

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM379473

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Order of U.S. Bankruptcy Court Approving Sale Free and Clear of All Liens, Claims and Encumbrances, etc.		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
JP Morgan Chase Bank		08/31/2005	Corporation: NEW YORK
RECEIVING PARTY DATA			
Name:	GT Merchandising & Licensing LLC		
Street Address:	16 East 40th Street		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10016		
Entity Type:	Limited Liability Company: DELAWARE		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	1895931	FIRM	
Registration Number:	1522134	THE FIRM	
Registration Number:	2117719	THE FIRM	
CORRESPONDENCE DATA			
Fax Number:	3102869573		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	(310) 785-1200		
Email:	jk@jonathankirsch.com		
Correspondent Name:	Jonathan Kirsch		
Address Line 1:	1880 Century Park East		
Address Line 2:	Suite 515		
Address Line 4:	Los Angeles, CALIFORNIA 90067		
NAME OF SUBMITTER:	Jonathan Kirsch		
SIGNATURE:	/Jonathan Kirsch/		
DATE SIGNED:	04/05/2016		
Total Attachments: 19			
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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: : X
: :
: Chapter 11
: :
GT BRANDS HOLDINGS LLC, et al. : : Case No. 05-15167 (PCB)
: :
Debtors. : : Jointly Administered
: : X

**ORDER (I) APPROVING THE SALE FREE AND CLEAR OF ALL LIENS, CLAIMS AND ENCUMBRANCES TO PURCHASER
(II) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES AND (III) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")¹, dated July 11, 2005, of the above-captioned debtors and debtors in possession (collectively, the "Debtors" or the "Sellers"), pursuant to sections 363, 365, and 1146 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Local Rule 9013(c)-1 for entry of orders (A) fixing the time, date and place for the bidding procedures hearing; (B)(I) establishing bidding procedures and bid protections in connection with the sale of substantially all of the assets of the Debtors, (II) approving the form and manner of notices, (III) approving the Asset Purchase Agreement subject to higher and better offers and (IV) setting a sale approval hearing date; and (C)(I) approving the sale to Gaiam, Inc. ("Gaiam" and together with its wholly-owned subsidiaries GT Media, Inc. and GT Holdings, Inc., the "Purchaser") free and clear of all liens, claims and encumbrances, (II) authorizing the assumption and assignment of certain executory contracts and unexpired leases and (III) granting

¹ Unless otherwise defined herein, all capitalized terms shall have the meaning set forth in the Motion or in the Purchase Agreement.

related relief; and the Sale Hearing having been held before the Court on August 23, 2005; and the Court having jurisdiction to consider and determine the Motion in accordance with 28 U.S.C. § 1334; and due notice of the Motion having been provided, and it appearing no other or further notice need be provided; and upon due deliberation and good and sufficient cause appearing therefore, it is hereby

FOUND AND DETERMINED:

A. The Court has jurisdiction to consider the Motion and the relief request therein as it pertains to this Order pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b).

B. As evidenced by the certificates of service and affidavits of publication filed with the Court, and based on the representations of counsel at the Sale Hearing, (A) proper, timely, adequate, and sufficient notice of the Motion, a substantially similar form of this Sale Order, the Asset Purchase Agreement, dated as of July 8, 2005, between the Debtors and Gaiam (the "Purchase Agreement" and, together with all ancillary documents required to consummate the sale, the "Transaction Documents") and the transactions contemplated therein, the assumption and assignment of the Assigned Contracts, the Auction, and the Sale Hearing has been provided in accordance with sections 363 and 365 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, 9013 and 9014 and Rule 9013-1(c) of the Local Rules and the Bidding Procedures Order by serving (i) the Office of the United States Trustee; (ii) counsel for the agent (the "Agent") for the Debtors' pre-petition lenders; (iii) counsel for the Official Committee of Unsecured Creditors in the Debtors' chapter 11 cases (the "Creditors Committee"); (iv) counsel to Gaiam; (v) all entities known to the Sellers to have, or to have asserted, any lien, claim, encumbrance, interest, right of first offer or refusal, if any, or rights of setoff, recoupment, netting or deduction, in or upon the Sale Assets (as defined in the Purchase Agreement (as

defined below)); (vi) all parties who have made written expressions of interest in acquiring the Sale Assets within three (3) months prior to the date of the Motion; (vii) all counterparties to the Assigned Contracts (as defined below); (viii) all relevant taxing authorities; (ix) all creditors known to the Sellers; and (x) all entities who have filed a notice of appearance and request for service of papers in these cases, (B) such notice was good and sufficient and appropriate under the particular circumstances, and (C) no other or further notice of the Motion, this Order, the Purchase Agreement, the Sale, or the Sale Hearing is required.

C. The requirement set forth in Rule 9013-1(b) of the Local Rules that any motion or other request for relief be accompanied by memorandum of law is hereby deemed satisfied by the contents of the Motion.

D. A reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein and this Sale Order has been afforded to all those parties listed in paragraph B above.

E. Over the objection of Benji Catalog and Benji Off the Lease having been overruled (Memorandum Decision to follow).

F. Sellers and their investment bankers, Peter J. Solomon Company, LP ("P.J. Solomon"), diligently and in good faith marketed the Sale Assets to secure the highest and best offer therefor by, among other things, (i) delivering offering materials to potential purchasers and inviting the potential purchasers to meet with Sellers' management and P.J. Solomon, and (ii) providing each potential purchaser with the opportunity to conduct extensive due diligence.

G. Gaiam submitted the highest and best bid for the purchase of the Sale Assets on the terms and conditions set forth in the Purchase Agreement.

H. Sellers have complied in all respects with, the Bidding Procedures Order.

I. The Purchase Agreement was negotiated at arm's length and proposed and entered into by and among Sellers and Purchaser without collusion and in good faith. Purchaser is a good faith purchaser in accordance with section 363(m) of the Bankruptcy Code and is entitled to all of the protections afforded thereby. Neither Purchaser nor Sellers have engaged in any conduct that would cause or permit the Purchase Agreement to be avoided (or the validity of the sale affected) under section 363(n) of the Bankruptcy Code or any other provisions of the Bankruptcy Code. The good faith of Purchaser is evidenced by, among other things, the following: (i) the Debtors and Purchaser have engaged in substantial arm's length negotiations in good faith and the Purchase Agreement and related documents are the product of such negotiations among the parties; (ii) the Debtors permitted interested parties an opportunity to submit competing bids for the Sale Assets; and (iii) the Debtors, in accordance with the Bidding Procedures Order, determined that Purchaser's bid, as reflected in the Purchase Agreement, was the only bid received in accordance with the Bidding Procedures Order and constituted the highest and best offer for the Sale Assets, and the Purchaser was declared the Winning Bidder.

J. Sellers have soundly exercised their business judgment in determining to enter into the Purchase Agreement and to sell the Sale Assets to Purchaser, all pursuant to sections 363(b) and (f), 365, and 1146(c) of the Bankruptcy Code, free and clear of all options, pledges, security interests, claims (as defined in the Bankruptcy Code), equities, reservations, third party rights, voting trusts or similar arrangements, liens, charges or other encumbrances or restrictions of any kind (collectively, "Encumbrances"), outside of a plan of reorganization. The bid of Purchaser that is the subject of this Order was the highest and best offer for the Sale Assets, and the relief sought in the Motion is in the best interests of Sellers, their respective estates, their creditors, and all parties in interest.

K. Upon the Closing (as defined in the Purchase Agreement), the sale of the Sale Assets shall be a legal, valid and effective transfer of the Sale Assets to Purchaser, and shall vest in Purchaser all right, title and interest in the Sale Assets and in accordance with the terms and conditions of the Purchase Agreement, free and clear of all Encumbrances, under sections 363(f) of the Bankruptcy Code. With respect to any and all entities asserting an Encumbrance on the Sale Assets, either (i) such entity has consented to the sale and transfer of the Sale Assets free and clear of its Encumbrance, with such Encumbrance to attach to the proceeds of such sale and transfer or (ii) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such Encumbrance, so that the conditions of section 363(f) of the Bankruptcy Code have been met.

L. The consummation of the Sale is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 363(b), 363(f), 363(m), 363(o), 365(a), 365(b), 365(f), and 1146(c) of the Bankruptcy Code, and all of the applicable provisions of such sections have been complied with in respect of the Sale. The Sellers have the requisite power and authority to transfer the Sale Assets to Purchaser as contemplated in the Purchase Agreement and to execute and deliver the Purchase Agreement and all other documents contemplated thereby. No consents or approvals other than those expressly provided for in the Purchase Agreement are required for Sellers to consummate the transactions contemplated by the Purchase Agreement.

M. The Sellers and Purchaser have entered into, subject to entry of this Sale Order, the Purchase Agreement wherein Seller and Purchaser agree that, *inter alia*, the purchase price to be paid by Purchaser to Seller is \$40,000,000 (the "Purchase Price"), subject to adjustment in accordance with the Purchase Agreement. Upon execution of the Purchase Agreement, Purchaser deposited an amount equal to \$1,500,000 (the "Deposit") with the Escrow

Agent (as defined in the Purchase Agreement). At Closing, Purchaser shall transfer an amount equal to the Purchase Price (subject to certain adjustments provided for in the Purchase Agreement), less the amount of the Deposit, in immediately available funds to the account or accounts specified by Sellers to Purchaser in writing, and the Deposit shall be released to Sellers, all as set forth and in accordance with the Purchase Agreement.

N. The consideration provided by the Purchaser for the Sale Assets shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and applicable non-bankruptcy law and has been fairly allocated among the Sellers for purposes of this Order, which allocation shall not be binding against the Debtors for any other purpose in these cases.

O. The Sellers are authorized to assume and assign the Assigned Contracts identified on Exhibit A annexed hereto to the Purchaser pursuant to section 365 of the Bankruptcy Code. The assumption and assignment of the Assigned Contracts pursuant to the terms of this order is integral to the Purchase Agreement and is in the best interests of the Sellers and their estates, and represents the exercise of sound and prudent business judgment by the Sellers.

P. The amounts on the column entitled "Cure Amounts" on the schedule attached to the Notice (Supplemental) of Debtors' Intent to Assume and Assign Certain Executory Contracts and Unexpired Leases dated August 10, 2005 and served upon the non-debtor parties to the Assigned Contracts (the "Cure Amounts Schedule") reflect cure amounts, which the Sellers believe in good faith constitute the sole amounts necessary under sections 365(b)(1)(A) and (B) and 365(f)(2)(A) of the Bankruptcy Code (each, a "Cure Amount") to cure all monetary defaults and pay all actual pecuniary losses under such Assigned Contracts. Each party to an Assigned Contract has received notice of the assignment of its contract and had an

opportunity to object to the amount set forth on the Cure Amounts Schedule. Except as may be modified by the Debtors and the non-debtor parties to such Assigned Contracts in accordance with paragraph 3 of this Order, the amount set forth on the Cure Amounts Schedule for each Assigned Contract is the total Cure Amount that Sellers shall be required to pay to cure all monetary defaults and pay all actual pecuniary losses under such Assigned Contracts.

Q. The Sellers have provided adequate assurance that they will pay the amounts necessary under sections 365(b)(1)(A) and (B) and 365(f)(2)(A) of the Bankruptcy Code (each, a “Cure Amount”) to cure all monetary defaults and pay all actual pecuniary losses under the Assigned Contracts and therefore (a) each Assigned Contract shall constitute a valid and existing interest in the property subject to such Assigned Contract and (b) no default shall exist under the Assigned Contracts, nor shall there exist any event or condition which, with the passage of time or the giving of notice, or both, would constitute such a default.

R. The sale of the Sale Assets to Purchaser pursuant to this Sale Order and the Purchase Agreement is free from any fraudulent intent, purpose or desire on the part of Purchaser, Sellers, or Sellers’ predecessors to escape liability for any obligations of Sellers or their predecessors in interest.

S. The transactions specified herein and in the Purchase Agreement constitute a sale for purposes of section 1146(c) of the Bankruptcy Code and all transfers in connection therewith shall be exempt from any and all stamp, value added, ad valorem, transfer, recording and other similar taxes and any transfer or recording fees or other similar costs charged or assessed by any federal, state, local, or foreign authority (including interest and penalties, if any).

ACCORDINGLY, THE COURT HEREBY ORDERS THAT:

1. The findings of fact set forth above and the conclusions of law stated herein shall constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any finding of fact later shall be determined to be a conclusion of law, it shall be so deemed, and to the extent any conclusion of law later shall be determined to be a finding of fact, it shall be so deemed.

2. The Motion is granted in its entirety.

3. Subject to the provisions of this paragraph, all objections to the Motion or the relief requested therein (the "Sale Objections") that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby overruled on the merits; provided, that with respect to the Sale Objections of (a) ClientLogic Operating Corporation, (b) Shock Records Pty Ltd t/as Kaleidoscope Film & DVD, (c) Destiny Worldwide Entertainment, Inc., (d) SunGuard Availability Services, (e) Classic Media, Inc., (f) St. Nicholas Music, Inc., (g) Agamemnon Films, (h) Jones Entertainment Group, (i) Broadway Video Distribution LLC, (j) Firm Media, L.L.C., Firm Direct, L.L.C., Video Group, L.L.C., Bodylab, L.L.C., Athena Workout, L.L.C., Meridian Films, Inc. and Firm Columbia, L.L.C., and (k) Movietime, Inc., Jersey Productions, Inc. and Film Shows, Inc. (collectively, the "Record Parties"), this Order shall be subject to the stipulations, settlements and/or agreements between the Debtors, the Record Parties and/or Gaiam to the extent entered in the record of the Sale Hearing and the terms of any and all written agreements and/or stipulations, as the case may be, that the Debtors and the Records Parties may have agreed to prepare to the extent reflected in such record; provided, further, that with respect to the Sale Objections of (a) Oracle USA, Inc. and (b) Exponential, Inc. and Global Vision Resources, Inc. (collectively, the "Adjourned Matters"), such Sale Objections shall be adjourned to September 12, 2005 at a time to be determined, or such other date that this

Court is available for a hearing on such matters; provided, further, that with respect to the Sale Objection of Benji Returns Distribution LLC and Mulberry Square Releasing, Inc. (together, the "Benji Parties"), such Sale Objection, together with (a) the Benji Parties' application filed on August 16, 2005 (including all documents filed by the Benji Parties under Docket No. 118) and (b) the Debtors' related response filed on August 22, 2005 (including all documents filed by the Debtors under Docket No. 171) (collectively, the "Benji Matters"), shall be adjourned to August 29, 2005. Notwithstanding the previous sentence or any other provision of this Order to the contrary, this Order shall be effective upon entry irrespective of the resolution, if any, of the Adjourned Matters and the Benji Matters, subject to (a) the rights of the respective parties (including the Debtors) to the Adjourned Matters and the Benji Matters and/or (b) any ruling of this Court with respect to the Adjourned Matters and the Benji Matters.

4. The Sale Objection of Stanley Jacobs Productions Ltd. ("SJPL") shall be deemed settled on the following terms:

(a) Notwithstanding any other provisions of this Order, the Debtors shall assume the Infomercial Production Agreement effective September 1, 2003 between SJPL and GT Merchandising, LLC relating to production of an omelet maker as such agreement may have been amended, modified or supplemented (including any such amendments, modifications or supplements relating to the GT Express 101 or GT Express 102) (the "Omelet Maker Agreement") and shall assign the Omelet Maker Agreement, as modified by the terms of this paragraph of this Order, to Purchaser, and Purchaser shall accept such assignment. The cure amount associated with such assumption and assignment payable by the Debtor shall be \$30,000 (the "SJPL Cure Amount"), which amount shall be payable to SJPL by the Debtors at Closing. Upon payment of the SJPL Cure Amount, SJPL shall not assert, and hereby waives and

relinquishes the right to assert, that any of its claims, from the beginning of time through the Closing, are entitled to treatment under sections 503 or 507(a) of the Bankruptcy Code.

(b) Upon closing of the sale and payment to SJPL of the SJPL Cure Amount, Purchaser shall have the right to use any infomercial produced by SJPL for the Debtor(s) (the "SJPL Infomercials"), including but not limited to the infomercials which are the subject of the agreements attached to SJPL's Sale Objection as Exhibits 2-10, inclusive. (the "SJPL Agreements"). Purchaser's rights to use the SJPL Infomercials shall be free and clear of any and all obligations arising prior to the closing of the Debtors' sale to Purchaser. Upon the first use of any SJPL Infomercial by the Purchaser such as would qualify as an airing, use, or revival of an infomercial within the contemplation of the agreement governing any SJPL Infomercial, the Purchaser shall be bound by all obligations (whether payment obligations, reporting obligations or otherwise) originally undertaken by the Debtor(s) in the applicable SJPL Agreements which accrue on or after the date of such first use by the Purchaser of the applicable SJPL Infomercial. For the avoidance of doubt, notwithstanding any other provision of this Order, (1) the Purchaser shall not be bound by the obligations set forth in any particular SJPL Agreement unless and until the applicable SJPL Infomercial is aired or used by the Purchaser; and (2) Purchaser shall not be required to make payment of any cure amount or other claim of SJPL relating to a particular SJPL Infomercial which accrues prior to the date of first use of such particular SJPL Infomercial by Purchaser.

(c) Except for prepetition claims relating to the Omelet Maker Agreement, which shall be deemed satisfied by payment of the SJPL Cure Amount, and except as provided in subparagraph (b) of this paragraph 4, the terms of this Order shall not affect

any prepetition claims of SJPL, all of which are preserved for all purposes, as are the rights of the Debtors or of any party in interest to object to such prepetition claims.

(d) SJPL represents and warrants that it will not assert any copyright claim against the Purchaser or any assignee of the Purchaser for the use of any SJPL Infomercial.

5. The Purchase Agreement, including all of the terms and conditions thereof, is hereby approved in all respects.

6. Pursuant to sections 363(b) and (f) and 365 of the Bankruptcy Code, Sellers are authorized to consummate the transactions contemplated by, pursuant to and in accordance with the terms and conditions of the Purchase Agreement.

7. Sellers are authorized to execute and deliver, and empowered to fully perform under, consummate and implement, the Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement, and to take all further actions as may be requested by Purchaser for the purpose of transferring the Sale Assets to Purchaser, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Purchase Agreement.

8. Sellers' respective obligations under the Purchase Agreement shall constitute administrative expenses of their respective estates under sections 503(b)(1) and 507(a)(1) of the Bankruptcy Code.

9. All persons and entities are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of Sellers to sell and transfer the Sale Assets to Purchaser in accordance with the terms of this Order.

10. All persons and entities are hereby enjoined from asserting, prosecuting or otherwise pursuing any claim against Purchaser to recover any claim such person or entity had,

has or may have against Purchaser in connection with the negotiation of the Purchase Agreement.

11. Except as provided in the Purchase Agreement, pursuant to section 363(f) of the Bankruptcy Code, upon the Closing Date, the Sale Assets shall be transferred, licensed and assigned to Purchaser, free and clear of all Encumbrances and claims (as that term is defined in the Bankruptcy Code) arising prior to the Closing Date or relating to acts occurring prior to the Closing Date, with all such Encumbrances and claims, if any, to attach to the net proceeds of the transactions contemplated by the Purchase Agreement in the same order of priority and with the same validity, force and effect, if any, which they now have as against the Sale Assets, subject to the rights, claims, defenses and objections, if any, of Sellers and all interested parties with respect to such Encumbrances and claims.

12. Effective upon the Closing, all persons and entities are forever prohibited and enjoined from commencing or continuing in any manner any act on or other proceeding, whether in law or equity, in any judicial, administrative, arbitral or other proceeding, against Purchaser and its successors and assigns with respect to any Encumbrance. Without limiting the generality of the foregoing, except as expressly provided in the Purchase Agreement, Purchaser shall have no liability for any claim (as defined in Bankruptcy Code section 101(5)) against Sellers.

13. Except for the liabilities expressly assumed under the Purchase Agreement, the Purchaser shall not be liable for any claims against the Sellers or any of their predecessors or affiliates, and the Purchaser shall have no successor or vicarious liabilities of any kind or character whether known or unknown as of the Closing of the sale, now existing or hereafter arising, whether fixed or contingent, with respect to the Sellers. Except as set forth in the Purchase Agreement, under no circumstances will the Purchaser be deemed a successor of or

to the Sellers for any claim or Encumbrance against the Sellers or the Sale Assets. The sale, transfer, assignment and delivery of the Sale Assets shall not be subject to any such claims, Encumbrances, liabilities or obligations, except that the Purchaser shall assume the Sellers' obligations under the Assigned Contracts to the extent such obligations arise after the Closing Date or as otherwise provided in the Purchase Agreement.

14. If any person or entity that has filed a financing statement or other documents or agreements evidencing Encumbrances on the Sale Assets shall not have delivered to Sellers prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Encumbrances which the person or entity has with respect to such Sale Assets, Sellers hereby are authorized to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to such Sale Assets. In addition, the Purchaser and/or the Sellers are hereby authorized to file, register, or otherwise record a certified copy of this Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all interests, liens, claims, and/or encumbrances in the Sale Assets of any kind or nature whatsoever. This Order is deemed to be in recordable form sufficient to be placed in the filing or recording system of each and every federal, state, and local governmental agency, department, or office. The foregoing notwithstanding, the provisions of this Order authorizing the sale and assignment of the Sale Assets free and clear of Encumbrances shall be self-executing, and notwithstanding the failure of Purchaser, Sellers, or any other party to execute, file or obtain releases, termination statements, assignments, consents or other instruments to effectuate, consummate and/or implement the provisions hereof or the Purchase Agreement with respect to the sale and assignment of the Sale Assets, all Encumbrances on the Sale Assets shall be deemed divested.

15. All entities who are presently, or on the Closing Date may be, in possession of any of the Sale Assets are hereby directed to surrender possession of the Sale Assets to the Purchaser on the Closing Date except as may be otherwise directed by the Purchaser.

16. Sellers are hereby authorized and directed, in accordance with section 365 of the Bankruptcy Code, at the Closing, to assume and assign to Purchaser each of the Assigned Contracts described on Exhibit A annexed hereto that Purchaser agrees to take an assignment of in accordance with the terms of the Purchase Agreement, free and clear of all Encumbrances; provided, that the assumption and assignment of any Assigned Contracts by and among one or more of the Debtors and Richards Simmons, Inc. and/or Richard Simmons Living Trust (together, the "Simmons Entities") and the amount necessary to cure monetary defaults, if any, under such contracts shall be determined by mutual agreement between the Debtors and the Simmons Entities.

17. If (A) Purchaser (i) elects not to take an assignment of certain Assigned Contracts (the "Rejected Contracts") pursuant to the Purchase Agreement and (ii) provides notice of such election to the Sellers in the manner and in the time frame provided in the Purchase Agreement, and (B) Sellers determine not to otherwise assume such Rejected Contracts, Sellers are hereby directed to provide each counterparty to the Rejected Contracts with notice (the "Rejection Notice") that each counterparty's respective Rejected Contract is to be rejected by the applicable Seller effective upon three (3) days notice to such counterparty, counsel for the Agent and counsel for the Creditors' Committee, and such Rejected Contracts (to which Sellers are party) shall thereafter be deemed rejected pursuant to this Order.

18. On or before the Closing Date, Sellers shall pay all respective Cure Amounts due, if any, on the Assigned Contracts (other than Rejected Contracts) as set forth on

the Cure Amounts Schedule, as modified by Exhibit A to this Order. Other than the Cure Amount relating to each Assigned Contract, there are no other amounts due on any of the Assigned Contracts required to be paid and no other action needs to be taken with respect to any of the Assigned Contracts in order to assume the Assigned Contracts under sections 365(b) and 365(f)(2) of the Bankruptcy Code.

19. Notwithstanding anything in the Purchase Agreement that may be construed to the contrary, upon the assumption of the contract between GoodTimes Entertainment, LLC ("GoodTimes") and BG Star Productions, Inc. ("BG Star") dated February 25, 2003, including amendments thereto (the "BG Star Agreement"), and the assignment of the BG Star Agreement to Gaiam, (a) any and all claims or causes of actions presently held by the Debtors and/or their bankruptcy estates against BG Star under sections 502(d), 544, 545, 547, 548, 549 and 550 of the Bankruptcy Code that are related to the BG Star Agreement shall be deemed released and extinguished, and (b) Gaiam shall be fully responsible for all obligations of GoodTimes arising under the BG Star Agreement, including any indemnity, insurance, audit or payments obligations, whether such obligations accrued or became due either before, during or after the Closing. Gaiam's acknowledgment and agreement in this paragraph is solely for the benefit of BG Star and shall not, in any way, affect the respective rights and obligations of the Debtors and Gaiam under the terms of the Purchase Agreement.

20. The consideration provided by Purchaser for the Sale Assets, all as negotiated by Purchaser for its benefit under the Purchase Agreement, is fair and reasonable, and the result of open and competitive bidding, and may not be avoided under section 363(n) of the Bankruptcy Code.

21. Pursuant to paragraph 10(d) of the final Order of this Court approving the Debtors' use of cash collateral, dated July 28, 2005 (the "Cash Collateral Order") The Debtors

are authorized to pay an amount equal to the Proposed Sale Net Proceeds (as defined below) to the Agent under that certain Credit Agreement dated as of February 6, 2003 (as amended, supplemented or otherwise modified prior to the Petition Date, the "Credit Agreement"), among GT Brands Holdings LLC, GT Brands LLC, the Agent and the several lenders party thereto (collectively, the "Lenders"), on behalf of the Lenders on account of the loans, letters of credit, financial accommodations and other amounts owing by the Debtors to the Agent and the Lenders under, or in connection with, the Credit Agreement (the "Prepetition Obligations"), which payment to the Lenders shall remain subject to the rights of any other party in interest to challenge the Prepetition Obligations and the liens and security interests granted by the Debtors to the Agent and the Lenders in connection with the Credit Agreement as set forth in paragraph 13 of the Cash Collateral Order. "Proposed Sale Net Proceeds" shall mean the net cash proceeds generated by the sale of the Sale Assets to Gaiam after deducting severance and bonus costs, taxes and all cure costs and other amounts required to be paid pursuant to the terms of the Purchase Agreement or this Order (including any holdbacks required for working capital deductions), *less* the amount reasonably determined by the Debtors to be necessary to fund the Debtors' expenditures (including professional fees) through the projected consummation of a plan of liquidation for the Debtors, inclusive of an unallocated contingency fund of \$2,000,000.

22. Notwithstanding any provision in the Purchase Agreement to the contrary, the Debtors shall retain one (1) copy of the Debtors' Books and Records (and Gaiam shall also retain one (1) copy of any of the Debtors' Business Books and Records that are not copied by the Debtors prior to Closing) until the later of (a) the closing of the Debtors' bankruptcy cases and (b) a plan of reorganization or liquidation for the Debtors confirmed by this Court or a Chapter 7 trustee provides that the Debtors shall no longer be required to retain such copy.

23. This Court retains jurisdiction to enforce and implement the terms and provisions of the Purchase Agreement, all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connection therewith in all respects, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Sale Assets to Purchaser and payment of the Purchase Price by Purchaser, (b) resolve any disputes arising under or related to the Purchase Agreement, except as otherwise provided therein, and (c) interpret, implement, and enforce the provisions of this Order.

24. The transactions contemplated by the Purchase Agreement are undertaken by Purchaser, in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the sale shall not affect the validity of the sale to Purchaser, unless such authorization is duly stayed pending such appeal. Purchaser is a purchaser in good faith, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code.

25. The transfer of the Sale Assets pursuant to the Purchase Agreement is a transfer pursuant to section 1146(c) of the Bankruptcy Code, and accordingly, pursuant to section 1146(c) of the Bankruptcy Code, the Sale and the execution, delivery and/or recordation of any and all documents or instruments necessary or desirable to consummate the Sale shall be, and hereby are, exempt from the imposition and payment of all recording fees and taxes, stamp taxes and/or sales, use, transfer, documentary, registration or any other similar taxes. Each and every federal, state and local government agency or department is directed to accept any and all documents and instruments necessary and appropriate to consummate the transfer of the Sale Assets, all without imposition or payment of any stamp tax, transfer tax, or similar tax.

26. The terms and provisions of the Purchase Agreement and this Order shall be binding in all respects upon, and shall inure to the benefit of, Sellers and their affiliates, their

respective estates, Purchaser and its affiliates, and the successors and assigns of each of the foregoing, and any affected third parties, notwithstanding any subsequent appointment of any trustee(s) under any Chapter of the Bankruptcy Code, as to which trustee(s) such terms and provisions likewise shall be binding.

27. The Purchase Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of the Court, provided that any material modification, amendment or supplement shall require prior Court approval.

28. The automatic stay provisions of section 362 of the Bankruptcy Code are vacated and modified to the extent necessary to implement the terms and conditions of the Purchase Agreement and the provisions of this Order.

29. As provided by Fed. R. Bankr. P. 7062, this Order shall be effective and enforceable immediately upon entry. The provisions of Fed. R. Bankr. P. 6004(g) and 6006(d) staying the effectiveness of this Order for 10 days are hereby waived, and this Order shall be effective, and the parties may consummate the transactions contemplated by the Purchase Agreement, immediately upon entry. Time is of the essence in closing the transaction and parties to the Purchase Agreement shall be authorized to close the sale as soon as possible consistent with the terms of the Purchase Agreement. Any parties objecting to this Order must exercise due diligence in filing an appeal and pursuing a stay, or risk their appeal being foreclosed as moot.

30. This Order is and shall be binding upon and govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies,

governmental departments, secretaries of state, federal and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any lease; and each of the foregoing persons and entities is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreement.

31. Nothing contained in any plan of reorganization or liquidation confirmed in these cases or the order of confirmation confirming any such plan shall conflict with or derogate from the provisions of this Order. Further, the provisions of this Order, and any actions taken pursuant hereto, shall survive the entry of an order which may be entered confirming any such plan or converting the Debtors' cases from chapter 11 to cases under chapter 7 of the Bankruptcy Code.

32. The failure to include specifically any particular provision of the Transaction Documents in this Order shall not diminish or impair the effectiveness of such provisions, it being the intent of the Court that the Transaction Documents and Sellers' implementation of the transactions contemplated therein be approved in their entirety.

33. The provisions of this Order are nonseverable and mutually dependent.

34. Any conflict between the terms and provisions of this Order and the Purchase Agreement shall be resolved in favor of this Order.

Dated: New York, New York
August 31, 2005

/s/ Prudence Carter Beatty
UNITED STATES BANKRUPTCY JUDGE