

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
)  
MALIBU LIGHTING CORPORATION, et al.,<sup>1</sup> ) Case No. 15-12080 (KG)  
)  
Debtors. ) (Jointly Administered)

**Objection Deadline: April 11, 2016 at 4:00 p.m. (Eastern time)**  
**Hearing Date: April 18, 2016 at 10:00 a.m. (Eastern time)**

**MOTION OF DEBTOR OUTDOOR DIRECT CORPORATION F/K/A  
THE BRINKMANN CORPORATION FOR ORDER: (A) APPROVING BIDDING  
PROCEDURES FOR THE AUCTION OF DEBTOR’S  
INTELLECTUAL PROPERTY; (B) SCHEDULING AN AUCTION  
AND SALE HEARING; AND (C) GRANTING RELATED RELIEF**

Debtor Outdoor Direct Corporation f/k/a The Brinkmann Corporation (“ODC” or “Seller”), one of the above-captioned debtors and debtors in possession (together, the “Debtors”) herein files this motion (this “Bidding Procedures Motion”) for the entry of an order: (a) approving bidding procedures for the sale of certain of ODC’s intellectual property rights and interests as more fully set forth in that certain *Asset Purchase Agreement* (the “Agreement or APA”) by and between Seller and LightStar Corporation (the “Purchaser”), as described further herein; (b) scheduling an auction and hearing to consider the sale of the subject assets in the Agreement; and (c) granting related relief, including but not limited to approving the form and manner of notices related to the foregoing.

<sup>1</sup> The Debtors, together with the last four digits of each Debtor’s tax identification number, are: Malibu Lighting Corporation (0556); Outdoor Direct Corporation f/k/a The Brinkmann Corporation (9246); National Consumer Outdoors Corporation f/k/a Dallas Manufacturing Company, Inc. (1153); Q-Beam Corporation (1560); Smoke ‘N Pit Corporation (9951); Treasure Sensor Corporation (9938); and Stubbs Collections, Inc. (6615). The location of the Debtors’ headquarters and service address is 4215 McEwen Road, Dallas, TX 75244.



Concurrently herewith, ODC is filing the *Motion of Debtor Outdoor Direct Corporation f/k/a The Brinkmann Corporation for Order (A) Approving Asset Purchase Agreement and Authorizing the Sale of the Seller's Intellectual Property; (B) Authorizing the Sale of Assets Free and Clear of All Liens, Claims, Rights, Encumbrances and Other Interests Pursuant to Bankruptcy Code Sections 105, 363(b), 363(f) and 363(m); and Granting Related Relief* (the "Sale Motion"), which seeks authorization of the sale of the Acquired Intellectual Property assets to (i) LightStar Corporation, a Delaware corporation (the "Stalking Horse" or the "Purchaser"), pursuant to the terms of the Agreement, a copy of which is attached to the Sale Motion as Exhibit A,<sup>2</sup> or alternatively to (ii) the highest or otherwise best bidder for such assets determined in accordance with the proposed bid procedures. As discussed below and in the Sale Motion, the proposed sale is in the best interests of ODC, its estate and creditors.

The Purchaser is a non-debtor affiliate of ODC and is wholly-owned by non-debtor J. Baxter Brinkmann International Corp. ("JBBI"). JBBI also owns 100% of ODC. The sole shareholder of JBBI is Mr. J. Baxter Brinkmann. The Motion does not seek approval of payment of any breakup fee or expense reimbursement. In support of this Bidding Procedures Motion, ODC respectfully states as follows:

### **Jurisdiction and Venue**

1. The United States Bankruptcy Court for the District of Delaware (the "Court") has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of*

---

<sup>2</sup> All capitalized terms not defined herein have the meaning ascribed to them in the Agreement.

*Delaware*, dated February 29, 2012. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Debtors confirm their consent pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”) to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory predicates for the relief sought herein are sections 105, 363, 503, 507, 1107 and 1108 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2002-1(b) and 6004-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”).

### **Background**

4. On October 8, 2015 (the “Petition Date”), the Debtors each filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. No request has been made for the appointment of a trustee or an examiner in these cases. As set forth in a notice dated October 20, 2015, an official committee of unsecured creditors (the “Committee”) was appointed by the Office of the United States Trustee.

6. The factual background regarding the Debtors and their affiliates, including their current and historical business operations and the events precipitating the chapter 11 filing, is set forth in detail in the *Declaration of David M. Baker in Support of First Day Motions* (the “First Day Declaration”) filed on October 8, 2015, which declaration is incorporated herein by reference.

#### **Description of the Assets to Be Sold**

7. ODC seeks to sell its remaining intellectual property rights, including its domestic and foreign trademarks, domain names, domestic and foreign patents described in the Agreement and on Schedule 1.1 thereto (the “Acquired Intellectual Property”).<sup>3</sup> The Acquired Intellectual Property includes, among other assets, the Brinkmann® marks related to ODC’s grilling and cooking business, as well as other products.

8. ODC has determined the Sale of the Acquired Intellectual Property to the Purchaser or other successful bidder at this point in time is in the best interests of ODC’s estate and its creditors. The Acquired Intellectual Property consists primarily of registered trademarks, domain names and patents. ODC has ceased the manufacture and distribution of products and

---

<sup>3</sup> ODC will presently retain the rights to brinkmann.net, which is currently being used by Central Garden & Pet (“CG&P”) pursuant to the terms of the Transition Services Agreement (“TSA”) currently in effect. ODC will agree to transfer brinkmann.net to Purchaser on or before April 1, 2017 (the estimated date that CG&P will no longer need access to brinkmann.net), for no additional consideration, provided, however, that if CGP requires access to brinkmann.net for any longer period, the April 1, 2017 date will be extended for a period not to exceed six months.

services utilizing the Acquired Intellectual Property. Over time, intellectual property assets of this type lose value or are lost if not utilized in commerce.

**Relief Requested**

9. Pursuant to this Bidding Procedures Motion, ODC requests that the Court, among other things:

- (a) approve the Bidding Procedures attached as Annex 1 to the proposed Bidding Procedures Order and summarized herein;
- (b) approve the form and sufficiency of the Auction and Hearing Notice attached as Annex 2 to the proposed Bidding Procedures Order;
- (c) approve the form and sufficiency of the Creditor Notice attached as Annex 3 to the proposed Bidding Procedures Order.

A proposed form of Bidding Procedures Order is attached hereto as **Exhibit A**.

**Proposed Bidding Procedures**

10. The proposed Bidding Procedures are attached to the proposed Bidding Procedures Order as Annex 1. The proposed Bidding Procedures are summarized as follows:<sup>4</sup>

- (a) Qualified Bid. To participate in the bidding process and to have a bid considered by Seller, each potential bidder (a "Potential Bidder") must deliver a written offer or offers satisfying the below criteria. A "Qualified Bidder" is a Potential Bidder that delivers a binding bid that in Seller's sole discretion (after consultation with the Committee, Comerica Bank and Bank of America, N.A. (the "Consultation Parties")) satisfies the following criteria (a "Qualified Bid") and that ODC determines in its sole discretion (after consultation with the Consultation Parties) is reasonably

---

<sup>4</sup> To the extent that there are any inconsistencies between the summary description of the Bidding Procedures contained herein and the Bidding Procedures, the terms of the Bidding Procedures control.

likely to make a bona fide offer upon consideration of any information provided by the Potential Bidder demonstrating, in ODC's discretion, the capability to consummate a sale transaction, should the bidder be a Successful Bidder.

- (b) Bid Deadline. Each bid package must be delivered in written and electronic form (where available) to: (a) Seller's counsel, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19899 (Attn: James O'Neill, [jo'neill@pszjlaw.com](mailto:jo'neill@pszjlaw.com)) and 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067 (Attn: Jeffrey N. Pomerantz, [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)), (b) counsel to the Committee, Lowenstein Sandler LLP, 65 Livingston Ave, Roseland, NJ 07068 (Attn: Sharon L. Levine, [slevine@lowenstein.com](mailto:slevine@lowenstein.com), Kenneth A. Rosen, [krosen@lowenstein.com](mailto:krosen@lowenstein.com), and Eric S. Chafetz, [echafetz@lowenstein.com](mailto:echafetz@lowenstein.com)), (c) counsel to Comerica Bank, Jackson Walker L.L.P., 901 Main Street, Suite 6000, Dallas, TX 75202 (Attn: David Stolle, [dstolle@jw.com](mailto:dstolle@jw.com) and Bruce Ruzinsky, [bruzinsky@jw.com](mailto:bruzinsky@jw.com)), and (d) counsel to Bank of America, N.A., Bryan Cave LLP, Two North Central Ave., Suite 2200, Phoenix, AZ 85004 (Attn: Robert J. Miller, [rjmiller@bryancave.com](mailto:rjmiller@bryancave.com) and Brian Walsh, [byan.walsh@bryancave.com](mailto:byan.walsh@bryancave.com)), so as to actually be received no later than May 5, 2016, at 4:00 p.m. (prevailing Eastern Time) (the "Bid Deadline"); provided, however, ODC in its discretion (after consultation with the Consultation Parties) may extend the Bid Deadline as to any particular submitted bid.
- (c) Bid Package. Each bid must include (collectively, the "Bid Package"): (i) a written and signed irrevocable and binding offer letter stating that (w) the bidder offers to consummate a transaction on terms and conditions no less favorable than those found in the Agreement and in an amount at least equal to the Minimum Bid (as defined below), (x) confirming that the bid will remain irrevocable and binding until five (5) business days following the entry of the Sale Order, (y) that the Bidder has had the opportunity to conduct due diligence prior to its offer and does not require further due diligence, has relied solely upon its own independent review and investigation and did not rely on any written or oral representations except as expressly set forth in the Modified Agreement (defined below), and (z) the Bidder shall, if designated as such in accordance with these procedures, serve as the Backup Bidder (defined below) until the consummation of the transaction pursuant to the Successful Bid; (ii) an executed copy of the Agreement as modified by the Potential Bidder in accordance with its bid ("Modified Agreement"); and (iii) an electronic markup of the Agreement showing the revisions in the Modified Agreement,

along with a clean copy of the Modified Agreement (formatted as a Microsoft Word document). ODC, in consultation with the Consultation Parties, shall determine whether any Modified Agreement that modifies the Agreement in any respect beyond the identity of the purchaser and the purchase price under the Agreement is a Qualified Bid. Further, ODC reserves the right to consider bids for less or more assets than all the Acquired Intellectual Property and to modify these procedures accordingly; provided further, ODC will evaluate bids, in its discretion, subject to consultation with the Consultation Parties, to determine whether such bid or combination of bids maximizes the value of ODC's estate as a whole.

- (d) Minimum Bid. The amount of the purchase price in any bids for the Acquired Intellectual Property must provide for value that is at least (i) \$400,000 in the aggregate, more than the purchase price contained in the Agreement.
- (e) Financial Information. The Bid Package must contain such financial and other information that will allow Seller, in consultation with the Consultation Parties, to make a determination as to the bidder's financial wherewithal and its ability to consummate the transactions contemplated by the Modified Agreement, including evidence of adequate financing and any proposed conditions to closing.
- (f) Additional Bid Protections. The bid must not request or entitle the Potential Bidder to any transaction or break-up fee, expense reimbursement, or similar type of payment, or propose to modify any of the Bidding Procedures.
- (g) Identity of Bidders. Each Potential Bidder must fully disclose the identity of each entity that will be bidding or otherwise participating in connection with such bid, including the names and addresses of any members or individuals with an interest in the entity, and the complete terms of any such participation, as well as disclose the organization form and the business conducted by each entity. Any Potential Bidder shall be required to provide such additional information as ODC may require, subject to input from the Consultation Parties, regarding a Potential Bidder's ability to satisfy the requirements of the applicable regulatory authorities.
- (h) Due Diligence. The bid must not contain any due diligence or financing contingencies of any kind, and must affirmatively acknowledge that the bidder (i) had an opportunity to conduct due diligence prior to making its offer and does not require further due

diligence, (ii) has relied solely upon its own independent review, investigation, and/or inspection of any documents and/or the Acquired Intellectual Property in making its bid, and (iii) did not rely upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law, or otherwise, regarding the Acquired Intellectual Property, or the completeness of any information provided in connection therewith.

- (i) Consents. Each Potential Bidder must represent that it obtained all necessary organizational approvals to make its competing bid and to enter into and perform the Modified Agreement and include evidence of authorization and approval from the Potential Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the Modified Agreement.
  
- (j) Deposit. A Potential Bidder for the Acquired Intellectual Property (other than the Purchaser) must deposit 10% of the purchase price under the Modified Agreement (the "Deposit") with Seller's counsel (the "Deposit Agent") in the form of a certified check or wire transfer by the Bid Deadline. The Potential Bidder shall forfeit the Deposit if (i) the Potential Bidder is determined to be a Qualified Bidder and withdraws or modifies its bid other than as provided herein, (ii) the bidder is the Backup Bidder and withdraws the bid prior to the consummation of the Sale contemplated by the Successful Bid, or (iii) the bidder is the Successful Bidder and (x) withdraws the bid before the consummation of the sale contemplated by the Successful Bid, or (y) breaches the Agreement (or Modified Agreement, as applicable) associated with such bid. The Deposit shall be returned to the Potential Bidder (unless such Potential Bidder has forfeited its Deposit) (i) as soon as practicable if the Potential Bidder is not determined to be a Qualified Bidder; (ii) if the Potential Bidder is determined to not be the Successful Bidder or the Backup Bidder at the Auction, no later than five (5) business days following conclusion of the Auction; or (iii) if the Potential Bidder is determined to be the Backup Bidder, no later than five (5) business days after consummation of the Sale to the Successful Bidder. The Deposit will not be required to be maintained in an interest bearing account, but any interest earned on any Deposit will be remitted to the appropriate Qualified Bidder if the Deposit is returned to the Qualified Bidder pursuant to the above.



11. ODC shall have the right, after consultation with the Consultation Parties, to determine whether a bid is a Qualified Bid and shall notify bidders whether their bids have been determined to be Qualified Bids, as soon as possible, and prior to the Auction. For the avoidance of doubt, the Purchaser is a Qualified Bidder and the Agreement constitutes a Qualified Bid.

12. In the event that Seller timely receives at least one Qualified Bid (other than the Purchaser's Agreement), ODC shall conduct the Auction with respect to the Acquired Intellectual Property. The Auction will take place at the Delaware offices of Pachulski Stang Ziehl & Jones, LLP located at 919 North Market Street, 17<sup>th</sup> Floor, Wilmington, DE 19801, on May 10, 2016 starting at 10:00 a.m. (prevailing Eastern Time). The Auction shall be governed by the following procedures:

- (a) Participation. Qualified Bidders shall be entitled to participate in the Auction, and each Qualified Bidder shall appear in person at the Auction or through a duly authorized representative; provided, however, ODC may determine in its discretion (after consultation with the Consultation Parties) to permit bidders to attend the Auction telephonically or by video conference. At least one day prior to the commencement of the Auction, each Qualified Bidder must confirm in writing that it will participate in this Auction; provided, however, that in the event a Qualified Bidder does not attend the Auction, the relevant Qualified Bid shall nonetheless remain fully enforceable against that Qualified Bidder in accordance herewith. Representatives of, and counsel for the Consultation Parties, and any other party in interest, including members of the Committee, shall be permitted to attend the Auction.
- (b) Anti-Collusion. At the commencement of the Auction, each Qualified Bidder shall be required to confirm that it has not engaged and will not engage in any collusion with any other Qualified Bidder with respect to the bidding or the Sale.

- (c) Conduct of Auction. The Auction will be conducted openly with the proceeding being transcribed and each Qualified Bidder being informed of the terms of the previous bid.
- (d) Bidding. Bidding at the Auction shall commence at the amount of the highest or otherwise best Qualified Bid submitted prior to the Auction; Qualified Bidders for all of the Acquired Intellectual Property may then submit successive bids in increments of \$25,000 (the "Bid Increment"). Successive bids in subsequent bidding rounds may be determined in a different Bid Increment by amounts as determined by ODC, in consultation with the Consultation Parties. Any bid submitted after the conclusion of the Auction shall not be considered for any purpose.
- (e) Successful Bid. If an Auction is conducted, it shall continue until Seller determines in its sole discretion, after consultation with the Consultation Parties, which offer is the highest or otherwise best offer from among the Qualified Bids submitted at the Auction (such bid or bids, as applicable, the "Successful Bid"); *provided, however*, in the event the Purchaser's last bid is higher or otherwise better than any bid submitted by a Qualified Bidder (as determined by ODC in its sole discretion, after consultation with the Consultation Parties), the Purchaser's last bid as per the Agreement (as existing or modified at the Auction) shall be deemed to be the Successful Bid. The Qualified Bidder submitting such Successful Bid shall become the "Successful Bidder," and shall have such rights and responsibilities of the purchaser, as set forth in the applicable Modified Agreement, as applicable, together with any changes made thereto by the Successful Bidder at the Auction. Within one day after the conclusion of the Auction, but in any event prior to the commencement of the Sale Hearing (as defined below), the Successful Bidder shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made. Notwithstanding any of the foregoing, ODC reserves the right (after consultation with the Consultation Parties) to accept a combination of bids for ODC's assets and/or to consider the value of assets excluded from any bid, for the purpose of determining the highest or otherwise best bid(s).
- (f) Backup Bid. At the conclusion of the Auction, Seller will also determine in its sole discretion (after consultation with the Consultation Parties) and announce the second highest or otherwise best bid from among the Qualified Bids submitted at the Auction (the "Backup Bid"). The Qualified Bidder submitting such Backup Bid shall become the "Backup Bidder," and shall have such rights and responsibilities of the purchaser, as set forth in the applicable Modified Agreement, together with any changes made thereto by the Backup Bidder at the Auction. The Backup Bid shall remain open and irrevocable until the

consummation of the Sale of the Acquired Intellectual Property pursuant to the Successful Bid, provided that such Backup Bid shall only remain open until the Outside Date (as defined below). In the event the Backup Bidder fails to comply with the requirements of this paragraph, it will be deemed to have forfeited its Deposit. The Backup Bidder's Deposit will be returned by ODC upon the earlier of the following: (i) the Outside Date, or (ii) immediately following consummation of the Successful Bid. For the avoidance of doubt, the Purchaser as a Qualified Bidder shall automatically be deemed a Backup Bidder, under the terms of its bid, if its bid is determined by ODC in its sole discretion, after consultation with the Consultation Parties, to be the second highest or otherwise best bid from among the Qualified Bids submitted at the Auction; *provided, however*, notwithstanding any other provision contained herein, the Purchaser or any other bidder shall remain as Backup Bidder until the later of (i) May 27, 2016, or (ii) June 11, 2016, if the Seller provides notice to the Backup Bidder prior to May 27, 2016, of Seller's intention consummate the sale of the Acquired Intellectual Property to such Backup Bidder (the "Outside Date").

- (g) Reservation of Rights. Notwithstanding any provision herein to the contrary, ODC in its discretion (after consultation with the Consultation Parties) may adopt rules for the Auction at or prior to the Auction that, in their discretion, will better promote the goals of the Auction not inconsistent with the Bidding Procedures Order, the Bankruptcy Code, and the Bankruptcy Rules and will inform each Qualified Bidder of the adoption of any such rules.

13. Notwithstanding any of the foregoing, the Bidding Procedures will provide that ODC reserves the right (after consultation with the Consultation Parties) to waive any of the Bidding Procedures, to the extent ODC believes such waiver is in the best interest of ODC's estate.

#### **Auction and Hearing Notice**

14. On a date no later than two business days following entry of the Bidding Procedures Order, ODC shall mail the notice of the proposed sale of the Acquired Intellectual Property (the "Auction and Hearing Notice") in the form approved in the Bidding Procedures Order by first class mail, postage prepaid, to (a) any party requesting service in these chapter 11

cases, (b) all potential purchasers identified by ODC or its agents, and (c) any other party known to ODC to have or assert an interest in any of the Acquired Intellectual Property.

**Notice of Sale Hearing**

15. As noted above, ODC proposes that the Auction occur on **May 10, 2016**, and that the Sale Hearing occur on **May 11, 2016**. ODC proposes that objections, if any, to the Sale Motion be filed on or before 4:00 p.m. on **May 4, 2016** (prevailing Eastern Time).

16. ODC requests that the Court approve the manner of notice of the Sale Motion, the Bidding Procedures, the Auction, and the Sale Hearing, substantially in the forms attached to the Bidding Procedures Order (the "Sale and Bid Procedures Notices"), which ODC will serve on the following parties:

- (a) the U.S. Trustee;
- (b) counsel to the Committee;
- (c) all parties known by ODC to assert a lien on any of the Acquired Intellectual Property;
- (d) all entities who either executed nondisclosure agreements with ODC in connection with a potential acquisition of any or all of the Acquired Intellectual Property or whom ODC believes may have an interest in bidding;
- (e) the Purchaser and its counsel; and
- (f) all parties who have timely filed requests for notice under Rule 2002 of the Federal Rules of Bankruptcy Procedure as of the date of entry of the Bidding Procedures Order (collectively, the "Sale and Bid Procedures Notice Parties").

17. Additionally, ODC proposes to serve the Creditor Notice on all known creditors of ODC.

18. ODC proposes to serve the Sale and Bid Procedures Notices and the Creditor Notice within two (2) days from the date of entry of the Bidding Procedures Order, by first-class mail, postage prepaid, on the appropriate parties. Both the Sale and Bid Procedures Notice and the Creditor Notice will provide that any party that has not received a copy of the Sale Motion or the Bidding Procedures Order that wishes to obtain a copy of such documents may make such a request, in writing (or by email), to Seller's counsel.

### **Sale Hearing**

19. ODC will seek approval of the Successful Bid and the Backup Bid (or the Purchaser's Agreement in the event the Auction is not held) at the Sale Hearing. The Acquired Intellectual Property will be sold free and clear of all liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code (other than the liens and interests permitted under the Agreement) with all such liens, claims, interests, and encumbrances to attach to the proceeds of the Sale of the Acquired Intellectual Property, except as otherwise provided with the same validity and in the same order of priority as they attached to the Acquired Intellectual Property prior to the Sale. Upon approval of the Backup Bid by the Court, the Backup Bid shall (subject to its terms) remain open and irrevocable until the earlier of (i) consummation of the Sale pursuant to the Successful Bid or (ii) the Outside Date.

### **Closing**

20. The closing shall take place in accordance with terms of the Agreement, or in accordance with the terms of such other agreement approved by the Court at the Sale Hearing.

**Approval of the Bidding Procedures is Appropriate and In the Best Interest of the Estate**

21. As indicated above, ODC requests that the Court approve the Bidding Procedures, in their entirety, as is customary in similar circumstances.

22. The proposed Bidding Procedures are fair and reasonable procedures reasonably intended to encourage competitive bidding. The Bidding Procedures were negotiated in good faith and at arms' length, and represent the best method for maximizing the return to ODC's estate for the Acquired Intellectual Property. Indeed, the Bidding Procedures are substantively similar to the bid procedures previously approved by the Court with respect to the sale of NCOC's assets approved by the Court on November 19, 2015 [Docket No. 270] and the prior sale of certain assets of ODC and Malibu Lighting Corporation approved by the Court on February 10, 2016 [Docket No. 450].

23. As noted above, ODC does not seek approval of any breakup fee or expense reimbursement to Purchaser or any other party pursuant to this Motion, or any other bid protections relating to the forgoing.

**No Prior Request**

24. No prior request for the relief sought in this Bidding Procedures Motion has been made to this or any other court.

**Notice**

25. Notice of this Motion and a copy of this Motion will be provided to (a) the Office of the United States Trustee; (b) counsel to the Committee; (c) all parties who are known by ODC to assert liens with respect to the Acquired Intellectual Property; (d) all entities who

executed confidentiality agreements with ODC in connection with a potential acquisition of any or all of the Acquired Intellectual Property or whom ODC believes may have an interest in bidding; (e) the Purchaser and its counsel; and (f) all parties who have timely filed requests for notice under Rule 2002 of the Federal Rules of Bankruptcy Procedure. Upon approval of this Motion, ODC will serve notice of the Sale Hearing, Bidding Procedures and related matters on all of the foregoing service parties and all other known creditors of ODC (as proposed herein, subject to Court approval). ODC respectfully submits that such notice is sufficient, and requests that the Court find that no further notice of the relief requested herein is required.

WHEREFORE, ODC respectfully requests that the Court enter an order, substantially in the form attached hereto, granting the relief requested herein and such other and further relief as this Court deems appropriate.

Dated: March 26, 2016

PACHULSKI STANG ZIEHL & JONES LLP

*/s/ Colin R. Robinson*

---

Jeffrey N. Pomerantz (CA Bar No.143717)

Michael R. Seidl (DE Bar No. 3889)

Joshua M. Fried (CA Bar No. 181541)

Colin R. Robinson (DE Bar No. 5524)

919 North Market Street, 17th Floor

P.O. Box 8705

Wilmington, DE 19899-8705

Telephone: 302/652-4100

Facsimile: 302/652-4400

E-mail: [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)

[mseidl@pszjlaw.com](mailto:mseidl@pszjlaw.com)

[jfried@pszjlaw.com](mailto:jfried@pszjlaw.com)

[crobinson@pszjlaw.com](mailto:crobinson@pszjlaw.com)

Counsel for the Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
MALIBU LIGHTING CORPORATION, et al.,<sup>1</sup> ) Case No. 15-12080 (KG)  
Debtors. ) (Jointly Administered)

Objection Deadline: April 11, 2016 at 4:00 p.m. (Eastern time)  
Hearing Date: April 18, 2016 at 10:00 a.m. (Eastern time)

**NOTICE OF MOTION OF DEBTOR OUTDOOR DIRECT CORPORATION F/K/A  
THE BRINKMANN CORPORATION FOR ORDER: (A) APPROVING BIDDING  
PROCEDURES FOR THE AUCTION OF DEBTOR’S  
INTELLECTUAL PROPERTY; (B) SCHEDULING AN AUCTION  
AND SALE HEARING; AND (C) GRANTING RELATED RELIEF**

TO: a) the Office of the United States Trustee; (b) counsel to the Committee; (c) all parties who are known by ODC to assert liens with respect to the Acquired Intellectual Property, if any; (d) any entities who executed non-disclosure agreements with ODC in connection with a potential acquisition of any or all of the Intellectual Property or whom ODC believes may have an interest in bidding; (e) the Purchaser and its counsel; and (f) all parties who have timely filed requests for notice under Rule 2002 of the Federal Rules of Bankruptcy Procedure.

**PLEASE TAKE NOTICE** that on March 26, 2016, the above-captioned debtors and debtors in possession (the “Debtors”) filed the *Motion of Debtor Outdoor Direct Corporation f/k/a The Brinkmann Corporation for Order: (A) Approving Bidding Procedures for the Auction of Debtor’s Intellectual Property; (B) Scheduling An Auction and Sale Hearing; and (C) Granting Related Relief* (the “Motion”) with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801 (the “Bankruptcy Court”). A copy of the Motion is attached hereto.

<sup>1</sup> The Debtors, together with the last four digits of each Debtor’s tax identification number, are: Malibu Lighting Corporation (0556); Outdoor Direct Corporation f/k/a The Brinkmann Corporation (9246); National Consumer Outdoors Corporation f/k/a Dallas Manufacturing Company, Inc. (1153); Q-Beam Corporation (1560); Smoke ‘N Pit Corporation (9951); Treasure Sensor Corporation (9938); and Stubbs Collections, Inc. (6615). The location of the Debtors’ headquarters and service address is 4215 McEwen Road, Dallas, TX 75244.



**PLEASE TAKE FURTHER NOTICE** that any response or objection to the entry of an order with respect to the relief sought in the Motion must be filed with the Bankruptcy Court on or before **April 11, 2016, at 4:00 p.m. prevailing Eastern time.**

**PLEASE TAKE FURTHER NOTICE** that at the same time, you must also serve a copy of the response or objection upon: (i) counsel to the Debtors: (a) Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, DE 19801, Attn: Michael R. Seidl, Esq., mseidl@pszjlaw.com, and (b) Pachulski Stang Ziehl & Jones LLP, 10100 Santa Monica Blvd., 13th Floor, Los Angeles, California 90067, Attn: Jeffrey N. Pomerantz, jpomerantz@pszjlaw.com; (ii) counsel for Bank of America, N.A. as Agent, Issuer, and Guaranty Agent, (a) Buchanan Ingersoll & Rooney, PC, 919 North Market Street, Suite 1500, Wilmington, DE 19801, Attn: Kathleen A. Murphy, Esq., kathleen.murphy@bipc.com and (b) Bryan Cave LLP, Two North Central Avenue, Suite 2200, Phoenix, AZ, Attn: Robert J. Miller, Esq., rjmiller@bryancave.com and Brian C. Walsh, Esq., bcwalsh@bryancave.com; (iii) Office of the U.S. Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Linda Casey, linda.casey@usdoj.gov; and (iv) counsel for Comerica Bank: (a) Jackson Waller L.L.P., 1401 McKinney Street, Suite 1900, Houston, TX 77010, Attn: Bruce J. Ruzinsky, Esq., bruzinsky@jw.com, and (b) Buchanan Ingersoll & Rooney PC, 919 North Market Street, Suite 1500, Wilmington, DE 19801-3046, Attn: Peter J. Duhig, Esq., peter.duhig@bipc.com.

**PLEASE TAKE FURTHER NOTICE THAT IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.**

**PLEASE TAKE FURTHER NOTICE** THAT A HEARING TO CONSIDER THE RELIEF SOUGHT IN THE MOTION WILL BE HELD ON **APRIL 18, 2016, AT 10:00 A.M. PREVAILING EASTERN TIME** BEFORE THE HONORABLE KEVIN GROSS, UNITED STATES BANKRUPTCY JUDGE, AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, SIXTH FLOOR, COURTROOM 3, WILMINGTON, DELAWARE 19801.

Dated: March 26, 2016

PACHULSKI STANG ZIEHL & JONES LLP

*/s/ Colin R. Robinson*

---

Jeffrey N. Pomerantz (CA Bar No.143717)

Michael R. Seidl (DE Bar No. 3889)

Joshua M. Fried (CA Bar No. 181541)

Colin R. Robinson (DE Bar No. 5524)

919 North Market Street, 17th Floor

P.O. Box 8705

Wilmington, DE 19899-8705

Telephone: 302/652-4100

Facsimile: 302/652-4400

E-mail: [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)

[mlitvak@pszjlaw.com](mailto:mlitvak@pszjlaw.com)

[mseidl@pszjlaw.com](mailto:mseidl@pszjlaw.com)

[crobinson@pszjlaw.com](mailto:crobinson@pszjlaw.com)

*Counsel to the Debtors and Debtors in Possession*

**Exhibit A**

**Bidding Procedures Order**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
MALIBU LIGHTING CORPORATION, et al.,<sup>1</sup> ) Case No. 15-12080 (KG)  
Debtors. ) (Jointly Administered)  
 )  
 ) **Related Docket No. \_\_\_\_**

**ORDER AS TO DEBTOR OUTDOOR DIRECT CORPORATION F/K/A THE BRINKMANN CORPORATION (A) APPROVING BIDDING PROCEDURES FOR THE AUCTION DEBTOR’S INTELLECTUAL PROPERTY, (B) SCHEDULING AN AUCTION AND SALE HEARING, AND (C) GRANTING RELATED RELIEF**

Upon the Motion (the “**Motion**”) of Outdoor Direct Corporation f/k/a The Brinkmann Corporation (“**ODC**”), one of the above-captioned debtors and debtors in possession herein (collectively, the “**Seller**”), for an order (A) approving certain bidding procedures and bidder protections (the “**Bidding Procedures**”) for the sale of ODC’s Acquired Intellectual Property, (B) scheduling an auction and sale hearing related thereto, and (C) granting related relief, all as more fully set forth in the Motion; and ODC having entered into that certain *Asset Purchase Agreement* (the “**Agreement**”) <sup>2</sup> with LightStar Corporation (the “**Purchaser**”), for the sale of Seller’s intellectual property rights and interests described in the Agreement, including in Schedule 1.1 to the Agreement (the “**Acquired Intellectual Property**”); and the Court having subject matter jurisdiction to consider the Motion and the relief request therein pursuant to 28 U.S.C. § 1334; and the Motion being a core proceeding pursuant to 28 U.S.C. § 157(b); and

<sup>1</sup> The Debtors, together with the last four digits of each Debtor’s tax identification number, are: Malibu Lighting Corporation (0556); Outdoor Direct Corporation (9246) f/k/a The Brinkmann Corporation; National Consumer Outdoors Corporation (1153) f/k/a Dallas Manufacturing Company, Inc.; Q-Beam Corporation (1560); Smoke ‘N Pit Corporation (9951); Treasure Sensor Corporation (9938); and Stubbs Collections, Inc. (6615). The location of the Debtors’ headquarters and service address is 4215 McEwen Road, Dallas, TX 75244.

<sup>2</sup> All capitalized terms not defined herein have the meanings ascribed to them in the Agreement.

venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to (i) the creditors appearing on the list submitted pursuant to Bankruptcy Rule 1017, (ii) those parties asserting an interest in the Acquired Intellectual Property, and (iii) counsel to the Purchaser; and no other or further notice needing to be provided; and the relief requested in the Motion being in the best interests of ODC and its estate and creditors; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before the Court (the "**Hearing**"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings held before the Court; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY FOUND AND DETERMINED THAT:**

1. The Court has jurisdiction over this matter and over the property of ODC and its bankruptcy estate pursuant to 28 U.S.C. §§ 157(a) and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A),(M)-(O). The statutory predicates for the relief sought herein are 11 U.S.C. § 105, 363, 503, 507, 1107 and 1108, and Fed. R. Bankr. Proc. 2002, 6004, and 9014. Venue of this case and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. In accordance with Local Rules 6004-1 and 9006-1, ODC has properly filed and provided the required notice of the Motion as to the relief to be granted pursuant to this Order.

3. Good and sufficient notice of the relief sought in the Motion has been given, and no further notice is required except as set forth in the Bidding Procedures with respect

to the Auction and the Sale Hearing. A reasonable opportunity to object or to be heard regarding the relief granted herein was afforded to all interested persons and entities.

4. ODC has articulated good and sufficient reasons for granting the Motion to the extent provided herein.

5. The Bidding Procedures were negotiated in good faith and at arms' length, are reasonable and appropriate, and represent the best method for maximizing the return to ODC's estate for the Acquired Intellectual Property.

6. The Purchaser has expended, and will likely continue to expend, considerable time, money and energy pursuing the purchase of the Acquired Intellectual Property and has engaged in extended arms' length and good faith negotiations over the terms and conditions of the Agreement and the Bidding Procedures.

**THEREFORE IT IS HEREBY ORDERED THAT:**

A. The Bidding Procedures attached hereto as **Annex 1** are hereby authorized and approved.

B. The form and sufficiency of the Auction and Hearing Notice attached hereto as **Annex 2** is approved.

C. The form and sufficiency of the Creditor Notice attached hereto as **Annex 3** is approved.

D. Objections, if any, to the sale of the Acquired Intellectual Property shall: (i) be in writing; (ii) specify with particularity the basis of the objection; and (iii) be filed with the Court and simultaneously served on: (a) Seller's counsel, Pachulski Stang Ziehl & Jones LLP, 17th Floor, Wilmington, Delaware 19899 (Attn: James O'Neill, jo'neill@pszjlaw.com) and 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067 (Attn: Jeffrey N. Pomerantz,

jpomerantz@pszjlaw.com), (b) counsel to the Committee, Lowenstein Sandler LLP, 65 Livingston Ave, Roseland, NJ 07068 (Attn: Sharon L. Levine, slevine@lowenstein.com, Kenneth A. Rosen, krosen@lowenstein.com, and Eric S. Chafetz, echafetz@lowenstein.com), (c) counsel to Comerica, Jackson Walker L.L.P., 901 Main Street, Suite 6000, Dallas, TX 75202 (Attn: David Stolle, dstolle@jw.com and Bruce Ruzinsky, bruzinsky@jw.com), (d) counsel to Bank of America, N.A., Bryan Cave LLP, Two North Central Ave., Suite 2200, Phoenix, AZ 85004 (Attn: Robert J. Miller, rjmiller@bryancave.com and Brian Walsh, brian.walsh@bryancave.com), (e) counsel to the Purchaser, Cole Schotz P.C., 301 Commerce Street, Suite 1700, Fort Worth, TX 76102 (Attn: Michael Warner, mwarner@coleschotz.com) (f) the Office of the United States Trustee, Attn., J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Linda Casey, linda.casey@usdoj.gov), and (g) any other party requesting service in this case, so as to be actually received by **4:00 p.m. (prevailing Eastern Time) on May 4, 2016** (the “**Objection Deadline**”), and service to the above parties may be by email.

E. The credit bid rights of BOFA under section 363(k) of the Bankruptcy Code are preserved, BOFA shall be deemed to be a Qualified Bidder in respect to any such credit bid(s), provided however, that any credit bid must excluded any assets that do not constitute such bidder’s prepetition collateral (including the Seller’s foreign intellectual property interests), in which case such bidder may make a bid in cash for any such non-collateral assets. The failure of the Committee to object to any credit put forth by BOFA or the Court’s approval of any such credit bid shall not (a) prejudice or impair any rights of the Committee to challenge the nature, extent, validity, priority, perfection or amount of BOFA’s alleged liens, security interests or

claims or (b) release BOFA from any cause of action that can be brought by or on behalf of ODC's estate.

F. The Court shall conduct the Sale Hearing and consider any unresolved objections to the Sale on **May 11, 2016 at 10:00 a.m. (prevailing Eastern Time)** or at such other time ordered by the Court.

G. This Court shall retain exclusive jurisdiction over any matter or dispute relating to the sale of the Acquired Intellectual Property, the Agreement, the Bidding Procedures, the Sale Hearing, the Auction, the Successful Bid, the Backup Bid, and/or any other matter that in any way relates to the foregoing.

H. Notwithstanding the possible applicability of Fed. R. Bankr. P. 6004(h), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry, and no automatic stay of execution shall apply to this Order.

Dated: \_\_\_\_\_, 2016  
Wilmington, Delaware

---

HONORABLE KEVIN GROSS  
UNITED STATES BANKRUPTCY JUDGE



**ANNEX 1 TO THE BIDDING PROCEDURES ORDER**  
**Bidding Procedures**

**BIDDING PROCEDURES FOR SALE OF INTELLECTUAL  
PROPERTY OF DEBTOR OUTDOOR DIRECT  
CORPORATION F/K/A THE BRINKMANN CORPORATION**

Outdoor Direct Corporation f/k/a The Brinkmann Corporation (“**ODC**”) (the “**Seller**”), as chapter 11 debtor and debtor-in-possession, has entered into that certain *Asset Purchase Agreement* (the “**Agreement**”) for the sale of the Acquired Intellectual Property (as defined in the Agreement) to LightStar Corporation (the “**Purchaser**”), which provides, among other things, for the payment of a purchase price consisting of cash in the amount of \$350,000. The transaction with the Purchaser pursuant to the Agreement is referred to as the “**Sale**”.

On April \_\_\_, 2016, the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”) granted ODC’s motion (the “**Bidding Procedures Motion**”) for an order approving the following bidding procedures (the “**Bidding Procedures**”) to be employed in connection with the solicitation for higher or better bids at an auction (the “**Auction**”) for the sale of the Acquired Intellectual Property (the “**Bidding Procedures Order**”), if necessary. **Notwithstanding any other provision herein, ODC reserves the right, after consultation with the Consultation Parties, to waive any of the Bidding Procedures, to the extent such waiver is, in ODC’s sole discretion, in the best interest of ODC’s estate.**

1. **Important Dates**

<b>Bid Deadline</b>	<b>May 6, 2016 at 4:00 p.m. ET</b>
<b>Objection Deadline</b>	<b>May 4, 2016 at 4:00 p.m. ET</b>
<b>Auction</b>	<b>May 10, 2016 at 10:00 a.m. ET</b>
<b>Sale Hearing</b>	<b>May 11, 2016 at 10:00 a.m. ET</b>

2. **Assets to be Sold Free and Clear**

Except as otherwise provided in definitive documentation with respect to the Sale, all of ODC’s rights, title and interest in and to the Acquired Intellectual Property shall be sold free and clear of all pledges, liens, security interests, hypothecations encumbrances, claims, charges, options, deeds of trust, encroachments, retentions of title, conditioned sale arrangements, restrictive covenants, rights of first offer, rights of first refusal, licenses or any other limitations, restrictions and interests of any kind thereon and there against (collectively, the “**Claims and Interests**”).

3. **Stalking Horse**

The Agreement provides that the Purchaser shall act as the “stalking horse bidder” in the Auction, but, if it is not the Successful Bidder, shall not be entitled to any break-up fee or expense reimbursement.

4. **Mailing of the Auction and Hearing Notice**

On a date no later than two (2) business days following entry by the Bankruptcy Court of the Bidding Procedures Order, ODC shall mail by first class mail (or by email as to any potential purchasers referenced in items (c) or (d) below) the notice of the proposed sale of the Acquired Intellectual Property (the “**Auction and Hearing Notice**”) in the form approved by the Bankruptcy Court in the Bidding Procedures Order to (a) any party requesting service in this case, (b) all potential purchasers identified by ODC or its agents, and (c) any other party known to ODC to have or asserts an interest in any of the Acquired Intellectual Property.

Any other party-in-interest that wishes to receive a copy of the Bidding Procedures Order and/or the Bidding Procedures Motion shall make such request in writing (or by email) to Seller’s counsel. Additionally, copies may be downloaded from the Court’s docket at <http://ecf.deb.uscourts.gov> and (free of charge) from ODC’s restructuring website at: [www.kcellc.net/malibu](http://www.kcellc.net/malibu).

5. **Confidentiality Agreement / Due Diligence**

ODC may afford any interested party the opportunity to conduct a reasonable due diligence review in the manner determined by ODC in its discretion, subject to the input of the Consultation Parties (as defined below). ODC shall not be obligated to furnish any due diligence information after the Bid Deadline (defined below).

Any entity that wishes to conduct due diligence with respect to the Acquired Intellectual Property must deliver to Seller’s counsel, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19899 (Attn: James O’Neill, [jo'neill@pszjlaw.com](mailto:jo'neill@pszjlaw.com)) and 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067 (Attn: Jeffrey N. Pomerantz, [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)) the following: (a) an executed confidentiality agreement in form and substance satisfactory to ODC and which shall inure to the benefit of the Purchaser from and after a closing of the sale with the Purchaser, or, alternatively, to the benefit of such party or parties who purchased the Acquired Intellectual Property; and (b) such information as ODC may determine, in consultation with the Official Committee of Unsecured Creditors appointed in the Debtors’ chapter 11 cases (the “**Committee**”), Comerica Bank, and Bank of America, N.A. (together, the “**Consultation Parties**”), in its sole discretion as is required to demonstrate such entity’s financial wherewithal to purchase the Acquired Intellectual Property and the ability to make a Qualified Bid (as defined below).

Notwithstanding anything to the contrary herein, to the extent that Bank of America N.A. (“**BOFA**”) submits a bid for the Acquired Intellectual Property, whether as a credit bid or otherwise, BOFA shall no longer be treated as a Consultation Party for purposes of these Bidding Procedures. The credit bid rights of BOFA under section 363(k) of the

Bankruptcy Code are preserved, BOFA shall be deemed to be a Qualified Bidder in respect to any such credit bid(s), provided however, that any credit bid must exclude any assets that do not constitute such bidder's prepetition collateral (including the Seller's foreign intellectual property interests), in which case such bidder may make a bid in cash for any such non-collateral assets. As provided in Bidding Procedures Order, the failure of the Committee to object to any credit put forth by BOFA or the Court's approval of any such credit bid shall not (a) prejudice or impair any rights of the Committee to challenge the nature, extent, validity, priority, perfection or amount of BOFA's alleged liens, security interests or claims or (b) release BOFA from any cause of action that can be brought by or on behalf of ODC's estate.

ODC may allow any party delivering an acceptable confidentiality agreement and, if necessary, information demonstrating such party's financial wherewithal (such person or entity, a "**Potential Bidder**") to conduct due diligence with respect to the Acquired Intellectual Property.

#### 6. **Qualification of Bids and Bidders**

To participate in the bidding process and to have a bid considered by ODC, each Potential Bidder must deliver a written offer or offers satisfying the below criteria. A "**Qualified Bidder**" is a Potential Bidder that delivers a binding bid that in ODC's discretion (after consultation with the Consultation Parties) satisfies the following criteria (a "**Qualified Bid**") and that ODC determines in its sole discretion (after consultation with the Consultation Parties) is reasonably likely to make a bona fide offer upon consideration of any information provided by the Potential Bidder demonstrating, in ODC's discretion (after consultation with the Consultation Parties), the capability to consummate a sale transaction, should the bidder be a Successful Bidder:

- (a) **Bid Deadline**. Each Bid Package (defined below) must be delivered in written and electronic form (where available) to: (a) Seller's counsel, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19899 (Attn: James O'Neill, [jo'neill@pszjlaw.com](mailto:jo'neill@pszjlaw.com)) and 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067 (Attn: Jeffrey N. Pomerantz, [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)), (b) counsel to the Committee, Lowenstein Sandler LLP, 65 Livingston Ave, Roseland, NJ 07068 (Attn: Sharon L. Levine, [slevine@lowenstein.com](mailto:slevine@lowenstein.com), Kenneth A. Rosen, [krosen@lowenstein.com](mailto:krosen@lowenstein.com), and Eric S. Chafetz, [echafetz@lowenstein.com](mailto:echafetz@lowenstein.com)), (c) counsel to Comerica Bank, Jackson Walker L.L.P., 901 Main Street, Suite 6000, Dallas, TX 75202 (Attn: David Stolle, [dstolle@jw.com](mailto:dstolle@jw.com) and Bruce Ruzinsky, [bruzinsky@jw.com](mailto:bruzinsky@jw.com)), and (d) counsel to Bank of America, N.A., Bryan Cave LLP, Two North Central Ave., Suite 2200, Phoenix, AZ 85004 (Attn: Robert J. Miller, [rjmiller@bryancave.com](mailto:rjmiller@bryancave.com) and Brian Walsh, [brian.walsh@bryancave.com](mailto:brian.walsh@bryancave.com)), so as to **actually be received no later than May 4, 2016 at 4:00 p.m. (prevailing Eastern Time) (the "Bid Deadline")**; provided, however, ODC in its discretion (after

consultation with the Consultation Parties) may extend the Bid Deadline as to any particular submitted bid.

- (b) Bid Package. Each bid must include (collectively, the “**Bid Package**”): (i) a written and signed irrevocable and binding offer letter stating that (w) the bidder offers to consummate a transaction on terms and conditions no less favorable than those found in the Agreement and in an amount at least equal to the Minimum Bid (as defined below), (x) confirming that the bid will remain irrevocable and binding until five (5) business days following the entry of the Sale Order, (y) that the Bidder has had the opportunity to conduct due diligence prior to its offer and does not require further due diligence, has relied solely upon its own independent review and investigation and did not rely on any written or oral representations except as expressly set forth in the Modified Agreement (defined below), and (z) the Bidder shall, if designated as such in accordance with these procedures, serve as the Backup Bidder (defined below) until the consummation of the transaction pursuant to the Successful Bid; (ii) an executed copy of the Agreement as modified by the Potential Bidder in accordance with its bid (“**Modified Agreement**”); (iii) an electronic markup of the Agreement showing the revisions in the Modified Agreement, along with a clean copy of the Modified Agreement (formatted as a Microsoft Word document). ODC, in consultation with the Consultation Parties, shall determine whether any Modified Agreement that modifies the Agreement in any respect beyond the identity of the purchaser and the purchase price under the Agreement is a Qualified Bid. Further, ODC reserves the right to consider bids for less or more assets than all the Acquired Intellectual Property and to modify these procedures accordingly; provided further, ODC will evaluate bids, in its discretion, subject to consultation with the Consultation Parties, to determine whether such bid or combination of bids maximizes the value of ODC’s estate as a whole.
- (c) Minimum Bid. The amount of the purchase price in any bids for the Acquired Intellectual Property must provide for value that is at least \$50,000 in the aggregate, more than the purchase price contained in the Agreement (the “**Minimum Bid**”).
- (d) Financial Information. The Bid Package must contain such financial and other information that will allow ODC, in consultation with the Consultation Parties, to make a determination as to the bidder’s financial wherewithal and its ability to consummate the transactions contemplated by the Modified Agreement, including evidence of adequate financing and any proposed conditions to closing.
- (e) Additional Bid Protections. The bid must not request or entitle the Potential Bidder to any transaction or break-up fee, expense

reimbursement, or similar type of payment, or propose to modify any of the Bidding Procedures.

- (f) Identity of Bidders. Each Potential Bidder must fully disclose the identity of each entity that will be bidding or otherwise participating in connection with such bid, including the names and addresses of any members or individuals with an interest in the entity, and the complete terms of any such participation, as well as disclose the organization form and the business conducted by each entity. Any Potential Bidder shall be required to provide such additional information as ODC may require, subject to input from the Consultation Parties, regarding a Potential Bidder's ability to satisfy the requirements of any applicable regulatory authorities.
- (g) Due Diligence. The bid must not contain any due diligence or financing contingencies of any kind, and must affirmatively acknowledge that the bidder (i) had an opportunity to conduct due diligence prior to making its offer and does not require further due diligence, (ii) has relied solely upon its own independent review, investigation, and/or inspection of any documents and/or the Acquired Intellectual Property in making its bid, and (iii) did not rely upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law, or otherwise, regarding the Acquired Intellectual Property, or the completeness of any information provided in connection therewith.
- (h) Consents. Each Potential Bidder must represent that it obtained all necessary organizational approvals to make its competing bid and to enter into and perform the Modified Agreement and include evidence of authorization and approval from the Potential Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the Modified Agreement.
- (i) Deposit. A Potential Bidder for the Acquired Intellectual Property (other than the Purchaser) must deposit **10% of the purchase price** under the Modified Agreement (the "Deposit") with Seller's counsel (the "Deposit Agent") in the form of a certified check or wire transfer by the Bid Deadline. The Potential Bidder shall forfeit the Deposit if (i) the Potential Bidder is determined to be a Qualified Bidder and withdraws or modifies its bid other than as provided herein, (ii) the bidder is the Backup Bidder and withdraws the bid prior to the consummation of the Sale contemplated by the Successful Bid, or (iii) the bidder is the Successful Bidder and (x) withdraws the bid before the consummation of the sale contemplated by the Successful Bid, or (y) breaches the Agreement (or Modified Agreement, as applicable) associated with such bid. The Deposit shall be returned to the Potential Bidder (unless such Potential Bidder has forfeited its Deposit) (i) as soon as practicable if the Potential Bidder is not

determined to be a Qualified Bidder; (ii) if the Potential Bidder is determined to not be the Successful Bidder or the Backup Bidder at the Auction, no later than five (5) business days following conclusion of the Auction; or (iii) if the Potential Bidder is determined to be the Backup Bidder, no later than five (5) business days after consummation of the Sale to the Successful Bidder. The Deposit will not be required to be maintained in an interest bearing account, but any interest earned on any Deposit will be remitted to the appropriate Qualified Bidder if the Deposit is returned to the Qualified Bidder pursuant to the above.

ODC shall have the right, after consultation with the Consultation Parties, to determine whether a bid is a Qualified Bid and shall notify bidders whether their bids have been determined to be Qualified Bids, as soon as possible, and prior to the Auction. For the avoidance of doubt, the Purchaser is a Qualified Bidder and the Agreement constitutes a Qualified Bid.

7. **Only One Qualified Bid**

If no Qualified Bids (other than Purchaser's Agreement) are submitted, ODC shall not hold the Auction, but shall proceed with the Sale Hearing to seek approval of the sale of the Acquired Intellectual Property to the Purchaser pursuant to the Agreement (or any modifications agreed to between ODC and Purchaser, subject to the input of the Consultation Parties for any and all modifications).

8. **Auction**

In the event that ODC timely receives at least one Qualified Bid (other than the Purchaser's Agreement), ODC shall conduct the Auction with respect to the Acquired Intellectual Property. The Auction will take place at the Delaware offices of Pachulski Stang Ziehl & Jones, LLP located at 919 North Market Street, 17<sup>th</sup> Floor, Wilmington, DE 19801, on **May 11, 2016, starting at 10:00 a.m. (prevailing Eastern Time)**. The Auction shall be governed by the following procedures:

- (a) **Participation**. Qualified Bidders shall be entitled to participate in the Auction, and each Qualified Bidder shall appear in person at the Auction, or through a duly authorized representative; provided, however, ODC may determine in their discretion (after consultation with the Consultation Parties) to permit bidders to attend the Auction telephonically or by video conference. At least one day prior to the commencement of the Auction, each Qualified Bidder must confirm in writing that it will participate in this Auction; provided, however, that in the event a Qualified Bidder does not attend the Auction, the relevant Qualified Bid shall nonetheless remain fully enforceable against that Qualified Bidder in accordance herewith. Representatives of and counsel for the Consultation Parties (including members of the Committee) and any other party in interest shall be permitted to attend the Auction.

- (b) Anti-Collusion. At the commencement of the Auction, each Qualified Bidder shall be required to confirm that it has not engaged and will not engage in any collusion with any other Qualified Bidder with respect to the bidding or the Sale.
- (c) Conduct of Auction. Subject to paragraphs 8(g) and 12 hereto, the Auction will be conducted openly with the proceeding being transcribed and each Qualified Bidder being informed of the terms of the previous bid.
- (d) Bidding. Bidding at the Auction shall commence at the amount of the highest or otherwise best Qualified Bid submitted prior to the Auction; Qualified Bidders for all of the Acquired Intellectual Property may then submit successive bids in increments of \$25,000 (the “**Bid Increment**”). Successive bids in subsequent bidding rounds may be determined in a different Bid Increment by amounts as determined by ODC, in consultation with the Consultation Parties. Any bid submitted after the conclusion of the Auction shall not be considered for any purpose.
- (e) Successful Bid. If an Auction is conducted, it shall continue until ODC determines in its sole discretion, after consultation with the Consultation Parties, which offer is the highest or otherwise best offer from among the Qualified Bids submitted at the Auction (such bid or bids, as applicable, the “**Successful Bid**”); *provided, however*, in the event the Purchaser’s last bid is higher or otherwise better than any bid submitted by a Qualified Bidder (as determined by ODC in its sole discretion, after consultation with the Consultation Parties), the Purchaser’s last bid as per the Purchaser’s Agreement (as existing or modified at the Auction) shall be deemed to be the Successful Bid. The Qualified Bidder submitting such Successful Bid shall become the “**Successful Bidder**,” and shall have such rights and responsibilities of the purchaser, as set forth in the applicable Modified Agreement, as applicable, together with any changes made thereto by the Successful Bidder at the Auction. Within one business day after the conclusion of the Auction, but in any event prior to the commencement of the Sale Hearing (as defined below), the Successful Bidder shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made. Notwithstanding any of the foregoing, ODC reserves the right (after consultation with the Consultation Parties) to accept a combination of bids for the Acquired Intellectual Property or any portion thereof and/or to consider the value of assets excluded from any bid, for the purpose of determining the highest or otherwise best bid(s).
- (f) Backup Bid. At the conclusion of the Auction, to Seller will also determine in its sole discretion (after consultation with the Consultation



Parties) and announce the second highest or otherwise best bid from among the Qualified Bids submitted at the Auction (the “**Backup Bid**”). The Qualified Bidder submitting such Backup Bid shall become the “**Backup Bidder**,” and shall have such rights and responsibilities of the purchaser, as set forth in the applicable Modified Agreement, together with any changes made thereto by the Backup Bidder at the Auction. **The Backup Bid shall remain open and irrevocable until the consummation of the Sale of the Acquired Intellectual Property pursuant to the Successful Bid, provided that such Backup Bid shall only remain open until the Outside Date (as defined below).** In the event the Backup Bidder fails to comply with the requirements of this paragraph, it will be deemed to have forfeited its Deposit. The Backup Bidder’s Deposit will be returned by ODC upon the earlier of the following: (i) the Outside Date, or (ii) immediately following consummation of the Successful Bid. For the avoidance of doubt, the Purchaser as a Qualified Bidder shall automatically be deemed a Backup Bidder, under the terms of its bid, if its bid is determined by ODC in its sole discretion, after consultation with the Consultation Parties, to be the second highest or otherwise best bid from among the Qualified Bids submitted at the Auction; *provided, however*, notwithstanding any other provision contained herein, the Purchaser or any other bidder shall remain as Backup Bidder until the later of (i) May 27, 2016, or (ii) June 11, 2016, if the Seller provides notice to the Backup Bidder prior to May 27, 2016, of Seller’s intention consummate the sale of the Acquired Intellectual Property to such Backup Bidder (the “**Outside Date**”).

- (g) Reservation of Rights. Notwithstanding any provision herein to the contrary, ODC in its discretion (after consultation with the Consultation Parties) may adopt rules for the Auction at or prior to the Auction that, in their discretion, will better promote the goals of the Auction.

#### 9. Sale Hearing

The Successful Bid and the Backup Bid (or the Purchaser’s Agreement in the event the Auction is not held) will be subject to approval by the Bankruptcy Court after a hearing (the “**Sale Hearing**”) that will take place **May 10, 2016 at 10:00 a.m. (prevailing Eastern Time)** and entry of an order approving such sale (the “**Sale Order**”). Upon approval of the Backup Bid by the Bankruptcy Court, the Backup Bid shall remain open and irrevocable until the earlier of (i) consummation of the Sale pursuant to the Successful Bid or (ii) the Outside Date.

Objections, if any, to the Sale Motion shall: (i) be in writing; (ii) specify with particularity the basis of the objection; and (iii) be filed with the Court and simultaneously served on: (a) Seller’s counsel, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19899 (Attn: James O’Neill, [jo'neill@pszjlaw.com](mailto:jo'neill@pszjlaw.com)) and 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067 (Attn: Jeffrey N. Pomerantz, [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)), (b) counsel to the Committee, Lowenstein Sandler LLP, 65

Livingston Ave, Roseland, NJ 07068 (Attn: Sharon L. Levine, [slevine@lowenstein.com](mailto:slevine@lowenstein.com), Kenneth A. Rosen, [krosen@lowenstein.com](mailto:krosen@lowenstein.com), and Eric S. Chafetz, [echafetz@lowenstein.com](mailto:echafetz@lowenstein.com)), (c) counsel to Comerica Bank, Jackson Walker L.L.P., 901 Main Street, Suite 6000, Dallas, TX 75202 (Attn: David Stolle, [dstolle@jw.com](mailto:dstolle@jw.com) and Bruce Ruzinsky, [bruzinsky@jw.com](mailto:bruzinsky@jw.com)), (d) counsel to Bank of America, N.A., Bryan Cave LLP, Two North Central Ave., Suite 2200, Phoenix, AZ 85004 (Attn: Robert J. Miller, [rjmiller@bryancave.com](mailto:rjmiller@bryancave.com) and Brian Walsh, [brian.walsh@bryancave.com](mailto:brian.walsh@bryancave.com)), (e) counsel to the Purchaser, Cole Schotz P.C., 301 Commerce Street, Suite 1700, Fort Worth, TX 76102 (Attn: Michael Warner, [mwarner@coleschotz.com](mailto:mwarner@coleschotz.com)); (f) the Office of the United States Trustee, Attn., J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Linda Casey, [linda.casey@usdoj.gov](mailto:linda.casey@usdoj.gov)), and (g) any other party requesting notice, so as to be actually received by **4:00 p.m. (prevailing Eastern Time) on May 4, 2016** (the “**Objection Deadline**”).

10. **Consummation of the Sale**

Following the Sale Hearing, if for any reason the Successful Bidder fails to consummate the purchase of the Acquired Intellectual Property, then the Backup Bidder will automatically be deemed to have submitted the highest or otherwise best bid. Thereafter, ODC and the Backup Bidder are authorized to immediately effect the sale of the Acquired Intellectual Property to the Backup Bidder on the terms of the Backup Bid as soon as is commercially reasonable without further order of the Bankruptcy Court. If such failure to consummate the purchase is the result of a breach by the Successful Bidder, its Deposit shall be forfeited to ODC and ODC specifically reserves the right to seek all available damages from the defaulting bidder.

11. **Jurisdiction**

The Bankruptcy Court shall retain exclusive jurisdiction over any matter or dispute relating to the Sale of the Acquired Intellectual Property, the Bidding Procedures, the Sale Hearing, the Auction, the Successful Bid, the Backup Bid, and/or any other matter that in any way relates to the foregoing. All Qualified Bidders shall be deemed to have consented to the core jurisdiction of the Bankruptcy Court and waived any right to a jury trial in connection with any Auction related disputes.

12. **Additional Procedures and Waiver of Procedures**

**ODC reserves the right, in consultation with the Consultation Parties, to adopt any other procedures reasonably necessary to implement the Bidding Procedures, to (i) the extent not inconsistent with these Bidding Procedures, the Agreement, the Bankruptcy Code, the Bidding Procedures Order, or any other order of the Bankruptcy Court entered in these cases, and (ii) disclosed to each Qualified Bidder at the Auction.**

**Notwithstanding any other provision herein, ODC reserves the right, after consultation with the Consultation Parties, to waive any of the Bidding Procedures, to the extent such waiver is, in ODC’s sole discretion, in the best interest of ODC’s estate.**

**ANNEX 2 TO THE BIDDING PROCEDURES ORDER**  
**Auction & Hearing Notice**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
 )  
MALIBU LIGHTING CORPORATION, et al.,<sup>1</sup> ) Case No. 15-12082 (KG)  
 )  
Debtors. ) (Jointly Administered)

**NOTICE OF AUCTION AND HEARING AS TO DEBTOR  
OUTDOOR DIRECT CORPORATION F/K/A THE BRINKMANN  
CORPORATION TO CONSIDER APPROVAL OF THE SALE OF  
DEBTOR'S INTELLECTUAL PROPERTY AND PROCEDURES RELATED THERETO**

PLEASE TAKE NOTICE THAT:

1. **Introduction.** On April \_\_, 2016, the Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**"), upon the motion (the "**Motion**") of Outdoor Direct Corporation f/k/a The Brinkmann Corporation (the "**Sellers**"), entered an order (the "**Bidding Procedures Order**"): (a) approving the bidding procedures and bidder protections (the "**Bidding Procedures**")<sup>2</sup> with respect to the sale (the "**Sale**") of the Acquired Intellectual Property; (b) scheduling an auction (the "**Auction**") for the Acquired Intellectual Property and a hearing approving the sale of the Acquired Intellectual Property (the "**Sale Hearing**"); and (c) granting related relief. A copy of the Bidding Procedures is annexed hereto as **Exhibit A.**

**THE MOTION ONLY ADDRESSES THE PROPOSED SALE OF THE  
ACQUIRED INTELLECTUAL PROPERTY OF DEBTOR OUTDOOR DIRECT  
CORPORATION F/K/A THE BRINKMANN CORPORATION.  
THE MOTION DOES NOT RELATE TO ANY OTHER ASSETS OF THE  
DEBTORS IN THESE JOINTLY ADMINISTERED BANKRUPTCY CASES.**

2. **Important Dates.** Pursuant to the Bidding Procedures, the Bankruptcy Court has established the following dates:

<b>Bid Deadline</b>	<b>May 5, 2016 at 4:00 p.m. ET</b>
---------------------	------------------------------------

---

<sup>1</sup> The Debtors, together with the last four digits of each Debtor's tax identification number, are: Malibu Lighting Corporation (0556); Outdoor Direct Corporation (9246) f/k/a The Brinkmann Corporation; National Consumer Outdoors Corporation (1153) f/k/a Dallas Manufacturing Company, Inc.; Q-Beam Corporation (1560); Smoke 'N Pit Corporation (9951); Treasure Shop Corporation (9938); and Stubbs Collections, Inc. (6615). The location of the Debtors' headquarters and service address is 4215 McEwen Road, Dallas, TX 75244.

<sup>2</sup> Capitalized terms not defined herein shall have the meaning assigned to such terms in the Bidding Procedures.

<b>Objection Deadline</b>	<b>May 4, 2016 at 4:00 p.m. ET</b>
<b>Auction</b>	<b>May 10, 2016 at 10:00 a.m. ET</b>
<b>Sale Hearing</b>	<b>May 11, 2016 at 10:00 a.m. ET</b>

3. The Agreement. ODC entered into that certain *Asset Purchase Agreement* for the sale of the Acquired Intellectual Property (the “**Agreement**”) with LightStar Corporation (the “**Purchaser**”). As set forth in the Bidding Procedures, the Sale of the Acquired Intellectual Property remains subject to competing offers from qualified prospective bidders.

4. Due Diligence. Parties interested in conducting due diligence should contact Seller’s counsel, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19899, tel: 302-652-4100 (Attn: James O’Neill, [jo'neill@pszjlaw.com](mailto:jo'neill@pszjlaw.com)) and 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067, 310-277-6910 (Attn: Jeffrey N. Pomerantz, [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)).

5. Submission of Bids. To participate in the bidding process and to have a bid considered by ODC, each potential bidder must deliver a written offer or offers satisfying the criteria prescribed in the Bidding Procedures. Each Bid Package must be delivered in written and electronic form (where available) to: (a) Seller’s counsel, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19899 (Attn: James O’Neill, [jo'neill@pszjlaw.com](mailto:jo'neill@pszjlaw.com)) and 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067 (Attn: Jeffrey N. Pomerantz, [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)), (b) counsel to the Official Committee of Unsecured Creditors, Lowenstein Sandler LLP, 65 Livingston Ave, Roseland, NJ 07068 (Attn: Sharon L. Levine, [slevine@lowenstein.com](mailto:slevine@lowenstein.com), Kenneth A. Rosen, [krosen@lowenstein.com](mailto:krosen@lowenstein.com), and Eric S. Chafetz, [echafetz@lowenstein.com](mailto:echafetz@lowenstein.com)), (c) counsel to Comerica Bank, Jackson Walker L.L.P., 901 Main Street, Suite 6000, Dallas, TX 75202 (Attn: David Stolle, [dstolle@jw.com](mailto:dstolle@jw.com) and Bruce Ruzinsky, [bruzinsky@jw.com](mailto:bruzinsky@jw.com)), and (d) counsel to Bank of America, N.A., Bryan Cave LLP, Two North Central Ave., Suite 2200, Phoenix, AZ 85004 (Attn: Robert J. Miller, [rjmiller@bryancave.com](mailto:rjmiller@bryancave.com) and Brian Walsh, [brian.walsh@bryancave.com](mailto:brian.walsh@bryancave.com)), so as to **actually be received no later than May 5, 2016 at 4:00 p.m. (prevailing Eastern Time) (the “Bid Deadline”)**.

6. Auction. In the event that ODC receive qualified bids for the Acquired Intellectual Property other than the one submitted by the Purchaser, ODC intend to conduct the Auction. The Auction will take place at the Delaware offices of Pachulski Stang Ziehl & Jones, LLP, 919 North Market Street, 17th Floor, Wilmington, DE 19801, starting at 10:00 a.m. (prevailing Eastern Time).

7. Sale Hearing. The Bidding Procedures Order provides that the Sale Hearing will be held on **May 11, 2016 at 10:00 a.m. (prevailing Eastern Time)**, before the Honorable Kevin Gross, United States Bankruptcy Judge, in Courtroom 3, 6<sup>th</sup> Floor, at the

United States Bankruptcy Court for the District of Delaware, 824 Market Street N, Wilmington, Delaware 19801. At the Sale Hearing, ODC will request that the Bankruptcy Court enter an order approving the Sale of the Acquired Intellectual Property to the prevailing bidder(s) at the Auction (or to the Purchaser in the event the Auction is not held).

8. Objections. Objections, if any, to the Motion shall: (i) be in writing; (ii) specify with particularity the basis of the objection; and (iii) be filed with the Court and simultaneously served on: (a) Seller's counsel, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19899 (Attn: James O'Neill, [jo'neill@pszjlaw.com](mailto:jo'neill@pszjlaw.com)) and 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067 (Attn: Jeffrey N. Pomerantz, [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)), (b) counsel to the Committee, Lowenstein Sandler LLP, 65 Livingston Ave, Roseland, NJ 07068 (Attn: Sharon L. Levine, [slevine@lowenstein.com](mailto:slevine@lowenstein.com), Kenneth A. Rosen, [krosen@lowenstein.com](mailto:krosen@lowenstein.com), and Eric S. Chafetz, [echafetz@lowenstein.com](mailto:echafetz@lowenstein.com)), (c) counsel to Comerica Bank, Jackson Walker L.L.P., 901 Main Street, Suite 6000, Dallas, TX 75202 (Attn: David Stolle, [dstolle@jw.com](mailto:dstolle@jw.com) and Bruce Ruzinsky, [bruzinsky@jw.com](mailto:bruzinsky@jw.com)), (d) counsel to Bank of America, N.A., Bryan Cave LLP, Two North Central Ave., Suite 2200, Phoenix, AZ 85004 (Attn: Robert J. Miller, [rjmiller@bryancave.com](mailto:rjmiller@bryancave.com) and Brian Walsh, [brian.walsh@bryancave.com](mailto:brian.walsh@bryancave.com)), (e) counsel to the Purchaser, Cole Schotz P.C., 301 Commerce Street, Suite 1700, Fort Worth, TX 76102 (Attn: Michael Warner, [mwarner@coleschotz.com](mailto:mwarner@coleschotz.com)), (f) the Office of the United States Trustee, Attn., J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Linda Casey, [linda.casey@usdoj.gov](mailto:linda.casey@usdoj.gov)), and (g) any other party requesting notice, so as to be actually received by **4:00 p.m. (prevailing Eastern Time) on May 4, 2016** (the "**Objection Deadline**").

9. A copy of the Bidding Procedures Order or any other document referenced herein can be viewed and obtained on the Bankruptcy Court's website at <https://ecf.deb.uscourts.gov> or (without charge) at [www.kccllc.net/malibu](http://www.kccllc.net/malibu).

Dated: \_\_\_\_\_, 2016

PACHULSKI STANG ZIEHL & JONES LLP

---

Jeffrey N. Pomerantz (CA Bar No. 143717)

Michael R. Seidl (DE Bar No. 3889)

Joshua M. Fried (CA Bar No. 181541)

Colin R. Robinson (DE Bar No. 5524)

919 North Market Street, 17th Floor

P.O. Box 8705

Wilmington, DE 19899-8705

Telephone: 302/652-4100

Facsimile: 302/652-4400

E-mail: [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)

[mseidl@pszjlaw.com](mailto:mseidl@pszjlaw.com)

[jfried@pszjlaw.com](mailto:jfried@pszjlaw.com)

[crobinson@pszjlaw.com](mailto:crobinson@pszjlaw.com)

Counsel for the Debtors and Debtors in Possession

**ANNEX 3 TO THE BIDDING PROCEDURES ORDER**  
**Creditor Notice**



IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:	) Chapter 11
	)
MALIBU LIGHTING CORPORATION, et al., <sup>1</sup>	) Case No. 15-12082 (KG)
	)
Debtors.	) (Jointly Administered)

**NOTICE OF MOTION OF DEBTOR OUTDOOR DIRECT CORPORATION F/K/A THE BRINKMANN CORPORATION FOR ORDER (A) APPROVING ASSET PURCHASE AGREEMENT AND AUTHORIZING THE SALE OF THE DEBTOR’S INTELLECTUAL PROPERTY; (B) AUTHORIZING THE SALE OF ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, RIGHTS, ENCUMBRANCES AND OTHER INTERESTS PURSUANT TO BANKRUPTCY CODE SECTIONS 105, 363(b), 363(f) AND 363(m); AND (D) GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. Introduction. On March \_\_, 2016, Outdoor Direct Corporation f/k/a The Brinkmann Corporation (the “**Seller**”), one of the debtors and debtors in possession (together, the “**Debtors**”) in the above-referenced chapter 11 cases (the “**Chapter 11 Case**”), filed (a) a motion (the “**Bidding Procedures Motion**”) for an order (the “**Bidding Procedures Order**”), (i) approving the bidding procedures and bidder protections (the “**Bidding Procedures**”)² with respect to the sale (the “**Sale**”) of the intellectual property rights and interests of ODC, as more fully described and set forth in the Agreement (the “**Acquired Intellectual Property**”); (ii) scheduling an auction (the “**Auction**”) for the Acquired Intellectual Property and a hearing approving the transactions (the “**Sale Hearing**”); and (iii) granting related relief; and (b) a motion (the “**Sale Motion**”) for an order (the “**Sale Order**”), (a) approving the Sale of the Acquired Intellectual Property, and (b) granting related relief.

**THE SALE MOTION ONLY ADDRESSES THE PROPOSED SALE OF THE ACQUIRED INTELLECTUAL PROPERTY OF DEBTOR OUTDOOR DIRECT CORPORATION F/K/A THE BRINKMANN CORPORATION. THE SALE MOTION DOES NOT RELATE TO ANY OTHER ASSETS OF THE OTHER DEBTORS IN THESE JOINTLY ADMINISTERED BANKRUPTCY CASES.**

On April \_\_, 2016, the Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”) entered an order (the “**Bidding Procedures Order**”): (a) approving the

<sup>1</sup> The Debtors, together with the last four digits of each Debtor’s tax identification number, are: Malibu Lighting Corporation (0556); Outdoor Direct Corporation (9246) f/k/a The Brinkmann Corporation; National Consumer Outdoors Corporation (1153) f/k/a Dallas Manufacturing Company, Inc.; Q-Beam Corporation (1560); Smoke ‘N Pit Corporation (9951); Treasure Shop Corporation (9938); and Stubbs Collections, Inc. (6615). The location of the Debtors’ headquarters and service address is 4215 McEwen Road, Dallas, TX 75244.

<sup>2</sup> Capitalized terms not defined herein shall have the meaning assigned to such terms in the Bidding Procedures.

Bidding Procedures with respect to the Sale of the Acquired Intellectual Property; (b) scheduling the Auction and the Sale Hearing; and (c) granting related relief.

2. Agreement. ODC has entered into that certain *Asset Purchase Agreement* with LightStar Corporation. (the "**Purchaser**") for the Sale of the Acquired Intellectual Property.

3. Important Dates. Pursuant to the Bidding Procedures Order, the Bankruptcy Court has set the following relevant dates for the Auction and approval of the Sale of the Acquired Intellectual Property:

<b>Bid Deadline</b>	<b>May 5, 2016 at 4:00 p.m. ET</b>
<b>Objection Deadline</b>	<b>May 4, 2016 at 4:00 p.m. ET</b>
<b>Auction</b>	<b>May 10, 2016 at 10:00 a.m. ET</b>
<b>Sale Hearing</b>	<b>May 11, 2016 at 10:00 a.m. ET</b>

4. Auction. In the event that ODC receives qualified bids for the Acquired Intellectual Property other than the one submitted by the Purchaser, ODC intend to conduct the Auction. The Auction will take place at the Delaware offices of Pachulski Stang Ziehl & Jones, LLP, 919 North Market Street, 17th Floor, Wilmington, DE 19801, starting at 10:00 a.m. (prevailing Eastern Time), or such other place, date and time as may be designated by ODC, in consultation with the Consultation Parties (as defined in the Bidding Procedures), at or prior to the Auction.

5. Sale Hearing. The Bidding Procedures Order provides that the Sale Hearing will be held on **May 11, 2016 at 10:00 a.m. (prevailing Eastern Time)**, before the Honorable Kevin Gross, United States Bankruptcy Judge, in Courtroom 3, 6<sup>th</sup> Floor, at the United States Bankruptcy Court for the District of Delaware, 824 Market Street N, Wilmington, Delaware 19801. At the Sale Hearing, ODC will request that the Bankruptcy Court enter an order approving the Sale of the Acquired Intellectual Property to the prevailing bidder(s) at the Auction (or to the Purchaser in the event the Auction is not held).

6. Objections. Objections, if any, to the Sale Motion shall: (i) be in writing; (ii) specify with particularity the basis of the objection; and (iii) be filed with the Court and simultaneously served on: (a) Seller's counsel, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19899 (Attn: James O'Neill, [jo'neill@pszjlaw.com](mailto:jo'neill@pszjlaw.com)) and 10100 Santa Monica Blvd., 13th Floor, Los Angeles, CA 90067 (Attn: Jeffrey N. Pomerantz, [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)), (b) counsel to the Official Committee of Unsecured Creditors, Lowenstein Sandler LLP, 65 Livingston Ave, Roseland, NJ 07068 (Attn: Sharon L. Levine, [slevine@lowenstein.com](mailto:slevine@lowenstein.com) and Eric S. Chafetz, [echafetz@lowenstein.com](mailto:echafetz@lowenstein.com)), (c) counsel to Comerica Bank, Jackson Walker L.L.P., 901 Main Street, Suite 6000, Dallas, TX 75202 (Attn: David Stolle, [dstolle@jw.com](mailto:dstolle@jw.com) and Bruce Ruzinsky,

bruzinsky@jw.com), (d) counsel to Bank of America, N.A., Bryan Cave LLP, Two North Central Ave., Suite 2200, Phoenix, AZ 85004 (Attn: Robert J. Miller, rmiller@bryancave.com and Brian Walsh, brian.walsh@bryancave.com), (e) counsel to the Purchaser, Cole Schotz P.C., 301 Commerce Street, Suite 1700, Fort Worth, TX 76102 (Attn: Michael Warner, mwarner@coleschotz.com), (f) the Office of the United States Trustee, Attn., J. Caleb Boggs Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Linda Casey, linda.casey@usdoj.gov), and (g) any other party requesting notice, so as to be actually received by **4:00 p.m. (prevailing Eastern Time) on May 4, 2016** (the “**Objection Deadline**”).

7. PLEASE NOTE: This is the ONLY NOTICE of the sale of the Acquired Intellectual Property that will be mailed to ALL KNOWN GENERAL CREDITORS of ODC under any applicable law. Further updates regarding the sale process and a copy of the Motion, the Agreement, the Bidding Procedures, or any other document referenced herein can be viewed and obtained on the Court’s website at https://ecf.deb.uscourts.gov or (without charge) at www.kcellc.net/malibu. You may also contact counsel for ODC to request copies of the Motion or any other document.

Dated: \_\_\_\_\_, 2016

PACHULSKI STANG ZIEHL & JONES LLP

---

Jeffrey N. Pomerantz (CA Bar No. 143717)  
Michael R. Seidl (DE Bar No. 3889)  
Joshua M. Fried (CA Bar No. 181541)  
Colin R. Robinson (DE Bar No. 5524)  
919 North Market Street, 17th Floor  
P.O. Box 8705  
Wilmington, DE 19899-8705  
Telephone: 302/652-4100  
Facsimile: 302/652-4400  
E-mail: jpomerantz@pszjlaw.com  
mseidl@pszjlaw.com  
jfried@pszjlaw.com  
crobinson@pszjlaw.com

Counsel for the Debtors and Debtors in Possession