

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

In re

FOX ORTEGA ENTERPRISES, INC.,
dba PREMIER CRU,

Debtor.

Case No. 16-40050-WJL

Chapter 7

**NOTICE OF HEARING ON MOTION FOR
ORDERS: (1) AUTHORIZING SALE, (2)
AUTHORIZING SALE FREE AND CLEAR OF
LIENS OF COMMUNITY BANK OF THE BAY
AND ARF FINANCIAL, LLC, (3) AUTHORIZING
THE TRUSTEE TO MAKE CERTAIN PAYMENTS
RELATED TO REDEEMED BOTTLES**

Date: August 30, 2016

Time: 10:00 a.m.

Place: Courtroom 220
1300 Clay Street
Oakland, CA

Judge: Hon. William J. Lafferty, III

TO: OFFICE OF THE U.S. TRUSTEE, THE DEBTOR, CREDITORS AND INTERESTED PARTIES:

PLEASE TAKE NOTICE that Michael G. Kasolas, the duly appointed Chapter 7 trustee of the above-captioned bankruptcy estate ("Trustee"), hereby gives notice of motion to sell all of the wine in the above-captioned debtor's warehouse to Spectrum Wine Auction, LLC ("SWA") in two lots, subject to overbid, pursuant to the terms set forth in the motion. The Trustee seeks approval of the sale to SWA as a good faith purchaser, and asks the Court to waive Bankruptcy Rule 6004(h). The Trustee also seeks approval of the sale free and clear of the liens of Community Bank of the Bay and ARF Financial, LLC, whose liens will transfer to the estate's share of the proceeds to the same extent, validity, and priority that they had at the commencement of the case. The terms of the sale are summarized herein below, and a complete copy of the sale motion and supporting declarations can be obtained by contacting the undersigned or going to the following website: BMCGroup.com/premiercru.

SALE TERMS

The Primary Wine Bottles: 73,785 bottles
Price: \$3,200,000
Breakup fee: \$50,000
Deposit: \$150,000
Initial Required Overbid: \$100,000
Overbid Required Deposit: \$250,000
Subsequent Minimum Overbid Increments: \$25,000

Unfettered Bottles: 5007 bottles
Price: \$126,000
Breakup fee: \$5,000
Deposit: \$10,000
Initial Required Overbid Price: \$10,000
Overbid Required Deposit: \$20,000
Subsequent Minimum Overbid Increments: \$5,000

Best Interest of Creditors

This sale is in the best interests of creditors because the sale price is the highest and best price that the Trustee could obtain under the terms offered and for the reasons stated in the motion. The all-cash offer does not involve a broker's commission. The Trustee will share the proceeds of the sale with the Class Action pursuant to the terms of that Stipulation for Settlement dated May 23, 2016, that was approved by the Court from the bench on July 27, 2016, written order pending as of this date.

Overbid Procedure

As set forth above the sales are subject to overbid. A complete copy of the overbid procedures are set forth in the motion, listed on the website stated above, or can be obtained from the undersigned.

NOTICE IS FURTHER GIVEN that the hearing on this matter has been set for August 30, 10:00 am at 1300 Clay Street, Oakland, California, Courtroom 220.

Any objection must be filed and served upon the initiating party within 21 days of mailing this notice; (i) any objection must be accompanied by any declarations or memoranda of law any requesting party wishes to present in support of its position; and (ii) if there is no timely objection to the requested relief the Court may enter an order granting the relief by default.

FURTHER NOTICE IS GIVEN that the Trustee will ask the Court to waive the fourteen (14) day stay set forth in Bankruptcy Rule 6004(h) to allow the sale to close as soon as possible.

FURTHER NOTICE IS GIVEN that the Trustee will ask the Court to approve SWA as a good faith buyer.

FURTHER NOTICE IS GIVEN that the Trustee will ask the Court to approve the sale free and clear of the liens of Community Bank of the Bay and ARF Financial, LLC with their liens to transfer to the estate's share of the sale proceeds to the same extent, validity, and priority that they had at the commencement of this case.

Any party interested in obtaining copies of the motion, supporting pleadings or a copy of the sale agreement may contact the undersigned or may obtain a copy from the website set forth above. A complete list of the wines being sold are attached to the declaration of Michael Kasolas and can be found on the website stated above.

WENDEL, ROSEN, BLACK & DEAN LLP

Dated: July 29, 2016

By /s/ Tracy Green
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