court and other aspects of this sale fairly addressed the concerns covered by any applicable bulk sales act.

9. Section 1146(c) of the Bankruptcy Code is applicable to the transactions proposed herein. Consequently, the Debtors shall be authorized to consummate the transactions contemplated hereby, and to convey the Assets, without the payment of any stamp or other similar tax that may be applicable to the conveyance of Assets pursuant to the Park Lane APA.

10. All objections to the relief requested in the Emergency Motion and/or the Modified Emergency Motion, which were filed as required by the Emergency Order and Notice, have been resolved by the terms and conditions of this Order or are overruled.

#### **Relief Granted**

Based upon the above findings of fact and conclusions of law, it is

**ORDERED AND ADJUDGED** as follows:

A. The Sale Motion is hereby **GRANTED** with regard to the Assets being sold to Park Lane pursuant to the Park Lane APA on the terms and conditions set forth herein and any and all

objections that have not been resolved by the terms and conditions of this Order are hereby OVERRULED.

B. The bidding procedures proposed by the Debtors, as set forth in the Sale Motion, are hereby AUTHORIZED AND APPROVED.

C. The sale of Assets by the Debtors to Park Lane pursuant to the Park Lane APA and this Order is hereby AUTHORIZED AND APPROVED. The Debtors are hereby authorized to consummate the transactions contemplated by the Park Lane APA, to execute such documents and instruments as are necessary to effectuate the sales approved herein, and to convey the Assets that are the subject thereof to Park Lane in accordance with the terms thereof. Michael Zima, the Secretary and Controller of General Time and the Assistant Secretary of GTC Properties, is authorized to sign on behalf of the Debtors and his signature shall be the binding corporate action of the Debtors.

D. Pursuant to the provisions of § 363(f) of the Bankruptcy Code, the Debtors are hereby authorized to transfer the Assets that are the subject of the Park Lane APA to Park Lane free and clear of any liens, claims, charges, equities, licenses, restrictions, security interests, encumbrances and the like of any person or entity including, without limitation, any lien, claim, or encumbrance claimed by the Lenders, Talley, Spartus or any other purported secured creditor or lienholder. Any such party, including, without limitation, any of the kinds of parties described in conclusion of law number 8, are hereby enjoined and prevented from pursuing Park Lane for any liabilities related in any way to either of the Debtors (excluding claims under the Park Lane APA), including any liabilities based upon any theories of successor or transferee liability of any nature whatsoever. Upon the payment of the purchase price as specified in the Park Lane APA and the transfer of Assets pursuant thereto to Park Lane, any lien, claim, or encumbrance claimed by the Lenders, Talley, Spartus or any other party in interest shall be divested from the Assets thus transferred and attached to the proceeds thereof. Any lien, claim, or encumbrance thus divested and attached to the proceeds shall be valid and effective against the proceeds to the same extent and with the same priorities, and subject to the same defenses, and objections, and rights of avoidance, that exist with regard to the Assets to which such lien, claim, or encumbrance would otherwise attach. The proceeds from the sales shall be held by counsel for the Debtors in a segregated, interest-bearing account or accounts and shall be remitted to Lenders as provided in that certain Interim Order entered on July 13, 2001 for DIP financing of Debtors, and with full reservation of rights including, without limitation, disgorgement. All persons and entities holding liens, claims, or encumbrances of any kind and nature with respect to the assets that are sold pursuant to the Park Lane APA are hereby barred from asserting such liens and claims of any kind and nature against Park Lane, its successors or assigns, or the assets being purchased, with any such claims or liens to be satisfied solely from the proceeds of sale received by the Debtors in their respective priority under applicable law.

E. Park Lane is acting in good faith and is entitled to the protections of § 363(m) of the Bankruptcy Code. The Debtors and each such purchaser have not engaged in any conduct that would allow the sale or other transactions contemplated herein to be set aside pursuant to § 363(n) of the Bankruptcy Code.

F. The terms and provisions of the Park Lane APA, together with the terms and provisions of this Order, shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estates, their creditors, their shareholders, and each purchaser and its respective successors and assigns, and any affected third parties, including, without limitation, all nondebtor parties and persons asserting a claim against or lien on the Debtors or any of the Assets, and on any Trustee for either Debtor who may be subsequently appointed under any chapter of the Bankruptcy Code. This Order shall control to the extent that there is any inconsistency between its provisions and any provisions of the Park Lane APA.

G. Park Lane has not assumed, and shall not be deemed to have assumed, any liability, obligation, executory contract or unexpired lease of either Debtor.

H. All issues related to the existence of any right, title, or interest of the Debtors in the Goods in Transit, are expressly reserved and not affected by this Order. No sale or transfer of any interest in the Goods in Transit is authorized or shall occur as a result of the approval of the Park Lane APA, except that certain parties shall have the right to sell Goods in Transit which are branded with the Seth Thomas trademark in the future as set forth herein.

I. To the extent any of the Goods in Transit bears the Seth Thomas trademark, then, to the extent that the Debtors (or their assigns, including, without limitation, the Lenders) are ultimately determined to have an interest in the Goods in Transit, the Debtors (and their assigns, including, without limitation, the Lenders) shall be authorized to sell such Goods in Transit and, in accordance with the announcement in open Court by Park Lane, shall have a license in the intellectual property related to the products sold in accordance with this Order to allow sales solely for the purpose of marketing, advertising, and selling the Goods in Transit. Notwithstanding the sale of the IP Assets, provided, however, that Park Lane will first have been given three days prior notice of any sale and the right to match any bid made for the sale of such Goods in Transit. In the event that any supplier or Ocean Carrier is found by the Court to have a superior interest in all or part of the Goods in Transit to the Lenders, then any such supplier or Ocean Carrier shall be entitled to the benefit of the license hereunder. The granting of the benefit of the license to any such supplier or Ocean Carrier shall be limited solely to this Order.

J. The sale of the Assets pursuant to the Park Lane APA, and any transfer or assignment relating thereto, shall be exempt from any transfer tax, stamp tax or other similar tax pursuant to § 1146(c) of the Bankruptcy Code.

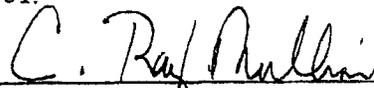
K. All creditors and other persons, entities and other parties are authorized and directed to execute and deliver to Park Lane such documents or instruments as may be reasonably required by the Debtors or Park Lane (without cost or expense to such creditors) for the purposes of canceling or discharging of record any claim or lien on any of the Assets that are sold. All applicable governmental entities are directed to recognize the transfer of the Assets free and clear of all liens, claims, charges, equities, licenses, restrictions, encumbrances or the like to the purchaser in their public records and to accept and record filings reflecting the same.

L. This Court retains jurisdiction (i) to enforce and implement the terms and provisions of the Park Lane APA, any amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connection therewith, (ii) to compel delivery of the Assets being purchased to Park Lane, (iii) to compel delivery of the purchase price under the Park Lane APA, (iv) to resolve any disputes arising under or related to the Park Lane APA, except as otherwise provided therein, (v) to prevent any party from pursuing Park Lane for liabilities or obligations related to either of the Debtors (which Park Lane may also enforce in any other court of competent jurisdiction) and (vi) to interpret, implement and enforce the provisions of this Order.

M. The Park Lane APA 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 does not represent a material change to the sales transactions approved hereby.

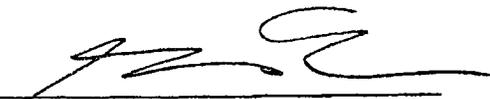
N. Pursuant to Bankruptcy Rule 6004(g), this Order shall be effective and enforceable immediately upon entry, and the Debtors shall upon such entry be immediately authorized to proceed with the transactions as set forth in the Park Lane APA.

SO ORDERED, this 30 day of July, 2001.

  
C. RAY MULLINS  
UNITED STATES BANKRUPTCY JUDGE

Prepared, consented to and presented by:

LAMBERTH, BONAPFEL, CIFELLI  
& STOKES, P.A.  
Attorneys for Debtors

By:   
Gregory D. Ellis  
Georgia Bar No. 245310  
3343 Peachtree Road, NE, Suite 550  
Atlanta, Georgia 30326-1022  
(404) 262-7373

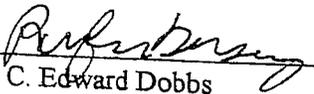
[signatures continue on following page]

In re General Time Corporation, Chapter 11 case no. 01-68893-CRM, and In re GTC Properties, Inc., Chapter 11 case no. 01-68894-CRM, Jointly Administered under case no. 01-68893-CRM; Order on sale of assets - Cont'd

Consented to:

PARKER, HUDSON, RAINER & DOBBS  
Counsel for Fleet Capital Corporation

By:

 (with express permission of the court)  
C. Edward Dobbs

Georgia Bar No. 223450

Rufus Dorsey, IV

Georgia Bar No. 226705

285 Peachtree Center Avenue

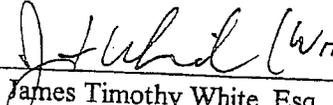
Suite 1500

Atlanta, Georgia 30303

STITES & HARBISON

Counsel for Park Lane Associates, Inc.

By:

 (with express permission of the court)  
James Timothy White, Esq.

Georgia Bar No. 753700

3350 Riverwood Parkway

Suite 1700

Atlanta, Georgia 30339

Parties to be served pursuant to BLR 9013-3(c)(2), N.D., Ga.:

Gregory D. Ellis, Lamberth, Bonapfel, Cifelli & Stokes, P.A., 3343 Peachtree Road, NE, Suite 550,  
Atlanta, Georgia 30326-1022

Office of U.S. Trustee, Third Floor, Richard Russell Building, 75 Spring Street S.W., Atlanta, GA  
30303

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement is entered into on July 30, 2001, between GTC Properties, Inc., a Delaware Corporation ("GTC Properties"), General Time Corporation, a Delaware Corporation, as the controlling shareholder of GTC Properties ("General Time") (GTC Properties and General Time are hereinafter referred to collectively as "Sellers") and Park Lane Associates, Inc., a Rhode Island Corporation ("Buyer").

WHEREAS, Sellers desire to sell and Buyer desires to buy certain assets of Sellers hereinafter described; and

WHEREAS, Sellers are debtors-in-possession in two cases under Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") pending in the United States Bankruptcy Court for the Northern District of Georgia (the "Bankruptcy Court") as case no. 01-68893 for General Time and Case No. 01-68894 for GTC Properties (the "Bankruptcy Cases") filed on July 9, 2001 (the "Petition Date"); and

WHEREAS, the Bankruptcy Court has approved the transaction contemplated hereby and the purchase price offered by Buyer;

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by all parties, the parties have agreed as follows:

### ARTICLE I

#### PURCHASE AND SALE OF ASSETS

1.1 Description of Assets; Purchase Price. Sellers shall sell, assign, and deliver to Buyer, free and clear of all liens and encumbrances except as specifically set forth herein, and Buyer shall purchase, for the Purchase Price to be paid as set forth herein, the following described property, hereinafter referred to as the "Assets": (1) the Seth Thomas intellectual property assets and related assets (the "IP Assets") more particularly described on Exhibit "A" attached hereto; and (2) all unsold Seth Thomas Inventory owned by the Sellers as of the Closing Date. As used herein, "Seth Thomas Inventory" means all finished goods and products owned by Sellers, and in Sellers' actual possession as of the Closing Date, bearing the Seth Thomas brand or related brands owned by Sellers as listed on Exhibit "A" hereto.

It is understood and agreed that the Seth Thomas Inventory excludes (i) finished goods packaged in cartons for delivery to retailers bearing the Westclox and/or the Big Ben brand and related brands which are owned by the Debtors and in their actual possession at the

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Debtors' facilities in Athens, Georgia, Peterborough, Ontario, Canada, and Warwick, United Kingdom (the "Westclox/Big Ben Owned Inventory"); (ii) Goods in Transit; and (iii) Other Inventory. "Goods in Transit" means all goods being shipped to Sellers by various suppliers and held by carriers. "Other Inventory" means goods, products, parts, and any other items owned by Sellers, and in Sellers' actual possession, not bearing the Westclox, Big Ben or Seth Thomas brands and related brands. "Excluded Inventory" means Other Inventory and the Westclox Big Ben Owned Inventory.

It is further understood and agreed that the Assets exclude, among other things, (i) cash on hand or on deposit with utilities or any other person as of the Closing Date, (ii) Sellers' stock transfer records, (iii) Sellers' owned equipment and leases of equipment, if any, (iv) Sellers' corporate records and minute book (other than supplier or customer lists and information related to the intellectual property noted above), (v) Sellers' accounting software and computer systems (subject to downloading information and programs being conveyed within Section 1.1), (vi) Sellers' real property located in Athens, Ga.; (vii) Sellers' antique clock collection, historical documents and memorabilia; (viii) tax refunds and general intangibles including prepaid insurance refunds (other than claims held by Sellers against other parties related to infringement of the Seth Thomas intellectual property), (ix) all claims, causes of action, suits, debts, obligations, liabilities and demands of any kind, character or nature whatsoever, whether in law or in equity, known or unknown, actual or contingent, or disputed or undisputed, that Sellers now have or ever had against any person or entity, including, without limitation, any claims under 11 U.S.C. §§105, 542, 544, 546, 547, 548, 549, 550 or 553, other than claims held by Sellers against other parties related to infringement of the Seth Thomas intellectual property; (x) Excluded Inventory; (xi) Sellers' non-recent advertising, catalogues, pricing and photographs; and (xii) Goods in Transit.

The Purchase Price for the Assets shall be Four Million Two Hundred Fifty Thousand Dollars (\$4,250,000.00), payable in cash in good funds at Closing as hereinafter set forth.

It is understood and agreed that the Sellers may retain and sell Seth Thomas Inventory to fulfill existing orders. Such sales are hereinafter referred to as "Post-Agreement Sales." To the extent that the proceeds from any Post-Agreement Sales exceed \$150,000 (the "Excess Proceeds") the Purchase Price will be adjusted downward by the Excess Proceeds and such Excess Proceeds shall be paid to Buyer by Sellers within seven (7) days of the receipt of same. Thirty (30) days after the Closing, Sellers shall account to Buyer with respect to all such Post Agreement Sales.

1.2 Manner of Effecting Sale; Title. The sale, conveyance, transfer, assignment and delivery of any of the Assets by Sellers to Buyer shall be effected by a bill of sale and transfer and assignment substantially in such form as attached hereto as Exhibit "B" or in such form as shall be necessary to record the transfer in the appropriate governmental registry. Sellers will convey good and valid title to all of the personal and mixed, tangible

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

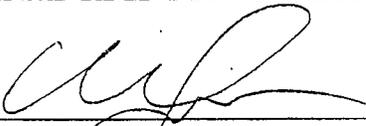
BUYER

PARK LANE ASSOCIATES, INC.

By:   
Its: CEO

SELLERS

GENERAL TIME CORPORATION

By:   
Michael Zima,  
Its: Secretary and Controller

GTC PROPERTIES, INC.

By:   
Michael Zima  
Its: Assistant Secretary

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**EXHIBIT "A"**

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Schedule ST  
Seth Thomas Worldwide

**REGISTERED TRADEMARKS**

(except where noted)

Diamond Collection (to be applied for)

Helmsman

Homestead

Manager

Plymouth Hollow

Royal Seth

Seth Thomas

S.T.

Stanton

Tradition

**COUNTRIES (not all trademarks)**

Argentina

Australia

Benelux

Brazil

Canada

China

Denmark

Dominican Republic

France

Germany

Guatemala

Italy

Japan

Mexico

New Zealand

Norway

Puerto Rico

South Africa

South Korea

Sweden

Switzerland

Taiwan

United Kingdom

USA

Venezuela

**WEBSITE DOMAIN**

seththomas.com

**SUPPLIER LIST**

To be supplied on or after closing.

**ENGINEERING DRAWINGS AND PRODUCT DESIGN/SPECIFICATION DRAWINGS**

To be supplied on or after closing.

**CUSTOMER LISTING, CONTACTS AND SALES HISTORY BY MODEL**

To be supplied on or after closing.

Schedule ST  
Seth Thomas Worldwide

ATHENS TOOLING

To be supplied on or after closing.

"RIGHT TO USE" CHINA TOOLING

<u>Model Number</u>	<u>Model Name/Description</u>
6503	BAXTER CLOCK RADIO
6503R	BAXTER RETRO CLOCK RADIO
2616	BRIGHT TIME
6022	ENDEAVOR
6040	MEDI-MINDER
6007	NAPMATE SILVER
557	PARAMOUNT - CHERRY
560	SEDONA - CHERRY
6010	TRAVATEMP
6011	TRAVATEMP

CURRENT CATALOGS, AVAILABLE ART, PHOTOGRAPHY & PRODUCT SAMPLES

To be supplied on or after closing.