

Hearing Date:
April 28, 2005 at 10:30 a.m.
Objection Deadline:
April 25, 2005 at 4:00 p.m.
PORTLAND

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

_____) Chapter 11
In re:)
) Case No. 04-20878
PEGASUS SATELLITE TELEVISION, INC., et al.,)
) (Jointly Administered)
Debtors.)
_____)

**MOTION OF DEBTORS FOR ORDER (i) AUTHORIZING THE DEBTORS TO
ABANDON CERTAIN PROPERTY PURSUANT TO 11 U.S.C. § 554(a) AND (ii)
AUTHORIZING THE DEBTORS TO SELL CERTAIN *DE MINIMIS* ASSETS OUTSIDE
THE ORDINARY COURSE OF BUSINESS FREE AND CLEAR OF LIENS, CLAIMS,
INTERESTS AND ENCUMBRANCES PURSUANT TO 11 U.S.C. §§ 105 AND 363**

Pegasus Satellite Television, Inc. and its subsidiaries and certain of its affiliates,
each a debtor and debtor-in-possession herein (collectively, the “Debtors”),¹ hereby file this
motion (the “Motion”) requesting that this Court enter an order authorizing the Debtors to (i)
abandon certain personal property pursuant to section 554(a) of title 11 of the United States Code
(the “Bankruptcy Code”); and (ii) sell certain *de minimis* assets outside the ordinary course of
business free and clear of liens, claims, interests and encumbrances pursuant to sections 105 and
363 of the Bankruptcy Code. In further support of the Motion, the Debtors respectfully state as
follows:

¹ The Debtors are: Argos Support Services Company, Bride Communications, Inc., B.T. Satellite, Inc., Carr
Rural TV, Inc., DBS Tele-Venture, Inc., Digital Television Services of Indiana, LLC, DTS Management, LLC,
Golden Sky DBS, Inc., Golden Sky Holdings, Inc., Golden Sky Systems, Inc., Henry County MRTV, Inc., HMW,

STATUS OF THE CASE AND JURISDICTION

1. On June 2, 2004 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under the Bankruptcy Code, and motions or applications seeking certain typical "first day" orders, including an order to have these cases jointly administered.
2. The Debtors have continued in possession of their respective properties and have continued to operate their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.
3. No request has been made for the appointment of a trustee or examiner. On June 10, 2004, the United States Trustee appointed an official committee of unsecured creditors pursuant to section 1102(a) of the Bankruptcy Code (the "Creditors Committee").
4. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are section 105, 363, and 554(a) of the Bankruptcy Code, Federal Rule of Bankruptcy Procedure 6007, and D. Me. LBR 6007-1.

Inc., Pegasus Broadcast Associates, L.P., Pegasus Broadcast Television, Inc., Pegasus Broadcast Towers, Inc., Pegasus Media & Communications, Inc., Pegasus Satellite Communications, Inc., Pegasus Satellite Television of Illinois, Inc., Pegasus Satellite Television, Inc., Portland Broadcasting, Inc., Primewatch, Inc., PST Holdings, Inc., South Plains DBS, LP., Telecast of Florida, Inc., WDSI License Corp., WILF, Inc., WOLF License Corp., and WTLH License Corp.

BACKGROUND OF THE DEBTORS

5. As of the Petition Date, the Debtors' principal operating business was their direct broadcast satellite ("DBS") business. At that time, the Debtors were the largest independent distributor of DIRECTV ® DBS services with approximately 1.1 million subscribers and the exclusive right to distribute certain DIRECTV services to approximately 8.4 million rural households in certain territories within 41 states.

6. On August 26, 2004, this Court entered an order (the "Global Settlement Order") authorizing and approving the Global Settlement Agreement (as defined in the Global Settlement Order) and the agreements executed in connection therewith (the "Global Settlement"). As an integral component of the Global Settlement, the Court authorized the Debtors to (i) sell, transfer and convey to DIRECTV substantially all of the assets that comprise the Debtors' DBS business as provided in the Asset Purchase Agreement (as defined in the Global Settlement Order) free and clear of all liens, claims, encumbrances and other interests (other than "Permitted Exceptions"), pursuant to sections 363(b) and 363(f) of the Bankruptcy Code and (ii) assist in the transitioning of their DBS business to DIRECTV in accordance with the terms of the Cooperation Agreement (as defined in the Global Settlement Order). The closing of the Asset Purchase Agreement occurred on August 27, 2004 (the "Closing"). Details regarding all such transactions (collectively the "Global Settlement Transactions") are provided in the Global Settlement Order, the exhibits thereto and the Debtors' motion seeking entry of the Global Settlement Order.

7. As part of the Debtors' restructuring strategy, on November 11, 2004, this Court entered that certain Order Pursuant to 11 U.S.C. §§ 105, 327(a), 328(a), 363(b), and 363(f) Authorizing the Debtors to (I) Employ Garcel, Inc., d/b/a the Great American Group ("Great

American”) as a Liquidation and Auction Consultant and (II) Sell Certain Assets Outside of the Ordinary Course of Business (the “Great American Order”), which among other things, authorized the Debtors to employ Great American to conduct an auction of certain personal property of the Debtors, as defined in that certain Consulting Agreement between Great American and Pegasus Satellite Television, Inc., dated November 5, 2004 (the “Available Property”).

8. Pursuant to the Great American Order, Great American conducted auctions with respect to the Available Property (the “Auctions”). However, certain personal property of the Debtors, which was offered for sale but not purchased at the Auctions, remains in the Debtors’ possession (the “Remaining Available Property”). The Remaining Available Property, includes, among other things: (i) the Debtors’ tradeshow items that were previously utilized by the Debtors in their DBS business, which include, among other things, various pieces of electronic equipment, silk floral arrangements, mission statements, various framed photos, various signs and various pieces of furniture, which are currently stored at a storage facility in Las Vegas (the “Tradeshow Items”), (ii) that certain 1997 Dodge Intrepid, VIN 2B3HD46FXVH702051, currently located in Cincinnati, Ohio (the “Intrepid”), (iii) that certain 1999 Ford Ecoline E150 Cargo Van, VIN 1FTRE142XXHC19800, currently located in Summerdale, Alabama (the “Cargo Van”), and (iv) that certain 1993 Custom cargo trailer, VIN KS112790, currently located in San Antonio, Texas (the “Trailer”).

RELIEF REQUESTED

A. Abandonment

9. The Debtors retain ownership of the Tradeshow Items and the Intrepid, which were offered for sale but not sold. The Debtors have determined that such personal property is of inconsequential value and/or burdensome to their estates. Therefore, by this Motion, the Debtors hereby seek to abandon the Tradeshow Items and the Intrepid free and clear of any liens, claims and encumbrances.

10. With respect to the Tradeshow Items, the Debtors believe that the proposed abandonment procedures herein provide an efficient process for disposing of the Debtors' Tradeshow Items. The Debtors submit that the proposed abandonment procedures are in the best interests of the Debtors' estates because costs associated with storing such Tradeshow Items or continuing to market such Tradeshow Items outweigh any value that may be attributed to the Tradeshow Items. Therefore, approval to abandon such property pursuant to section 554(a) of the Bankruptcy Code will benefit the Debtors and their estates.

11. Accordingly, the Debtors seek authority to abandon the Tradeshow Items to Czarnowski Exhibit Service, a warehouse company that has agreed to take charge of the Tradeshow Items and dispose of any Tradeshow Items located at that certain storage facility in Las Vegas (the "Las Vegas Facility"). Czarnowski Exhibit Service has estimated it will cost approximately \$1,728.00 to take charge of and dispose of, as needed, the Tradeshow Items currently stored at the Las Vegas Facility. By abandoning the Tradeshow Items as of the date of the entry of an order granting this Motion, the Debtors will save approximately \$3,600.00 per quarter in storage fees that they otherwise would have incurred and which are currently being incurred each quarter to store the Tradeshow Items.

12. In addition, with respect to the Intrepid, the Debtors believe that the proposed abandonment procedures herein provide an efficient process for disposing of the Intrepid. The Debtors submit that the proposed abandonment procedures are in the best interests of the Debtors' estates because any costs associated with maintaining the Intrepid or continuing to market the Intrepid would outweigh any value that may be attributed to the Intrepid. The Intrepid was previously utilized by the Debtors in their former DBS business. As the Intrepid is located in an area where the Debtors no longer have operations or personnel, the Debtors will save money by abandoning the Intrepid rather than continuing to be financially responsible for the Intrepid. Therefore, approval to abandon such property pursuant to section 554(a) of the Bankruptcy Code and approval to transfer the title of the Intrepid as outlined below will benefit the Debtors and their estates.

13. Accordingly, the Debtors seek authority to abandon the Intrepid and transfer title to Ed Hautman, a former employee of the Debtors. The Intrepid has approximately 123,000 miles on it and is in need of repairs. The Intrepid is currently in Mr. Hautman's possession, and he has agreed to waive any past due storage fees as well as costs or expenses incurred by him to remove and/or dispose of the Intrepid that is to be abandoned to him pursuant to this Motion. In addition, by this Motion, Mr. Hautman shall have no claim against any of the Debtors or their respective estates for any costs or expenses related to the removal or disposal of the Intrepid.

B. Sale

14. Moreover, the Debtors retain ownership of the Cargo Van and Trailer, which were offered for sale but not sold at the Auctions. The Debtors, through their own efforts, have found certain buyers, as described below, who have agreed to purchase the Cargo Van and

Trailer. Therefore, by this Motion, the Debtors hereby seek to sell the Cargo Van and Trailer outside the ordinary course of business free and clear of any liens, claims and encumbrances to the buyers described below.

15. The Debtors believe that the proposed sales described herein provide an efficient process for disposing of the Trailer and Cargo Van. Both the Cargo Van and the Trailer are of *de minimis* value. Accordingly, the Debtors submit that the proposed sales are in the best interests of the Debtors' estates because the costs associated with maintaining the Trailer and Cargo Van or continuing to market the Trailer and Cargo Van outweigh any value that might be obtained through continued marketing of the Trailer and Cargo Van. Therefore, approval to sell the Cargo Van and Trailer pursuant to the sales as outlined below pursuant to sections 105 and 363 of the Bankruptcy Code will benefit the Debtors and their estates.

16. Accordingly, the Debtors seek authority to sell the Cargo Van to Daryl Walton, a former Pegasus dealer located in Summerdale, Alabama, free and clear of any liens, claims and encumbrances for \$3,000. The Cargo Van is currently in Daryl Walton's possession, and he has agreed to waive any past due storage fees as well as costs or expenses incurred by him to take title to such Cargo Van. In addition, by this Motion, Daryl Walton shall have no claim against any of the Debtors or their respective estates for any costs or expenses related to the sale of the Cargo Van.

17. The Debtors also seek authority to sell the Trailer to Pegasus Broadband, Communications, LLC, free and clear of any liens, claims and encumbrances for \$500.00. Pegasus Broadband Communications, LLC has agreed to pay any past due storage fees to the storage facility, S&R Boat & RV Storage, in San Antonio, Texas, where the Trailer is currently

located, as well as costs or expenses incurred by it to transfer title of the Trailer that is to be sold to it pursuant to this Motion. In addition, by this Motion, Pegasus Broadband Communications, LLC shall have no claim against any of the Debtors or their respective estates for any costs or expenses related to the sale of the Trailer.

BASIS FOR RELIEF

18. With respect to the request of authority to abandon the Tradeshow Items and the Intrepid, section 554(a) of the Bankruptcy Code provides that a debtor, after notice and a hearing, “may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate.” Moreover, Bankruptcy Code section 105(a) allows this Court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of the [Bankruptcy Code].” The Debtors submit that, consistent with section 554(a) of the Bankruptcy Code, and in the exercise of the Debtors’ sound business judgment, the Tradeshow Items and the Intrepid, which the Debtors are seeking to abandon, are of inconsequential value and/or burdensome to the estate. The Tradeshow Items include various exhibits currently stored at the Las Vegas Facility and were previously used by the Debtors’ in their former DBS business. Likewise, the Intrepid was previously used by the Debtors’ in their former DBS business and is currently located in areas where the Debtors have no current operations or personnel. See In re Unidigital, Inc., 262 B.R. 283, 287-88 (Bankr. D. Del. 2001) (court approved debtor’s motion seeking authority under section 554(a) of the Bankruptcy Code to abandon property to landlord where property was of inconsequential value).

19. In addition, because the Debtors' estates will no longer be incurring quarterly charges to store the Tradeshow Items at the Las Vegas Facility, the Debtors will save their estates and creditors money that would otherwise have to be expended to continue to store and market the assets that have no value to their estates. Moreover, the Debtors will no longer be responsible for the up-keep of the Intrepid or any storage costs associated therewith.

20. Accordingly, the Debtors request that the Motion be granted and they be authorized to abandon the Tradeshow Items and the Intrepid according to the procedures outlined above. As explained above, and consistent with section 554(a) of the Bankruptcy Code, in the exercise of the Debtors' sound business judgment the Tradeshow Items and the Intrepid that the Debtors seek to abandon were offered but were not sold and are of inconsequential value and/or burdensome to their estates.

21. In addition, with respect to the request of authority to sell the Cargo Van and Trailer outside the ordinary course of business, the Debtors are seeking entry of an order granting the relief requested herein pursuant to sections 105, 363(b), and 363(f) of the Bankruptcy Code. The Court's general equitable powers are codified in section 105(a) of the Bankruptcy Code. Section 105(a) empowers the Court to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a). Accordingly, the Court has the equitable power to order the relief requested in this Motion.

22. Section 363(b)(1) of the Bankruptcy Code provides that the "trustee, after notice and hearing, may use, sell, or lease, other than in the ordinary course of business, property, of the estate." 11 U.S.C. § 363(b)(1). Although stated various ways, courts generally hold that a debtor's decision to enter into a transaction outside of the ordinary course of business is governed by the "business judgment test." 3 Collier on Bankruptcy ¶ 363.01[1][f] (15th ed.

rev. 2003); see also WBQ P'ship v. Virginia (In re WBQ P'ship), 189 B.R. 97, 104 (Bankr. E.D. Va. 1995) (holding that price to be paid in sale of substantially all assets must be “fair and reasonable”); In re Phoenix Steel Corp., 82 B.R. 334, 335-336 (Bankr. D. Del. 1987) (concluding that a sale under Section 363 of the Bankruptcy Code is appropriate when “there is a good reason for completing the sale and the transaction is in good faith”); In re Delaware & Hudson Rwy. Co., 124 B.R. 169, 176 (Bankr. D. Del. 1991) (stating that a sale under section 363 of the Bankruptcy Code is appropriate if there is a “sound business reason for the sale” and the “purchase price is fair and reasonable”).

23. The business judgment rule shields a debtor's management from judicial second-guessing. See In re Johns-Manville Corp., 60 B.R. 612, 615-16 (Bankr. S.D.N.Y. 1986) (“[T]he [Bankruptcy] Code favors the continued operation of a business by a debtor and a presumption of reasonableness attached to a Debtor's management decisions.”). Once the debtor articulates a valid business justification, “[t]he business judgment rule is a presumption that in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action was in the best interest of the company.” In re Integrated Resources, Inc., 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting Smith v Van Gorkom, 488 A.2d 858, 872 (Del. 1985)).

24. Section 363(f)(2) of the Bankruptcy Code provides, in pertinent part, that the Debtor may sell property “...free and clear of any interest in such property to an entity other than the estate, only if...such entity consents...” 11 U.S.C. § 363(f)(1). The absence of an objection by the parties who received notice of this Motion constitutes consent to the relief requested herein. Citicorp Homeowners Services, Inc. v. Elliot (In re Elliot), 94 B.R. 343 (E.D. Pa. 1988).

25. The Debtors, in exercising their sound business judgment, believe that the relief requested herein is warranted. Most importantly, because the Debtors no longer have a DBS business, the Trailer and Cargo Van are no longer needed by the Debtors in the operation of their businesses. These items have not been sold through the Auctions, are located in areas where the Debtors no longer have any operations or personnel, and have no value to the Debtors or their estates. The Debtors believe that the procedures described herein provide an effective, time efficient manner in which to dispose of the Trailer and Cargo Van while maximizing the value of such Assets for the benefit of the Debtors' creditors.

NO PRIOR REQUEST

26. No prior request for the relief sought herein has been made by the Debtors to this or any other Court.

NOTICE

27. Notice of this Motion has been provided to (i) the Office of the United States Trustee for the District of Maine; (ii) counsel to the Committee; and (iii) all parties on the All Notices List as required by (and as defined in) this Court's Order Establishing Case Management Procedures and Hearing Schedule, dated July 9, 2004; (iv) Ed Hautman; (v) Pegasus Broadband Communications, LLC; (vi) Daryl Walton; (vii) S&R Boat & RV Storage; and (viii) Czarnowski Exhibit Service.

WHEREFORE, the Debtors request that the Court enter an order substantially in the form of the proposed order attached hereto authorizing the Debtors to (i) abandon the Tradeshow Items and Intrepid pursuant to the procedures set forth herein; and (ii) sell certain *de*

minimis assets free and clear of liens, claims and encumbrances outside the ordinary course pursuant to the procedures set forth herein and granting such other and further relief as is just and proper under the circumstances.

Dated: Portland, Maine
April 13, 2005

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Attorneys for Debtors and Debtors
in Possession

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

		Chapter 11
In re:		
		Case No. 04-20878
PEGASUS SATELLITE TELEVISION, INC., et al.,		(Jointly Administered)
Debtors.		

ORDER GRANTING MOTION OF DEBTORS FOR ORDER (i) AUTHORIZING THE DEBTORS TO ABANDON CERTAIN PROPERTY PURSUANT TO 11 U.S.C. § 554(a) AND (ii) AUTHORIZING THE DEBTORS TO SELL CERTAIN *DE MINIMIS* ASSETS OUTSIDE THE ORDINARY COURSE OF BUSINESS FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES PURSUANT TO 11 U.S.C. §§ 105 AND 363

Upon the Motion of Debtors for Order (i) Authorizing the Debtors to Abandon Certain Property Pursuant to 11 U.S.C. § 554(a) and (ii) Authorizing the Debtors to Sell Certain De Minimis Assets Outside the Ordinary Course of Business Free and Clear of Liens, Claims, Interests and Encumbrances Pursuant to 11 U.S.C. §§ 105 and 363 (the “Motion”)¹ of Pegasus Satellite Television, Inc. and its subsidiaries and certain of its affiliates, each a debtor and debtor in possession herein (collectively, the “Debtors”)²; and it appearing that the Court has jurisdiction to consider the Motion and the relief requested therein in accordance with 11 U.S.C. §§ 157 and 1334; and it appearing that this matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and this Motion is proper in

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Motion.
² The Debtors are: Argos Support Services Company, Bride Communications, Inc., B.T. Satellite, Inc., Carr Rural TV, Inc., DBS Tele-Venture, Inc., Digital Television Services of Indiana, LLC, DTS Management, LLC, Golden Sky DBS, Inc., Golden Sky Holdings, Inc., Golden Sky Systems, Inc., Henry County MRTV, Inc., HMW, Inc., Pegasus Broadcast Associates, L.P., Pegasus Broadcast Television, Inc., Pegasus Broadcast Towers, Inc., Pegasus Media & Communications, Inc., Pegasus Satellite Communications, Inc., Pegasus Satellite Television of Illinois, Inc., Pegasus Satellite Television, Inc., Portland Broadcasting, Inc., Primewatch, Inc., PST Holdings, Inc., South Plains DBS, LP., Telecast of Florida, Inc., WDSI License Corp., WILF, Inc., WOLF License Corp. and

this District pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been given; and it appearing that the relief requested in the Motion is in the best interest of the Debtors and their estates and creditors; and after due deliberation and sufficient cause appearing therefor, it is hereby:

ORDERED, that the Motion is granted; and it is further

ORDERED, that the Debtors are granted authority to abandon the Tradeshow Items currently stored at the Las Vegas Facility free and clear of all liens, claims, interests or encumbrances of any kind to Czarnowski Exhibit Service for a fee of approximately \$1,728.00; and it is further

ORDERED, that the Debtors are granted authority to abandon the Intrepid free and clear of all liens, claims, interests or encumbrances of any kind to Ed Hautman; and it is further

ORDERED, that the Debtors are authorized to take any and all necessary steps to transfer title of the Intrepid to Ed Hautman; and it is further

ORDERED, that Ed Hautman waives any and all claims for any and all amounts due or that might become due in connection with the storage, removal or disposal of the Intrepid and that any costs or expenses incurred by the Ed Hautman in removing or disposing of the Intrepid shall be entirely the responsibility of the Ed Hautman; and it is further

ORDERED, that the Debtors are granted authority to sell the Cargo Van free and clear of all liens, claims, interests or encumbrances of any kind to Daryl Walton for \$3,000.00; and it is further

ORDERED, that the Debtors are authorized to take any and all necessary steps to transfer title of the Cargo Van to Daryl Walton; and it is further

ORDERED, that the Daryl Walton waives any and all claims for any and all amounts due or that might become due in connection with the storage, removal or disposal of the Cargo Van and that any costs or expenses incurred by the Daryl Walton in removing or disposing of the Cargo Van shall be entirely the responsibility of the Daryl Walton; and it is further

ORDERED, that the Debtors are granted authority to sell the Trailer free and clear of all liens, claims, interests or encumbrances of any kind to Pegasus Broadband Communications, LLC for \$500.00; and it is further

ORDERED, that the Debtors are authorized to take any and all necessary steps to transfer title of the Trailer to Pegasus Broadband Communications, LLC; and it is further

ORDERED, that Pegasus Broadband Communications, LLC waives any and all claims for any and all amounts that are due or that might become due in connection with the storage, removal or disposal of the Trailer and that any costs or expenses incurred by the Pegasus Broadband Communications, LLC in removing or disposing of the Trailer shall be entirely the responsibility of the Pegasus Broadband Communications, LLC; and it is further

ORDERED, that the Court shall retain exclusive jurisdiction to resolve any disputes arising from or relating to the relief sought in relief authorized in this Order.

Dated: _____, 2005

UNITED STATES BANKRUPTCY JUDGE

Hearing Date:
April 28, 2005 at 10:30 a.m.
Objection Deadline:
April 25, 2005 at 4:00 p.m.
PORTLAND

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

_____)	
In re:)	Chapter 11
)	
PEGASUS SATELLITE TELEVISION, INC., et al.,)	Case No. 04-20878
)	
Debtors.)	(Jointly Administered)
_____)	

NOTICE OF MOTION OF DEBTORS FOR ORDER (i) AUTHORIZING THE DEBTORS TO ABANDON CERTAIN PROPERTY PURSUANT TO 11 U.S.C. § 554(a) AND (ii) AUTHORIZING THE DEBTORS TO SELL CERTAIN *DE MINIMIS* ASSETS OUTSIDE THE ORDINARY COURSE OF BUSINESS FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES PURSUANT TO 11 U.S.C. §§ 105 AND 363

PLEASE TAKE NOTICE that the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) have today filed the Motion of Debtors for Order (i) Authorizing the Debtors to Abandon Certain Property Pursuant to 11 U.S.C. § 554(a) and (ii) Authorizing the Debtors to Sell Certain De Minimis Assets Outside the Ordinary Course of Business Free and Clear of Liens, Claims, Interests and Encumbrances Pursuant to 11 U.S.C. §§ 105 and 363 (the “Motion”) with the United States Bankruptcy Court for the District of Maine, which seeks the entry of an order authorizing and approving the abandonment and sale of certain personal property as identified in the Motion, a copy of which is attached hereto.

PLEASE TAKE FURTHER NOTICE THAT **any response or objection to the attached Motion must be filed on or before 4:00 p.m. Eastern time on April 25, 2005.** At the same time, you must serve a copy of the response or objection upon (i) counsel for the Debtors (a) Robert J. Keach, Esquire, Bernstein, Shur, Sawyer & Nelson, 100 Middle Street,

P.O. Box 9729, Portland, Maine 04104, (b) Larry J. Nyhan, Esquire, Sidley Austin Brown & Wood LLP, Bank One Plaza, 10 South Dearborn Street, Chicago, Illinois 60603, (c) Guy S. Neal, Esquire, Sidley Austin Brown & Wood LLP, 787 Seventh Avenue, New York, New York 10019; (ii) Akin Gump Strauss Hauer & Feld, LLP, Attn: Philip C. Dublin, 590 Madison Avenue, New York, New York 10022; and (iii) the Office of the United States Trustee for the District of Maine; **so as to be actually received by no later than 4:00 p.m. Eastern time on April 25, 2005.**

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS OR OTHER RESPONSES ARE TIMELY FILED AND SERVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY ENTER THE REQUESTED ORDER WITHOUT FURTHER NOTICE OR HEARING.

PLEASE TAKE FURTHER NOTICE THAT IF OBJECTIONS OR RESPONSES ARE TIMELY FILED AND SERVED IN ACCORDANCE WITH THIS NOTICE, A HEARING ON THE MOTION WILL BE HELD ON **APRIL 28, 2005 AT 10:30 A.M. EASTERN TIME** BEFORE THE HONORABLE JAMES B. HAINES, BANKRUPTCY JUDGE, IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MAINE, 537 CONGRESS STREET, 2ND FLOOR, PORTLAND, MAINE 04101.

Dated: Portland, Maine
April 13, 2005

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