

## TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1  
 Stylesheet Version v1.2

ETAS ID: TM553817

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	Bankruptcy Order - Release of Security Interest		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
MANUFACTURERS AND TRADERS TRUST COMPANY		07/30/2014	Corporation: NEW YORK
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	ALTAMA DELTA CORPORATION		
<b>Street Address:</b>	5968 Commerce Blvd.		
<b>City:</b>	Morristown		
<b>State/Country:</b>	TENNESSEE		
<b>Postal Code:</b>	37814		
<b>Entity Type:</b>	Corporation: GEORGIA		
<b>PROPERTY NUMBERS Total: 3</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	1897028	ALTAMA	
<b>Registration Number:</b>	1885613	ALTAMA	
<b>Registration Number:</b>	1997268	ALTAMA	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	9735972400		
<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>			
<b>Phone:</b>	9735972500		
<b>Email:</b>	lstrademark@lowenstein.com		
<b>Correspondent Name:</b>	Matthew P. Hintz, Esq.		
<b>Address Line 1:</b>	Lowenstein Sandler LLP		
<b>Address Line 2:</b>	One Lowenstein Drive		
<b>Address Line 4:</b>	Roseland, NEW JERSEY 07068		
<b>ATTORNEY DOCKET NUMBER:</b>	37392.2		
<b>NAME OF SUBMITTER:</b>	Matthew P. Hintz, Esq.		
<b>SIGNATURE:</b>	/Matthew P. Hintz, Esq./		
<b>DATE SIGNED:</b>	12/18/2019		
<b>Total Attachments: 21</b>			
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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

TACTICAL INTERMEDIATE  
HOLDINGS, INC., *et al.*,<sup>1</sup>

)  
) Chapter 11  
)  
) Case No. 14-11659 (KG)  
) (Jointly Administered)  
)  
) **Related to Docket No. 14**  
)

**ORDER (I) AUTHORIZING AND APPROVING THE SALE OF THE  
DEBTORS' FOOTWEAR ASSETS FREE AND CLEAR OF LIENS, CLAIMS,  
ENCUMBRANCES AND INTERESTS; (II) APPROVING THE ASSUMPTION  
AND ASSIGNMENT OF POTENTIAL DESIGNATED EXECUTORY CONTRACTS  
AND UNEXPIRED LEASES; AND (III) GRANTING RELATED RELIEF**

Upon consideration of the motion (the "Motion")<sup>2</sup> of Tactical Intermediate Holdings, Inc. and its affiliated debtors, as debtors and debtors-in-possession (the "Debtors"), for entry of an order, among other things: (i) approving the asset purchase agreement attached hereto as Exhibit 1 (the "APA") between the Debtors and the Original Footwear Holdings, Inc. or its designated assignee (the "Purchaser"), (ii) authorizing the sale of substantially all of the Debtors' Footwear Assets free and clear of all liens, claims, encumbrances and other interests (collectively, the "Encumbrances"), (iii) authorizing the assumption and assignment of certain executory contracts and unexpired leases in connection herewith, and (iv) granting other related relief; and the Court having entered an order approving bidding and sale procedures to be used with respect to the sale

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are: Tactical Intermediate Holdings, Inc. (4895); Tactical Holdings Operations, Inc. (8504); Wellco Enterprises, Inc. (9274); Ro-Search Incorporated (6293); Mo-Ka Shoe Corporation (2446); Altama Delta Corporation (6369); Altama Delta (Puerto Rico) Corporation (3459); Massif Holdings LLC (1692); and Massif Mountain Gear Company LLC (9717). The address of the Debtors' corporate headquarters is 5968 Commerce Blvd., Morristown, TN 37814.

<sup>2</sup> Unless otherwise stated, all capitalized items not defined herein shall have the same meaning as set forth in the Motion. "Permitted Liens" as used in this Order shall mean only those Permitted Liens identified in the APA which relate to the Footwear Assets.

of the Footwear Assets (the "Sale Procedures Order"); and the Purchaser having submitted the highest and best offer for the purchase of the Footwear Assets; and it appearing that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. § 157 and 1334; and it appearing that the Motion is a core proceeding pursuant to 28 U.S.C. §157; and adequate notice of the Motion and opportunity for objection having been given; and this Court having heard statements of counsel and the evidence presented in support of the relief requested by the Debtors in the Motion at a hearing before this Court on July 30, 2014 (the "Sale Hearing"); and it appearing that no other notice need be given; and it further appearing that the legal and factual bases set forth in the Motion and at the Sale Hearing establish just cause for the relief granted herein; and after due deliberation and sufficient cause therefor:

**THE COURT HEREBY FINDS THAT:<sup>3</sup>**

**Jurisdiction, Final Order and Statutory Predicates**

A. This Court has jurisdiction to hear and determine the Sale Motion pursuant to 28 U.S.C. §§ 157(b)(1) and 1334(a). This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O). Venue is proper in this District and in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. This order ("Sale Order") constitutes a final and appealable order with the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to

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<sup>3</sup> The findings and conclusions set forth herein 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. All findings of fact and conclusions of law announced by the Court at the Sale Hearing in relation to the Sale Motion are hereby incorporated herein to the extent not inconsistent herewith. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, this Court expressly finds that there is no just reason for delay in the implementation of this Sale Order, and expressly directs entry of judgment as set forth here.

C. The statutory predicates for the relief requested in the Sale Motion are sections 105(a), 363(b), (f), and (m), 365 of the Bankruptcy Code and Bankruptcy Rules 2002(a)(2), 6004(a), (b), (c), (e), (f) and (h), 6006(a), (c) and (d), 9007 and 9014.

D. This Court entered the Sale Procedures Order on July 21, 2014 (Docket No. 92).

**Notice of the Sale, Auction and the Cure Amounts**

E. Actual written notice of the Sale Hearing, the scheduled auction, the Motion, the Sale, and the assumption and assignment of the Assigned Contracts, and a reasonable opportunity to object or be heard with respect to the Motion and the relief requested therein has been afforded to parties in interests, including, including, but not limited to the following parties:

- a. the United States Trustee;
- b. counsel to the Creditors' Committee;
- c. counsel to the Debtors' secured lenders;
- d. the Debtors' 20 largest unsecured creditors;
- e. all taxing authorities having jurisdiction over any of the Footwear Assets, including the Internal Revenue Service;
- f. the United States Environmental Protection and all applicable state environmental agencies;
- g. the United States Department of Justice;
- h. all parties that have requested special notice pursuant to Bankruptcy Rule 2002;
- i. all Persons known or reasonably believed to have asserted an Encumbrance on any of the Footwear Assets;

- j. the counterparties to each of the Debtors contracts and leases that may be an Assigned Contract;
- k. all Persons known or reasonably believed to have expressed a bona fide interest in acquiring the Footwear Assets; and
- l. the Attorneys General in the States where the Footwear Assets are located.

F. In accordance with the provisions of the Sale Procedures Order, the Debtors have served notice upon counterparties to executory contracts and unexpired leases (the "Contract Counterparties"): (i) that the Debtors seek to assume and assign certain executory contracts and unexpired leases (the "Assigned Contracts") on the Closing Date; and (ii) of the relevant cure amounts. The service of such notice was good, sufficient and appropriate under the circumstances and no further notice need be given in respect of establishing a cure amount for Assigned Contracts. Each of the Contract Counterparties have had opportunity to object to the cure amounts set forth in such notice.

G. The Debtors have articulated good and sufficient reasons for this Court to grant the relief requested in the Motion regarding the sale process, including without limitation: (i) determination of final cure amounts; and (ii) approval and authorization to serve the Sale Notice (as defined in the Sale Procedures Order).

H. The Sale Notice provided all interested parties with timely and proper notice of the Sale, Sale Hearing and Auction.

I. As evidenced by the affidavits of service previously filed with this Court, proper, timely, adequate, and sufficient notice of the Sale Motion, the scheduled auction, the Sale Hearing, and the Sale has been provided in accordance with sections 102(1), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9014. The Debtors also have complied with all obligations to provide notice of the Sale Motion, the scheduled auction, the

Sale Hearing, and the Sale required by the Sale Procedures Order. The foregoing notice described in paragraph E was good, sufficient and appropriate under the circumstances, and no other or further notice of the Sale Motion, the scheduled auction, the Sale Hearing, the Sale or the assumption and assignment of the Assigned Contracts is required.

**Good Faith of Purchaser**

J. Neither the Purchaser nor any of its officers or directors is an "insider" of the Debtors, as that term is defined in section 101(31) of the Bankruptcy Code.

K. The Purchaser is purchasing the Footwear Assets in good faith and is a good faith buyer within the meaning of section 363(m) of the Bankruptcy Code, and is therefore entitled to the full protection of that provision, and otherwise has proceeded in good faith in all respects in connection with this proceeding in that: (a) Purchaser recognized that the Debtors were free to deal with any other party interested in acquiring the Footwear Assets; (b) Purchaser complied with the provisions in the Sale Procedures Order; (c) Purchaser's bid was subjected to the competitive bidding procedures set forth in the Sale Procedures Order; (d) all payments to be made by the Purchaser and other agreements or arrangements entered into by the Purchaser in connection with the Sale have been disclosed; (e) Purchaser has not violated section 363(n) of the Bankruptcy Code by any action or inaction; (f) no common identity of directors or controlling stockholders exists between the Purchaser and the Debtors; and (g) the negotiation and execution of the APA and any other agreements or instruments related thereto was at arm's-length and in good faith.

**Highest and Best Offer**

L. The Debtors conducted a bidding and sale process in accordance with, and has otherwise complied in all respects with, the Sale Procedures Order. The bidding and sale process

set forth in the Sale Procedures Order afforded a full, fair and reasonable opportunity for any person or entity to make a higher or otherwise better offer to purchase the Footwear Assets. The bidding and sale was duly noticed and conducted in a non-collusive, fair and good faith manner and a reasonable opportunity has been given to any interested party to make a higher and better offer for the Footwear Assets.

M. The APA constitutes the highest and best offer for the Footwear Assets, and will provide a greater recovery for the Debtors' estates than would be provided by any other available alternative. The Debtors' determination that the APA constitutes the highest and best offer for the Footwear Assets constitutes a valid and sound exercise of the Debtors' business judgment.

N. The APA represents a fair and reasonable offer to purchase the Footwear Assets under the circumstances of these chapter 11 cases. No other person or entity or group of entities has offered to purchase the Footwear Assets for greater economic value to the Debtors' estates than the Purchaser.

O. Approval of the Sale Motion and the APA and the consummation of the transactions contemplated thereby is in the best interests of the Debtors, their creditors, their estates and other parties in interest.

P. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the Sale. The Debtors are authorized pursuant to sections 105(a), 363, 365, 1123 and 1142 of the Bankruptcy Code to, among other things, enter into the APA, sell the Footwear Assets free and clear of all Encumbrances and assume and assign the Assigned Contracts pursuant to the terms of the APA and this Order.



**No Fraudulent Transfer**

Q. The consideration provided by the Purchaser pursuant to the APA for its purchase of the Footwear Assets constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia.

R. The Purchaser is not a mere continuation of the Debtors or their estates and there is no continuity between the Purchaser and the Debtors. The Purchaser is not holding itself out to the public as a continuation of the Debtors. The Purchaser is not a successor to the Debtors or their estates and the Sale does not amount to a consolidation, merger or de facto merger of the Purchaser and the Debtors.

**Validity of Transfer**

S. Upon the entry of this Sale Order, the Debtors have full corporate power and authority to execute and deliver the APA and all other documents contemplated thereby, and no further consents or approvals are required for the Debtors to consummate the transactions contemplated by the APA, except as otherwise set forth in the APA.

T. The transfer of the Footwear Assets to the Purchaser will be as of the Closing Date a legal, valid, and effective transfer of such assets, and vests or will, as of the Closing Date, vest the Purchaser with all right, title, and interest of the Debtors to the Footwear Assets free and clear of all Encumbrances accruing, arising or relating to any time prior to the Closing Date, except for any Permitted Liens which relate to the Footwear Assets and Assumed Obligations (as such term is defined in the APA) under the APA.

**Section 363(f) Is Satisfied**

U. The Purchaser would not have entered into the APA and would not consummate the transactions contemplated thereby if the Sale of the Footwear Assets to the Purchaser, the

assumption, assignment and sale of the Assigned Contracts to the Purchaser, and the assumption of the Assumed Obligations by the Purchaser were not (except as otherwise provided in the APA with respect to the Assumed Obligations and Permitted Liens) free and clear of all Encumbrances of any kind or nature whatsoever.

V. The Debtors may sell the Footwear Assets free and clear of all Encumbrances (except for any Permitted Liens and Assumed Obligations under the APA) because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code have been satisfied.

W. The transfer of Purchased Assets constituting "Collateral" under the DIP Facility and the Prepetition Senior Secured Credit Facility has been consented to for purposes of section 363(f)(2) of the Bankruptcy Code by the DIP Lender, the Prepetition Senior Secured Lender and the Secured Noteholder (collectively, the "Secured Lenders"), subject to and conditioned upon the payment by the Debtors at the closing of the sale of the Purchased Assets in immediately available funds to the parties and in the amounts set forth in paragraph 8 of this Sale Order.

X. Nothing in this Sale Order or the APA shall prejudice any rights, defenses, objections or counterclaims that the Debtors, the Purchaser, the DIP Lender, the Secured Lenders, the Committee or any other party in interest may have with respect to the validity or priority of asserted liens or rights, or the type (or amount), if any, of required adequate protection.

Y. Except as otherwise expressly provided in this Sale Order, those holders of Encumbrances against the Debtors, their estates or any of the Footwear Assets who did not object, or who withdrew their objections, to the Sale or the Sale Motion are deemed to have

consented to the sale of the Footwear Assets pursuant to section 363(f)(2) of the Bankruptcy Code.

**Assumption and Assignment of the Assigned Contracts**

Z. The assumption and assignment of the Assigned Contracts pursuant to the terms of this Sale Order is integral to the APA and is in the best interests of the Debtors and their estates, creditors and other parties in interest, and represents the reasonable exercise of sound and prudent business judgment by the Debtors.

AA. The respective amounts set forth on Exhibit 2 attached hereto are the sole amounts necessary under sections 365(b)(1)(A) and (B) and 365(f)(2)(A) of the Bankruptcy Code to cure all monetary defaults and pay all actual pecuniary losses under the Assigned Contracts (the "Cure Amounts").

BB. Except as set forth herein, the Debtors have (directly or through Purchaser): (i) cured and/or provided adequate assurance of cure of any default existing prior to the Closing Date under any of the Assigned Contracts, within the meaning of section 365(b)(1)(A) of the Bankruptcy Code; and (ii) provided compensation or adequate assurance of compensation to any party for actual pecuniary loss to such party resulting from a default prior to the Closing Date under any of the Assigned Contracts, within the meaning of section 365(b)(1)(B) of the Bankruptcy Code.

CC. The Purchaser has provided adequate assurance of its future performance under the Assigned Contracts within the meaning of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code.

**Compelling Circumstances for an Immediate Sale**

DD. To maximize the value of the Footwear Assets and preserve the viability of the business to which the Footwear Assets relate, it is essential that the Sale of the Footwear Assets

occur within the time constraints set forth in the APA. Time is of the essence in consummating the Sale.

EE. Given all of the circumstances of these chapter 11 cases and adequacy and fair value of the purchase price under the APA, the proposed Sale of the Footwear Assets to Purchaser constitutes a reasonable and sound exercise of the Debtors' business judgment and should be approved.

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

**General Provisions**

1. The relief requested in the Sale Motion is granted and approved, and the Sale contemplated thereby and by the APA is approved as set forth in APA and this Sale Order.

2. This Court's findings of fact and conclusions of law, set forth in the Sale Procedures Order, are incorporated herein by reference.

3. All objections to the Motion or relief requested therein that have not been withdrawn, waived, or settled as set forth in this Sale Order, announced to this Court at the Sale Hearing or by stipulation filed with this Court, and all reservations of rights included therein, are hereby overruled on the merits or the interests of such objections have been otherwise satisfied or adequately provided for.

**Approval of the APA**

4. The APA and all other ancillary documents, and all of the terms and conditions thereof, are hereby approved.

5. Pursuant to sections 105 and 363(b) of the Bankruptcy Code, the Debtors are authorized and directed to take any and all actions necessary or appropriate to (i) consummate

the Sale of the Footwear Assets to the Purchaser pursuant to and in accordance with the terms and conditions of the APA, (ii) close the Sale as contemplated in the APA and this Sale Order, and (iii) execute and deliver, perform under, consummate, implement and close fully the APA, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the APA and the Sale, including any other ancillary documents, or as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by the APA and such other ancillary documents.

6. This Sale Order shall be binding in all respects upon the Debtors, their estates, all creditors of (whether known or unknown), and holders of equity interests in the Debtors, any holders of Encumbrances against or on all or any portion of the Footwear Assets, all counterparties to the Assigned Contracts, the Purchaser and all successors and assigns of the Purchaser. This Sale Order and the APA shall inure to the benefit of the Debtors, their estates, their creditors, the Purchaser and their respective successors and assigns.

#### Transfer of the Footwear Assets

7. Pursuant to sections 105(a), 363(b), 363(f), and 365 of the Bankruptcy Code, the Debtors are authorized to transfer the Footwear Assets on the Closing Date. Upon the closing, the Purchaser shall take title to and possession of the Footwear Assets subject only to the Permitted Liens and Assumed Obligations, and such transfer shall constitute a legal, valid, binding and effective transfer of such Footwear Assets and, upon the Debtors' receipt of the purchase price (as finally determined under Section 3.5(b) of the APA), shall be free and clear of all Encumbrances except any Permitted Liens and Assumed Obligations under the APA. Encumbrances shall attach to the proceeds of the sale of the Footwear Assets net of seller closing costs as provided in the APA ("Net Sale Proceeds") according to their relative priorities.

8. In connection with the transfer of the Footwear Assets to the Purchaser (a) the Debtors are authorized and directed to execute, deliver and perform their obligations under the APA and to cause immediately upon consummation of such transfer of the Footwear Assets, Net Sale Proceeds to be disbursed in immediately available funds as follows: (i) \$125,000 for IBM Credit LLC ("IBM") to satisfy liens or other interests in the equipment subject to that certain Equipment Term Lease dated September 23, 2013 to be held in escrow by the Debtors' until further order of the Court (the "IBM Escrow Account"); (ii) \$205,563.73 to Wells Fargo Equipment Finance, Inc. ("WFEFI") in satisfaction of its liens in the equipment described in the Amended and Restated Security Agreement dated as of June 12, 2012; (iii) \$290,000.00 to be held in escrow by the Debtors (the "Quarantined Inventory Escrow Account") as security and collateral for the Department of Defense to ensure the minimum recovery of \$290,000.00 on the sale of the Quarantined Inventory (described on Schedule 1.1(d) of the APA) as more fully set forth in the order approving the Debtors' debtor-in-possession financing (the "Final DIP Order") and subject to the terms and conditions contained therein, which are incorporated herein by reference; (iv) all amounts owing under the DIP Facility as of the Closing Date to Wells Fargo as DIP Lender to pay the amounts owing under the DIP Facility; (v) \$69,000 to be held in escrow by the Debtors pursuant to Section 3.5(a) of the APA (the "Capps Bailee Equipment Escrow Account") and (vi) all remaining Net Sale Proceeds (including any funds in the IBM Escrow Account in excess of the amount agreed or determined to be owed to IBM, including any funds in the Quarantined Inventory Escrow Account in excess of the amount payable to the Department of Defense from the Quarantined Inventory Escrow Account pursuant to the Final DIP Order, and including all funds in the Capps Bailee Equipment Escrow Account if and when payable to the Debtors pursuant to Section 3.5(a) of the APA) to Wells Fargo as Prepetition Senior Secured

Lender for provisional application to the obligations owed to Wells Fargo under the Prepetition Senior Secured Credit Facility.

9. Except as expressly permitted or otherwise specifically provided by the APA or this Sale Order, all persons and entities holding claims against the Debtors or Encumbrances or interests in the Footwear Assets (other than Permitted Liens and the Assumed Obligations) arising under or out of, in connection with, or in any way relating to the Debtor, the Footwear Assets, or the transfer of the Footwear Assets to the Purchaser, hereby are forever barred, estopped and permanently enjoined from asserting against the Purchaser or its successors or assigns, their property or the Footwear Assets, such persons' or entities' interests in and to the Footwear Assets. On the Closing Date, each creditor is directed to execute such documents and take all other actions as may be necessary to release Encumbrances (except Permitted Liens) on the Footwear Assets as provided for herein, as such Encumbrances may have been recorded or may otherwise exist.

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

11. All entities that are in possession of some or all of the Footwear Assets on the Closing Date are directed to surrender possession of such Footwear Assets to the Purchaser or its assignee at the Closing.

12. A certified copy of this Sale Order may be filed with the appropriate clerk and/or recorded with the recorder to act to cancel all liens and other encumbrances of record except the Permitted Liens and Assumed Obligations.

13. If any person or entity that has filed statements or other documents or agreements evidencing Encumbrances on, or interests in, the Footwear Assets shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens, and any other documents necessary for the purpose of documenting the release of all Encumbrances which the person or entity has or may assert with respect to the Footwear Assets, the Debtors and/or the Purchaser are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of such person or entity with respect to the Footwear Assets.

14. This Sale Order is and shall be binding upon and govern the acts of all persons and 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 APA.

#### Assigned Contracts

15. The Debtors are authorized and directed at the Closing, to assume and assign each of the Assigned Contracts to the Purchaser. The payment of the applicable Cure Amounts (if any) by the Purchaser shall (a) effect a cure of all defaults existing thereunder as of the Closing Date, (b) compensate for any actual pecuniary loss to such non-Debtor party resulting from such



default, and (c) together with the assumption of the Assigned Contracts by the Debtors and the assignment of the Assigned Contracts to the Purchaser, constitute adequate assurance of future performance thereof. The Debtors shall then have assumed the Assigned Contracts and, pursuant to section 365(f) of the Bankruptcy Code, the assignment by the Debtors of such Assigned Contracts shall not be a default thereunder. After the payment of the relevant Cure Amounts, neither the Debtors nor the Purchaser shall have any further liabilities to the non-Debtor parties to the Assigned Contracts other than the Purchaser's obligations under the Assigned Contracts that first arise on or after the Closing Date. Notwithstanding the foregoing, (a) any obligations with respect to any Assigned Contract that become due and owing after July 8, 2014 through the Closing Date shall be paid in the ordinary course of the Debtors' business in accordance with invoice and/or payment terms and (b) to the extent that such post-petition obligations have not been satisfied by the Closing Date, these obligations shall be satisfied by the Debtors.

16. Any provisions in any Assigned Contract that prohibits or conditions the assignment of such Assigned Contract or allows the party to such Assigned Contract to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition upon the assignment of such Assigned Agreement, constitute unenforceable anti-assignment provisions that are void and of no force and effect. All other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Debtors, and assignment to the Purchaser of the Assigned Contracts have been or will be satisfied upon payment of the Cure Amounts. Upon the Closing, in accordance with sections 363 and 365 of the Bankruptcy Code, the Purchaser shall be fully and irrevocably vested with all right, title and interest of the Debtors under the Assigned Contracts.

17. Upon the Closing and the payment of the relevant Cure Amounts, if any, the Purchaser shall be deemed to be substituted for the Debtors as a party to the Assigned Contracts and the Debtors shall be relieved, pursuant to section 365(k) of the Bankruptcy Code, from any further liability under the Assigned Contracts.

18. Upon the payment of the applicable Cure Amount, if any, and subject to the terms of the stipulation of the parties to any Assigned Contract filed with the Court, if any, (a) each Assigned Contract shall constitute a valid and existing interest in the property subject to such Assigned Contract, (b) none of the Debtors' rights will have been released or waived under any such Assigned Contracts, (c) the Assigned Contracts will remain in full force and effect, and (d) no default shall exist under the Assigned Contracts nor shall there exist any event or condition which, with the passage of time or giving of notice, or both, would constitute such a default.

19. The Purchaser has provided adequate assurance of its future performance under the relevant Assigned Contracts within the meaning of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code.

20. There shall be no rent accelerations, assignment fees, increases or any other fees charged to the Purchaser or the Debtors as a result of the assumption and assignment of the Assigned Contracts.

21. Except as set forth herein, pursuant to sections 105(a), 363 and 365 of the Bankruptcy Code, all parties to the Assigned Contracts are forever barred and permanently enjoined from raising or asserting against the Debtors or Purchaser any assignment fee, default, breach or claim or pecuniary loss, or condition to assignment, arising under or related to the Assigned Contracts existing as of the Closing Date or arising by reason of the Closing.

**Other Provisions**

22. Effective upon the Closing Date, all persons and entities who have held, hold or may hold any Claim (as defined under section 101(5) of the Bankruptcy Code) are forever prohibited and enjoined from commencing or continuing in any manner any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral or other proceeding against the Purchaser, its successors and assigns, or the Footwear Assets, with respect to any (a) Encumbrances (other than a Permitted Lien) arising under, out of, in connection with or in any way relating to the Debtors, the Purchaser, the Footwear Assets, or the operation of the Footwear Assets prior to the Closing of the Sale, or (b) successor liability, including, without limitation, the following actions: (i) commencing or continuing in any manner any action or other proceeding against the Purchaser, its successors, assets or properties; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against the Purchaser, its successors, assets or properties; (iii) creating, perfecting or enforcing any Encumbrances (other than Permitted Liens) by the Purchaser, its successors, assets or properties; (iv) asserting any setoff, right of subrogation or recoupment of any kind against any obligation due the Purchaser or its successors; (v) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Sale Order or other orders of the Court, or the agreements or actions contemplated or taken in respect thereof; or (vi) revoking, terminating or failing or refusing to issue or renew any license, permit or authorization to operate any of the Footwear Assets or conduct any of the businesses operated with the Footwear Assets.

23. Except for the Permitted Liens and the Assumed Obligations, the Purchaser shall not have any liability of the Debtors or their estates arising under or related to the Footwear

Assets. Without limiting the generality of the foregoing, the Purchaser shall not be liable for any claims against the Debtors or any of their predecessors or affiliates, and the Purchaser shall have no successor or vicarious liabilities of any kind or character, including, but not limited to, any theory of antitrust, environmental, successor or transferee liability, labor law, de facto merger or substantial continuity, whether known or unknown as of the Closing Date, now existing or hereafter arising, whether asserted or unasserted, fixed or contingent, liquidated or unliquidated with respect to the Debtors or any obligations of the Debtors arising prior to the Closing Date, including, but not limited to, liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to the operation of the Footwear Assets prior to the Closing. The consideration provided by the Purchaser in purchasing the Footwear Assets shall constitute valid and valuable consideration for the releases of any potential claims of successor liability of the Purchaser, which releases shall be deemed to have been given in favor of the Purchaser by all holders of claims or Encumbrances against the Debtors or the Footwear Assets (other than Permitted Liens and Assumed Obligations).

24. The transactions contemplated by the APA are undertaken by the Purchaser without collusion and in good faith, as that term is defined 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 (including the assumption and assignment of the Assigned Contracts), unless such authorization and consummation of such Sale are duly stayed pending such appeal. The Purchaser is a good faith buyer within the meaning of section 363(m) of the Bankruptcy Code and, as such, is entitled to the full protections of section 363(m) of the Bankruptcy Code. The Sale of the Footwear Assets to Purchaser is not subject to avoidance pursuant to Section 363(n) of the Bankruptcy Code.

25. Nothing contained in any order of any type or kind entered in (i) these chapter 11 cases or (ii) any related proceeding subsequent to entry of this Sale Order shall conflict with or derogate from the provisions of the APA or the terms of this Sale Order.

26. Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), this Sale Order shall be effective immediately upon entry and the Debtors and the Purchaser are authorized to close the Sale immediately upon entry of this Sale Order and the ten day stay imposed by Bankruptcy Rules 6004(h) and 6006(d) shall be, and hereby are, deemed waived.

27. No bulk sales law or any similar law of any state or other jurisdiction applies in any way to the Sale.

28. No personally "identifiable information" as defined under the Bankruptcy Code, shall be transferred to Purchaser under the Sale.

29. Other than the investment bank for the Debtors', Houlihan Lokey Capital, Inc., there are no other brokers involved in consummating the Sale and no other brokers' commissions are due.

30. The failure specifically to include any particular provision of the APA in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the APA be authorized and approved in its entirety.

31. The APA and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court.

32. This Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the APA, all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection

therewith to which the Debtors are a party or which has been assigned by the Debtors to the Purchaser, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Sale.

33. All time periods set forth in this Sale Order shall be calculated in accordance with Bankruptcy Rule 9006(a).


34. To the extent that this Sale Order is inconsistent with any prior order or pleading with respect to the Sale Motion in this chapter 11 case, the terms of this Sale Order shall govern.

35. To the extent there are any inconsistencies between the terms of this Sale Order and the APA (including all ancillary documents executed in connection therewith), the terms of this Sale Order shall control.

36. Notwithstanding any provision in the Motion, this Sale Order or implementing Sale documents (collectively, "Documents"), any property, including but not limited to intellectual property, licenses, inventions, authorizations, leases, contracts, agreements, or other interests of the federal government (collectively, "Federal Interests") shall be treated, determined, administered and paid in the ordinary course of business as if the Debtors' bankruptcy cases were never filed and the Debtors and the Purchaser shall comply with all applicable non-bankruptcy law, federal regulations and statutes, including but not limited to the Anti-Assignment Act and the Federal Acquisition Regulation. Moreover, without limiting the foregoing, nothing in the Documents shall be interpreted to set cure amounts or to require the government to novate or otherwise consent to the transfer of any Federal Interests. Except as expressly set forth in paragraph 38 of the Final DIP Order, the government's rights to offset or recoup any amounts due under, or relating to, any Federal Interests are expressly preserved. However, except as set forth in the novation agreement for any contract, Purchaser shall not have

any liabilities for the pre-petition conduct of the Debtors (or certain of its officers, directors, <sup>(the "Investigation Liabilities")</sup> employees or agents) which are the subject of ongoing investigations by the federal government and which are Excluded Liabilities under section 2.4 of the APA, and the government will not seek to set off or recoup the Investigation Liabilities against payment obligations for post-Closing shipments of goods to the government.

Date: July 30, 2014



THE HONORABLE KEVIN GROSS  
UNITED STATES BANKRUPTCY JUDGE