

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION**

In re:)	
)	Chapter 11
ORECK CORPORATION, et al)	Case No. 13-04006
)	
565 Marriott Dr., Suite 300)	Judge Lundin
Nashville, TN 37214)	(Jointly Administered)
)	
Debtors.)	

**ORDER APPROVING ASSUMPTION AND ASSIGNMENT OF
CERTAIN CONSENSUAL UNEXPIRED LEASES TO ORECK ACQUISITION
HOLDINGS LLC**

This is before the Court upon the Second Notice Of Consensual Assumption And Assignment Of Certain Unexpired Leases To Oreck Acquisition Holdings LLC (the “Consensual Assignment”)¹ of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”) pursuant to section 365 of the Bankruptcy Code, authorizing the Debtors to assume and assign the TO Leases² to OAH and granting such other and further relief as is just and proper; and the Court having reviewed the Assignment Notice; and the Court having found that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (c) venue of this proceeding and the Consensual Assignment in this district are proper pursuant to

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

² Each of the TO Leases and its cure amount, if any, are listed on Exhibit 1 hereto. If a landlord has agreed to a lease modification and entered into an LMA with OAH, the existence of the LMA is also indicated on Exhibit 1 hereto. The Debtors, Royal and OAH reserve the right to amend the list of TO Leases, including without limitation removing any of the TO Leases listed on Exhibit 1, prior to the Court entering an order on the Consensual Assignment.

28 U.S.C. §§ 1408 and 1409; (d) each of the TO Leases is an “Additional Contract” as defined in the Royal APA; (e) the Debtors have demonstrated and provided evidence of adequate assurance of future performance by OAH under the TO Leases; (f) the relief requested in the Consensual Assignment is a valid exercise of the Debtors’ business judgment and is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; (g) the Debtors provided appropriate notice of the Consensual Assignment; and the Court having determined that the legal and factual bases set forth in the Assignment Notice and the record of these cases establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Consensual Assignment is GRANTED.
2. The Debtors are authorized, but not directed or required, to assume the TO Leases and simultaneously assign the TO Leases and all of their rights and obligations thereunder to OAH, free and clear of any and all interests, liens, claims and encumbrances.
3. Upon assignment of the TO Leases to OAH, the TO Leases shall be (i) (a) deemed to be listed on Schedule 5.6 of the Royal APA, and (b) Assigned Agreements for all purposes under the Royal APA, and (ii) OAH is deemed to have assumed those obligations of the Debtors that arise and become due and payable under the TO Leases after the assignment of the TO Leases to OAH.
4. The assignment of the TO Leases by the Debtors to OAH shall constitute a legal, valid, and effective transfer of the TO Leases and all rights of the Debtors’ rights and obligations thereunder to OAH notwithstanding any requirement for approval or consent by any person, and, except as otherwise provided herein, vest OAH with all rights of the Debtors to exercise and enforce all of the rights and remedies under the TO Leases free and clear of all interests, liens, claims, and encumbrances.

5. The Cure Amounts for each of the TO Leases are as set forth on Exhibit 1 hereto. Within five (5) business days of the assignment of the TO Leases to OAH (or at such later time as provided in the applicable LMA, if any), OAH will pay the Cure Amount to the counterparty to each of the TO Leases. Upon payment of the applicable Cure Amount for a TO Lease, except as otherwise provided herein, counterparties to the TO Leases are hereby barred and permanently enjoined from asserting against the Debtors, Royal or OAH, any default, claim, or liability existing, accrued, arising, or relating to the TO Leases for the period prior to the entry of this Order.

6. To the extent a TO Lease is listed on Exhibit 1 hereto as being modified by an LMA between OAH and the landlord, the LMA shall be in full force and effect and the Debtors' rights under that lease shall be transferred to OAH as modified by the terms of the LMA.

7. Notwithstanding anything else herein to the contrary, (i) upon assignment of the TO Leases to OAH, OAH shall pay all accrued charges, payments, and the like arising under or pursuant to the TO Leases, including but not limited to fees, charges, adjustments, or reconciliations for taxes, insurance, CAM, and other charges, whether billed or unbilled, due or not due (each a "True-Up Charge") regardless of whether such True-Up Charge relates to a period of time prior to the assignment of such TO Leases, in the ordinary course as and when such True-Up Charge becomes due and payable,³ and (ii) if following the assignment of the TO Leases to OAH, any claims against the landlords under the TO Leases arise that relate to the pre-assignment period and for which the Debtors were obligated to hold harmless, defend and/or indemnify the landlords, the landlords shall be allowed to pursue any

³ If OAH disputes any alleged True-Up Charge and the parties are unable to come to an agreement regarding the amount actually owed, the dispute may be adjudicated by the Bankruptcy Court or any other court of competent jurisdiction.

applicable policy of insurance of the Debtors issued by a third-party insurance company with respect to such claims against the landlords, and may take any such steps as the landlords deem necessary or appropriate, including without limitation the assertion and filing of claims against the Debtors, to pursue and obtain recovery from such third party insurance company.

8. The Debtors have demonstrated adequate assurance of future performance and have satisfied the requirements set forth in section 365 of the Bankruptcy Code with respect to the TO Leases. There shall be no accelerations, assignment fees, increases or any other fees charged to OAH, Royal or the Debtors as a result of the assumption and assignment of the TO Leases. Except for the guaranty by OFCC, notwithstanding section 365(l) of the Bankruptcy Code, the landlords under the TO Leases may not require and neither OAH nor any other party shall have any obligation to provide any deposit, letter of credit, guarantee, or other security for the performance of OAH's obligations under the TO Leases.

9. Any provisions in the TO Leases that prohibit or condition the assignment of the TO Leases or allow any party to terminate, declare a breach or default, impose any penalty, condition any renewal or extension, or modify any term of condition of the TO Leases as a result of the Debtors' bankruptcy cases and/or the assignment of the TO Leases constitute unenforceable anti-assignment provisions that are void and of no force and effect as against the Debtors and OAH in connection with the assumption and assignment of the TO Leases to OAH in these bankruptcy cases.

10. The Debtors, Royal and OAH are authorized and empowered to take all actions necessary or desireable, including execution of any documents or agreements, to implement or evidence the relief granted in this Order.

11. This Order shall be effective immediately upon entry on the Court's docket and shall not be stayed by any provisions of the Bankruptcy Code, Bankruptcy Rules and/or local

rules of this Court, including without limitation Bankruptcy Rule 6006.

12. The provisions of this Order authorizing the Debtors' simultaneous assumption and assignment of the TO Leases to OAH shall be self-executing, and neither the Debtors nor OAH shall be required to execute or file assignments, consents or other instruments or agreements in order to evidence, effectuate, consummate and/or implement provisions of this Order. Each and every federal, state, local and/or foreign governmental agency or department is hereby authorized to accept any and all documents, instruments and/or agreements necessary, appropriate and/or desirable to evidence, effect, consummate, and/or implement the transactions contemplated by this Order. A certified copy of this Order may be filed with the appropriate clerk and/or recorded with the recorder to act to evidence, effectuate, consummate, and/or implement to the extent necessary or desirable the provisions of this Order.

13. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

**This Order Was Signed And Entered
Electronically As Indicated At The Top Of The
First Page**

APPROVED FOR ENTRY:

/s/ William L. Norton III
William L. Norton III (No. 10075)
Alexandra E. Dugan (No. 30420)
BRADLEY ARANT BOULT CUMMINGS LLP
1600 Division Street, Suite 700
P.O. Box 340025
Nashville, Tennessee 37203
(615) 252-2397
bnorton@babco.com
adugan@babco.com

Attorneys for Debtors

and

AGREED AS TO FORM:

/s/ Robert J. Welhoelter

Robert J. Welhoelter (TN BPR #24203)

ROBERT J. WELHOELTER, ATTY AT LAW

4525 Harding Pike, Suite 105

Nashville, Tennessee 37205

Telephone: (615) 620-4343

Facsimile: (615) 620-4581

rjwelho@gmail.com

and

KELLEY DRYE & WARREN LLP

Bruce R. Kraus, Esq. * *admitted pro hac vice*

Benjamin D. Feder, Esq. * *admitted pro hac vice*

Gilbert R. Saydah Jr., Esq. * *admitted pro hac vice*

101 Park Avenue

New York, New York 10178

Tel: 212-808-7800

Fax: 212-808-7897

E-mail: KDWBankruptcyDepartment@kelleydrye.com

Attorneys for Royal Appliance Manufacturing Company and Hoover Inc.

EXHIBIT 1 TO ASSIGNMENT ORDER

TO LEASES¹

Store No.	Counterparty	Description of Leased Premises	Cure Amount	Consensual?	LMA Executed?
23	Ridge Square Properties Elliot Wolson 11665 26th Avenue North Plymouth, MN 55441	Ridge Square Shopping Center 12925 & 12929 Ridgedale Dr. Minnetonka, MN 55305	\$0	Yes	Yes
45	SSC Associates Limited Partnership c/o Professional Property Management Company of Michigan, Inc. 2900 West Maple Suite 321 Troy, MI 48084	Shores Shopping Center 31019 Harper St. Clair Shores, MI 48082	\$4,071.73	Yes	Yes
46	The Corners Center, LLC c/o Laurencelle Properties, Inc. Charles J. Laurencelle, President 17400 W 13 Mile Road Beverly Hills, MI 48025	The Corners Shopping Center 17682 W. Thirteen Mile Rd Beverly Hills, MI 48025	\$0	Yes	Yes
136	The Shoppes at Flowers Mill, LP John McGrath, Jr./Kathleen Dienna 1262 Wood Lane Suite 103 or 207	The Shoppes at Flowers Mill 112 N. Flowers Mill Road Unit #3 Langhorne PA 19047	\$0	Yes	Yes

¹ The Debtors, Royal and OAH reserve the right to amend this exhibit, including without limitation removing any or all of the agreements listed above, prior to entry of this Order by the Court.

	Langhorne, PA 19407				
161	Chicago Title & Trust Company as Trustee Under Trust #49177 Attention: Dona M Ragan Westlake Plaza Management PO Box 361 Winnetka, IL 60093	West Lake Shopping Center 3207 Lake Ave Unit 11-12A Wilmette, IL 60091	\$0	Yes	Yes
172	TCPF Limited Partnership c/o Commerce Group Martin E O'Boyle 1280 West Newport Center Drive Deerfield Beach, FL 33442	1185 East Pittsburgh Street Hempfield Township, PA 15601	\$4,193.59	Yes	Yes
218	East Bridge, LLC Attn: Phil Dean 330 Spring Creek Road Rockford, IL 61107	East Bridge Center 845 South Perryville Road Rockford, IL	\$13,204.98	Yes	Yes