

Objection Deadline: December 13, 2011 at 4:00 p.m (prevailing Eastern Time)
Hearing Date: December 20, 2011 at 10:00 a.m. (prevailing Eastern Time)

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and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

BORDERS GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 11-10614 (MG)

(Jointly Administered)

**NOTICE OF HEARING ON DEBTORS' MOTION FOR ORDER PURSUANT
TO SECTIONS 363 AND 105 OF THE BANKRUPTCY CODE AND RULES 2002
AND 6004 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE
APPROVING AND AUTHORIZING THE SALE OF THE DEBTORS'
INTERNET ADDRESSES TO CERNER CORPORATION FREE AND CLEAR
OF ALL LIENS, INTERESTS, CLAIMS AND ENCUMBRANCES
AND WAIVING THE REQUIREMENTS OF BANKRUPTCY RULE 6004(H)**

PLEASE TAKE NOTICE that Borders Group, Inc. and its affiliated debtors, as debtors and debtors in possession (collectively, the "Debtors"), filed the attached *Debtors' Motion for Orders Pursuant to Sections 363 and 105 of the Bankruptcy Code and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure Approving and Authorizing the Sale of the Debtors'*

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Borders Group, Inc. (4588); Borders International Services, Inc. (5075); Borders, Inc. (4285); Borders Direct, LLC (0084); Borders Properties, Inc. (7978); Borders Online, Inc. (8425); Borders Online, LLC (8996); and BGP (UK) Limited.

Internet Addresses to Cerner Corporation Free and Clear of all Liens, Interests, Claims and Encumbrances and Waiving the Requirements of Bankruptcy Rule 6004(h) (the “Motion”).

PLEASE TAKE FURTHER NOTICE that a hearing on the Motion shall be held on **December 20, 2011 at 10:00 a.m. (prevailing Eastern Time)**, or as soon thereafter as counsel may be heard, before the Honorable Martin Glenn, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, Courtroom 501, One Bowling Green, New York, New York 10004 (the “Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Motion shall be made in writing, shall state with particularity the grounds therefor, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Southern District of New York, and shall be filed with the Bankruptcy Court electronically in accordance with General Order M-399 (General Order M-399 and the User’s Manual for the Electronic Case Filing System can be found at www.nysb.uscourts.gov, the official website for the Bankruptcy Court) by registered users of the Bankruptcy Court’s case filing system, and by all other parties in interest, on a 3.5 inch disk or CD-ROM, preferably in Portable Document Format (PDF), WordPerfect or any other Windows-based word processing format (with a hard copy delivered directly to Chambers) and served in accordance with General Order M-399 or otherwise **so as to be actually received no later than December 13, 2011 at 4:00 p.m. (prevailing Eastern Time)** by: (i) Kasowitz, Benson, Torres & Friedman LLP, attorneys for the Debtors, 1633 Broadway, New York, New York 10019 (Attn: Andrew K. Glenn, Esq., Jeffrey R. Gleit, Esq., and Daniel N. Zinman, Esq.); (ii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, New York, New York 10004 (Attn: Paul K. Schwartzberg, Esq.); and (iii) Lowenstein Sandler PC, counsel for the official committee of unsecured creditors,

65 Livingston Avenue, Roseland, New Jersey 07068 (Attn: Bruce D. Buechler, Esq. and Paul Kizel, Esq.), and 1251 Avenue of the Americas, New York, New York 10020 (Attn: Bruce S. Nathan, Esq.).

PLEASE TAKE FURTHER NOTICE that the relief requested in the Motion may be granted without a hearing if no objection is timely filed and served as set forth above and in accordance with the order, dated February 16, 2011, implementing certain notice and case management procedures in these cases [Docket No. 64] (the "Case Management Order").

Dated: November 29, 2011
New York, New York

KASOWITZ, BENSON, TORRES
& FRIEDMAN LLP

By: /s/ Andrew K. Glenn
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

BORDERS GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 11-10614 (MG)

(Jointly Administered)

**DEBTORS' MOTION FOR ORDER PURSUANT TO SECTIONS 363 AND 105 OF THE
BANKRUPTCY CODE AND RULES 2002 AND 6004 OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE APPROVING AND AUTHORIZING THE SALE OF
THE DEBTORS' INTERNET ADDRESSES TO CERNER CORPORATION FREE AND
CLEAR OF ALL LIENS, INTERESTS, CLAIMS AND ENCUMBRANCES
AND WAIVING THE REQUIREMENTS OF BANKRUPTCY RULE 6004(H)**

TO: THE HONORABLE MARTIN GLENN,
UNITED STATES BANKRUPTCY JUDGE:

Borders Group, Inc. and its affiliated debtors, as debtors and debtors in possession

(collectively, the "Debtors"), respectfully submit this motion (the "Motion") for orders pursuant
to sections 363 and 105 of title 11 of the United States Code (the "Bankruptcy Code") and Rules

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Borders Group, Inc. (4588); Borders International Services, Inc. (5075); Borders, Inc. (4285); Borders Direct, LLC (0084); Borders Properties, Inc. (7978); Borders Online, Inc. (8425); Borders Online, LLC (8996); and BGP (UK) Limited.

2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) Approving and Authorizing the Sale of the Debtors’ Internet Addresses (as defined below) to Cerner Corporation (“Cerner”) Free and Clear of all Liens, Interests, Claims and Encumbrances and waiving the requirements of Bankruptcy Rule 6004(h). In support of the Motion, the Debtors respectfully represent as follows:

PRELIMINARY STATEMENT

In connection with the Debtors’ continuing efforts to maximize the value of their assets, the Debtors previously sought approval of a sale of the Debtors’ intellectual property assets (the “IP Assets”) after conducting an auction. By order dated September 27, 2011 (the “IP Sale Order”),² this Court authorized the sale (the “IP Sale”) of certain of the Debtors’ IP Assets to Barnes & Noble, Inc. (“B&N”), along with licenses to certain licensees to use in certain foreign jurisdictions the trademarks conveyed to B&N by the Debtors under the terms of the Purchase Agreement and the IP Sale Order. Among the IP Assets not sold by the Debtors in connection with the IP Sale were the Debtors’ Internet Addresses. For the last several months, the Debtors, through their agent, Streambank LLC, have solicited interest in purchasing the Internet Addresses by contacting thousands of potentially interested buyers, eventually obtaining an offer from Cerner to purchase the Internet Addresses for \$786,432, or \$12 per address. The Debtors believe that this represents an excellent result, and is the highest and best offer the Debtors obtained. Accordingly, the Debtors respectfully request that this Court enter an order approving and authorizing the sale of the Internet Addresses (the “IA Sale”) to Cerner, free and clear of all

² *Order Pursuant to Sections 105, 363 and 365 of the Bankruptcy Code and Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure Approving the Sale of Certain of the Debtors’ IP Assets Free and Clear of all Liens, Interests, Claims and Encumbrances and the Rejection of Certain Executory Contracts Related Thereto* [Docket No. 1876].

liens, interests, claims and encumbrances and waiving the requirements of Bankruptcy Rule 6004(h).

BACKGROUND

1. On February 16, 2011 (the "Commencement Date"), each of the Debtors commenced a voluntary case under the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "Court"). The Debtors are authorized to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' cases are being jointly administered pursuant to Bankruptcy Rule 1015(b).

2. On February 24, 2011, the Office of the United States Trustee appointed the official committee of unsecured creditors (the "Committee").³

JURISDICTION

3. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The predicates for the relief sought herein are sections 332, 363 and 105 of the Bankruptcy Code and Bankruptcy Rules 2002 and 6004.

BACKGROUND

A. The Store Closing Motion.

4. On June 30, 2011, the Debtors filed their *Motion for an Order Pursuant to Sections 105, 363 and 365 of the Bankruptcy Code and Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (I) Approving the Sale of Substantially All of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances and Interests and the Assumption and Assignment of Executory Contracts and Unexpired Leases Related Thereto, (II)*

³ [Docket No. 156].

*Approving the Bidding Procedures and Break-Up Fee, and (III) Granting Related Relief.*⁴ On July 14, 2011, the Court entered the *Order Pursuant to Sections 105, 363 and 365 of the Bankruptcy Code and Rules 2002, 6004 and 9014 of the Federal Rules of Bankruptcy Procedure Approving Sale Procedures in Connection with the Sale of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances and Interests,*⁵ which approved sales procedures for the sale of substantially all of the Debtors' assets, but specifically excluded, among other assets, their intellectual property and related interests. On July 21, 2011, the Court entered the *Order Approving Agency Agreement, Store Closing Sales and Related Relief,*⁶ pursuant to which the Court authorized the Debtors to enter into the Agency Agreement (as modified, the "Agency Agreement") with Hilco Merchant Resources, LLC, SB Capital Group, LLC, Tiger Capital Group, LLC, Gordon Brothers Retail Partners, LLC and Great American Group, LLC (collectively, the "Agent"). The Agent, on behalf of the Debtors, has liquidated all remaining store locations.

B. The IP Sale.

5. On or about July 27, 2011, the Debtors filed the *Debtors' Motion for Orders Pursuant to Sections 332, 363, 365 and 105 of the Bankruptcy Code and Rules 2002, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure: (I) Approving Bidding Procedures With Respect to Sale of Certain IP Assets, Including Expense Reimbursement for a Stalking Horse Bidder, Setting the Sale Hearing Date, and Appointing a Consumer Privacy Ombudsman; and (II) Approving and Authorizing the Sale of IP Assets to the Highest or Best Bidder Free and Clear of All Liens, Interests, Claims and Encumbrances and the Assumption and Assignment of*

⁴ [Docket No. 1130].

⁵ [Docket No. 1253].

⁶ [Docket No. 1377].

*Certain Related Executory Contracts and Waiving the Requirements of Bankruptcy Rules 6004(h) and 6006(d),*⁷ pursuant to which, among other things, the Debtors sought authority to conduct a bidding process and auction for the sale of the IP Assets and the approval of such sale at a final hearing.

6. On or about August 10, 2011, this Court entered the *Order Pursuant to Sections 332, 363, 365 and 105 of the Bankruptcy Code and Rules 2002, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure Approving Bidding Procedures in Connection With the Sale of the Debtors' IP Assets Free and Clear of All Liens, Interests, Claims and Encumbrances,*⁸ pursuant to which the Court, among other things, approved such bidding and auction process.

7. On or about September 27, 2011, this Court entered the IP Sale Order, which, among other things, approved the sale of certain of the Debtors' IP Assets to B&N and perpetual, royalty free licenses to use the Debtors' trademarks in certain foreign jurisdictions.

C. The Internet Addresses.

8. The Internet Addresses consist of one /16 legacy block of 65,536 IPv4 Internet Protocol Numbers (the "Internet Addresses"). Computers and their devices, to connect to the internet, require unique internet addresses. The current Internet Address pool is IPv4 (which stands for version 4) which addresses consist of 32 bits – limiting the number of available Internet Addresses to 4.3 Billion. IPv4 addresses have been depleted and availability is scarce. A new version IPv6 has emerged which will make availability almost infinite. However until IPv6 is fully transitioned, there is still a need for IPv4 addresses. (*See Declaration of Jack Hazan in Support of the Motion ("Hazan Decl."),* filed contemporaneously herewith, ¶ 2).

⁷ [Docket No. 1401].

⁸ [Docket No. 1513].

9. Hilco Streambank LLC (“Streambank”), the Debtors’ agent, prepared an offering memorandum, publicizing it through targeted direct marketing to key potential purchasers, including ISPs, network service providers, domain registries, and hardware/software providers, and by email to thousands of additional targeted potential buyers. Ultimately, Streambank received interest from a number of parties with offers ranging from \$1.50 per address to the \$12 per address offer received from Cerner. *Id.*, ¶ 3.

10. On or about November 29, 2011, the Debtors reached an agreement with Cerner for the purchase of the Debtors’ Internet Addresses for \$786,432 or \$12 per Internet Address. Cerner either has deposited or, upon information and belief, will deposit with the Debtors \$78,643.20, or 10% of the purchase price. The closing of the IA Sale is subject to, among other things, consent by ARIN (as defined below) and approval by this Court. *Id.*, ¶ 4.

11. Given the foregoing and given that this sale exceeds the only other publicized sale of internet addresses – Nortel’s section 363 sale to Microsoft about a year ago for approximately \$11.25 per address – the Debtors believe that the price to be paid by Cerner represents the highest and best price for the Internet Addresses. *Id.*, ¶ 5.

D. ARIN.

12. Since late 1997, internet addresses in North America are distributed and administered through the American Registry of Internet Numbers (“ARIN”). The address blocks being sold were acquired by the Debtors before ARIN’s appointment, which results in the classification of the block as a “legacy block.” ARIN offers various services to holders of IP Addresses including publication in their WHOIS directory and many holders of legacy IP Addresses have agreed to sign agreements with ARIN to insure compliance with ARIN policies in exchange for the services. ARIN has indicated to the Debtors that they believe that the legacy Internet Addresses fall within ARIN’s jurisdiction. While the Debtors believe that this Court has

the authority to authorize the sale of the Internet Addresses over any such objection by ARIN,⁹ the IA Sale contains a condition of ARIN's consent and the proposed order incorporates various protections of ARIN's rights, which moots any need to consider any of these issues.

RELIEF REQUESTED

13. By this Motion, the Debtors request the entry of an order (the "IA Sale Order") approving and authorizing the sale of the Internet Addresses to Cerner, in the form of **Exhibit A**, free and clear of all liens, interests, claims and encumbrances and waiving the requirements of Bankruptcy Rule 6004. A copy of the proposed IA Sale Order is annexed hereto as **Exhibit B**.

ARGUMENT

A. The Court Should Approve The Relief Requested As A Sound Exercise Of The Debtors' Business Judgment.

14. The Debtors are in the midst of liquidating their assets, having already closed their stores and completed the sale of their on-line business to B&N. The Debtors did not, however, sell their Internet Addresses to B&N, having conducted, through Streambank, a separate marketing process for such assets. Ultimately, the Debtors agreed to a sale to Cerner, which the Debtors believe, within the scope of their business judgment, represents the highest and best offer for the Internet Address.

15. Section 363(b)(1) of the Bankruptcy Code provides, in pertinent part, that "[t]he trustee, after notice and a 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). To sell property under section 363(b), the Debtors must demonstrate to the Court a legitimate business justification for the proposed action. *See Committee of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983). "Where the debtor articulates a reasonable basis for its business

⁹ This will likely entail ARIN's approval of Cerner based on a reasonable demonstration of a need for the addresses (under a standard that is more liberal than their policy for transfer of non-legacy numbers).

decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor's conduct." *Comm. of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986). When a valid business justification exists, the law vests the debtor's decision to use property out of the ordinary course of business with a strong 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 taken was in the best interests of the company." *In re Integrated Res., Inc.*, 147 B.R. at 656 (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)).

16. The Debtors believe that sale of the Internet Addresses to Cerner as requested herein will allow the Debtors to maximize the value of the Internet Addresses. Moreover, given the vigorous marketing process and the fact that the price to be paid is in excess of the price received by Nortel in the only other publicized internet address sale in a bankruptcy case, the Debtors believe that the price to be paid to the Debtors by Cerner in exchange for the Internet Addresses represents the highest and best value for the Internet Addresses.

**B. Sale Free And Clear Of Liens, Claims, Encumbrances
And Interests And Distribution Of Proceeds.**

17. The Debtors seek to sell the Internet Addresses free and clear of all liens, claims, encumbrances and other interests (collectively, "Interests"), other than as to certain rights of ARIN as explained above. Section 363(f) of the Bankruptcy Code permits a debtor to sell property free and clear of another party's interest in the property if: (a) applicable nonbankruptcy law permits such a "free and clear" sale; (b) the holder of the interest consents; (c) the interest is a lien and the sale price of the property exceeds the value of all liens on the property; (d) the interest is in bona fide dispute; or (e) the holder of the interest could be compelled in a legal or equitable proceeding to accept a monetary satisfaction of its interest. *See*

11 U.S.C. § 363(f). Courts have interpreted the requirements of Section 363(f) to be disjunctive. *In Re Elliot*, 94 B.R. 343 (Bankr. E.D. Pa. 1988). Accordingly, if any of the five conditions set forth in section 363(f) are met, then a debtor is empowered to sell property free and clear of liens. *Id.*

18. The sale of the Internet Addresses to Cerner will satisfy the requirements of section 363(f). All relevant parties will have sufficient notice and the ability to object to this motion. Accordingly, if a party with an interest in the Internet Addresses does not timely object to a transaction in accordance with the proposed procedures, the Debtors submit that such party should be deemed to have consented to the Sale within the meaning of section 363(f)(2) of the Bankruptcy Code. *See Hargrave v. Township of Pemberton (In re Tabone, Inc.)*, 175 B.R. 855, 858 (Bankr. D.N.J. 1994) (failure to object to sale free and clear of liens, claims and encumbrances satisfies section 363(f)(2)).

C. Relief Under Bankruptcy Rule 6004(h)

19. Bankruptcy Rule 6004(h) provides that an “order authorizing the use, sale, or lease of property . . . is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.” Similarly, Rule 6006(d) of the Bankruptcy Rules provides that an Order authorizing . . . [the assignment of] an executory contract . . . under § 365(f) is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise.”

20. This motion has been scheduled for a hearing on the same day as the confirmation hearing for the Debtors’ chapter 11 plan (the “Plan”). If the Debtors’ Plan were to go effective prior to closing the IA Sale, a different party – the Liquidating Trust (as defined in the Plan) – may need to be substituted for the Debtors, requiring additional time and expense to modify the applicable documents and, possibly, a new order from this Court. Additionally, Cerner has expressed significant interest in closing the transaction as soon as practicable. Due to such facts

and the posture of the Debtors' bankruptcy cases in general, the Debtors request that the IA Sale Order be effective immediately by providing that the 14-day stay under Bankruptcy Rule 6004(h) is waived.

NOTICE

21. No trustee or examiner has been appointed in these chapter 11 cases. Notice of this Motion has been given in accordance with this Court's order, dated February 16, 2011,¹⁰ implementing certain notice and case management procedures. The Debtors submit that no other or further notice need be provided.

NO PRIOR REQUEST

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

WHEREFORE the Debtors respectfully request that this Court (i) enter the IA Sale Order, and (ii) grant such other and further relief as the Court deems just and proper.

Dated: November 29, 2011
New York, New York

KASOWITZ, BENSON, TORRES
& FRIEDMAN LLP

By: /s/ Andrew K. Glenn
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¹⁰ [Docket No. 64].

November 29, 2011

Tony Linville
Vice President, Infrastructure Services
Cerner Corporation
2800 Rockcreek Parkway
N. Kansas City, MO 64117

Re: In re Borders, Inc. – Purchase of IPv4 Addresses

Dear Mr. Linville:

This is to confirm the terms of your agreement to purchase certain assets of Borders, Inc. (the “Company”), jointly administered Debtors and Debtors in possession in a chapter 11 case (the “Bankruptcy Case”) pending in United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”). The agreement is subject to the following terms and conditions:

1. Purchaser: Cerner Corporation (the “Purchaser”).
2. Assets: This agreement sets forth the terms of the acquisition by Purchaser of all of the Company’s right, title and interest in a /16 block of 65,536 Internet Protocol Addresses identified as block 170.71.0.0/16 with a range of consecutive IP Addresses from 170.71.0.0 through 170.71.255.255 (the Company’s right, title and interest in such Internet Protocol Addresses being hereinafter referred to as the “Assets”). The transaction will be effected pursuant to the attached assignment document set forth on Exhibit A hereto reflecting the provisions described in this Agreement (“Assignment”). The Assignment shall provide for a simultaneous execution and delivery of the Assignment and closing of the transaction (“Closing”).
3. Purchase Price: Purchaser shall pay \$786,432.00 (“Purchase Price”) in cash at Closing as consideration for the Assets.

Purchaser shall, upon execution of this agreement, deposit \$78,643.20 (10% of the Purchase Price) (the “Deposit”) with Company’s escrow agent, U.S. Bank, N.A. (the “Escrow Agent”) via the following wire instructions:

Bank Name: U.S. Bank N.A.
Location: 777 E. Wisconsin Avenue, Milwaukee, WI 53202-5300
ABA Number: 091000022
Account Name: USBANK CT WIRE CLRG
Account No: A/C 180121167365
Swift Code: USBKUS4T or USBKUS44IMT
Swift Contact: William Wiechmann (612-303-7502)

If the Closing takes place as provided herein, then Company agrees to credit the Deposit against the Purchase Price and the Deposit shall be paid by the Escrow Agent to the Company at the Closing. If the Closing does not occur on or before January 31, 2012 (or such later date as may be mutually agreed upon by the parties) (the “Outside Date”) as a result of Purchaser’s failure to perform its obligations hereunder, Company may terminate this Agreement by delivery of written notice to

Purchaser in which event Company, as its sole and exclusive remedy, shall retain the Deposit as liquidated damages. If the Closing does not occur on or before the Outside Date for any reason other than Purchaser's failure to perform its obligations hereunder, Purchaser may terminate this Agreement by delivery of written notice to Company whereupon the Deposit shall be returned to Purchaser.

4. ARIN Approval: The sale shall be subject to consent by the American Registry for Internet Numbers ("ARIN"), which shall include Purchaser's agreement to sign a Legacy Registration Services Agreement (the "LRSA") with ARIN. Purchaser shall cooperate in good faith with ARIN regarding the LRSA and will promptly provide ARIN with any information reasonably required for its approval process. Purchaser shall be liable for and pay any sales and transfer taxes, filing fees, documentary fees or other charges payable to any third party (other than resulting income taxes) payable in connection with the purchase, sale or transfer of the Assets to Purchaser.
5. Bankruptcy Court Approval: The sale shall be subject to obtaining an order from the Bankruptcy Court (the "Sale Order") reasonably acceptable to Purchaser (i) approving the sale and assignment to Purchaser free and clear of all charges, liens, claims, encumbrances and/or rights of any third parties, provided that following the sale and assignment the Assets shall be subject to the terms of the LRSA and (ii) waiving the 14-day stay required by Bankruptcy Rule 6004(h). Because the policies of ARIN may not constitute interests that the Company may sell free and clear of pursuant to Section 363(f) of the Bankruptcy Code, the transfer of the Assets authorized pursuant to the Sale Order shall not be free and clear of ARIN's policies. The Company shall file a motion for approval of the transaction by the Bankruptcy Court no later than December 31, 2011.
6. Closing: Closing will take place promptly after the receipt of any necessary approvals as outlined above. Closing shall take place at the offices of Company's counsel, Kasowitz, Benson, Torres & Friedman LLP, New York, New York as soon as practicable but in any event not later than two (2) Business Days after Bankruptcy Court Approval and ARIN approval is obtained unless otherwise agreed to by the parties. Upon Closing, Company shall transfer title to the Assets in accordance with the terms of the Sale Order.
7. Liabilities. Purchaser shall assume all liabilities, claims or obligations relating to the Assets arising upon and after Closing. Company will be and remain liable for, and Purchaser will not assume, all liabilities, claims or obligations relating to the Assets arising prior to Closing.
8. Representations and Warranties.

(a) As of the date of this agreement and as of Closing and after giving effect to the Sale Order, Company represents and warrants to Purchaser as follows:

- (i) This agreement has been duly executed and delivered by Company and constitutes the valid and binding obligation of Company, enforceable against it in accordance with its terms. The execution, delivery and performance of this agreement have been duly authorized by all necessary action on the part of Company subject to Bankruptcy Court approval as required in Section 5 hereof.
- (ii) Company has not previously assigned, transferred, conveyed or otherwise encumbered its right, title and interest in the Assets.
- (iii) There are no claims, judgments or settlements against, pending or, to the Company's knowledge, threatened in writing with respect to the Assets.

- (iv) Company is not currently a party to, and will not enter into, any agreements, oral or written, that are inconsistent with its obligations under this agreement.
- (v) Upon Closing, Company will transfer the Assets to Purchaser free and clear of all charges, claims, liens, encumbrances and/or rights of any third parties in accordance with the provisions of the Sale Order and this agreement.
- (vi) The representations and warranties of Company in this agreement and any ancillary agreement shall not survive the Closing and shall be null and void ab initio and of no further force or effect immediately after the Closing.

(b) As of the date of this agreement and as of Closing, Purchaser represents and warrants to Company as follows:

- (i) This agreement has been duly executed and delivered by Purchaser and constitutes the valid and binding obligation of Purchaser, enforceable against it in accordance with its terms. The execution, delivery and performance of this agreement have been duly authorized by all necessary action on the part of Purchaser.
- (ii) Purchaser is not currently a party to, and will not enter into, any agreements, oral or written, that are inconsistent with its obligations under this agreement.
- (iii) Subject to the provisions of the Sale Order, Purchaser acknowledges and agrees that (i) it is receiving the Assets on an "as is" and "where is" basis and (ii) except as expressly provided herein, Company makes no express or implied warranties of any kind, including but not limited to warranties of merchantability, fitness for a particular purpose, condition, suitability or title, in respect of the Assets.

9. Documents to be Delivered at Closing. Company will deliver all instruments reasonably necessary to transfer the Assets to Purchaser in accordance with this Agreement.

10. Confidentiality. Neither Company nor Purchaser, nor their respective representative or designees, shall disclose, without the other party's prior written consent, the existence of this agreement or any information pertaining to this agreement or the Assets, or any part of the Assets, unless such disclosure is required to be disclosed pursuant to any rule, regulation, order, decision, decree, subpoena or other legal process. If such disclosure is required by legal process, the party seeking disclosure shall notify the other party of this request promptly prior to any disclosure to permit such other party to oppose such disclosure by appropriate legal action. Purchaser and Company agree that the foregoing provisions of this Paragraph 10 shall not apply to any applications, motions and proceedings by or on behalf of Company in support of procuring the issuance of the Sale Order by the Bankruptcy Court.

11. Applicable Law; Jurisdiction: This Agreement and the transactions contemplated hereby shall be construed in accordance with and governed by the laws of the State of New York. Any proceeding to enforce the rights and obligations of any Party under this Agreement shall be commenced and maintained exclusively in the Bankruptcy Court and the Bankruptcy Court shall have exclusive jurisdiction over any such proceeding.

12. Notice. All notices hereunder shall be in writing, dated and signed by the Party giving the same. Each notice shall be either (a) delivered in person to the address of the Party intended at the address of such Party as shown below, (b) delivered to the United States Postal Service addressed to the Party for whom it is intended at the address of such Party as provided below, (c) sent by facsimile with a confirmation sheet, or (d) delivered to a nationally recognized overnight courier service that traces any such notice. The address at which any Party hereto is to receive notice may be changed from time to time by such Party by giving notice of the new address to all other parties hereto. The addresses of the Parties, until changed in accordance with the foregoing, are:

Purchaser: Cerner Corporation

2800 Rockcreek Parkway
North Kansas City, MO 64117
Attn: Chief Legal Officer
Facsimile: (816)571-2556

Company: Borders Group, Inc.
100 Phoenix Drive
Ann Arbor, Michigan 48108
Attn: James Toner, Esq.
Facsimile: (734) 477-1370

And copies (which shall not constitute notice) to:

Kasowitz, Benson, Torres & Friedman LLP
1633 Broadway
New York, New York 10019
Attn: Andrew K. Glenn, Esq.
Facsimile: (212) 506-1800

Hilco Streambank, LLC
97 Chapel Street, 3rd Floor
Needham, Massachusetts 02492
Attn: Jack Hazan
Facsimile: (212) 610-5603

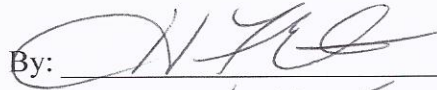
And to counsel for the Official Committee of Unsecured Creditors of Company at:

Lowenstein Sandler PC
65 Livingston Avenue
Roseland, New Jersey 07068
Attn: Bruce Buechler, Esq.
Facsimile: (973) 597-2309

[Remainder of page intentionally left blank.]

Please sign below to indicate your agreement to the foregoing. Upon receipt of the fully executed agreement and the Good Faith Deposit, the Company shall proceed to obtain the necessary approvals.

Borders, Inc.

By: 
Name: Holly FELDER Elin
Title: President

Accepted:

Cerner Corporation

By: _____
Title: _____
Date: _____

Please sign below to indicate your agreement to the foregoing. Upon receipt of the fully executed agreement and the Good Faith Deposit, the Company shall proceed to obtain the necessary approvals.

Borders, Inc.

By: _____

Name: _____

Title: _____

Accepted:

Cerner Corporation

By: 
MARC G NAUGHTON

Title: exec VP + CFO

Date: 11/29/11

ASSIGNMENT OF ASSETS

THIS ASSIGNMENT OF ASSETS (the "Assignment") is made as of _____, 2011, by **Borders, Inc.** (the "Assignor"), in favor of **Cerner Corporation** (the "Assignee") pursuant to that certain Agreement dated _____ 2011 (the "Agreement"). Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Agreement.

WHEREAS, pursuant to the Agreement, Assignor agreed to sell, assign, transfer, convey and deliver to Assignee, and Assignee agreed to purchase, accept and assume, the Assets (comprised of Assignor's rights, title and interest in a /16 block of 65,536 Internet Protocol Addresses identified as block 170.71.0.0/16 with a range of consecutive IP Addresses from 170.71.0.0 through 170.71.255.255, as more particularly described in the Agreement), on and subject to the terms and conditions provided for therein; and

WHEREAS, the Assignor desires to sell, assign, transfer, convey and deliver to Assignee the Assets, to the Assignee on the terms and conditions set forth in the Agreement; and

WHEREAS, Assignee desires to purchase, accept and assume the Assets on the terms and conditions set forth in the Agreement.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration payable pursuant to the Agreement, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Assignment of Rights. The Assignor hereby sells, assigns, transfers, conveys and delivers, to Assignee, its successors and assigns, the Assets, for its own use, and for its successors, legal representatives and assigns in accordance with the terms set forth in the Agreement.

2. Acceptance of Rights. Assignee hereby accepts the sale, assignment, transfer, conveyance and delivery of the Assets in accordance with the terms set forth in the Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be duly executed as of the date first above written.

**ASSIGNOR:
BORDERS, INC.**

By: _____
Name:
Title:

STATE OF _____)
)
COUNTY OF _____)

On this _____ day of _____, 2011, personally appeared before me _____, the _____ of Borders, Inc., to be known, and known by me to be the duly authorized representative of the corporation described in, and who executed the foregoing instrument on behalf of, and at the direction of,

Borders, Inc., and acknowledged that he executed the same, of his and Borders, Inc.'s own free will and for the purposes set forth herein.

Notary Public

[SEAL}

**ASSIGNEE:
CERNER CORPORATION**

By: _____
Name:

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

BORDERS GROUP, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 11-10614 (MG)

(Jointly Administered)

**ORDER PURSUANT TO SECTIONS 363 AND 105 OF THE BANKRUPTCY
CODE AND RULES 2002, 6004 OF THE FEDERAL RULES OF
BANKRUPTCY PROCEDURE APPROVING AND AUTHORIZING THE SALE
OF THE DEBTORS' INTERNET ADDRESSES TO CERNER CORPORATION
FREE AND CLEAR OF ALL LIENS, INTERESTS, CLAIMS AND ENCUMBRANCES
AND WAIVING THE REQUIREMENTS OF BANKRUPTCY RULE 6004(H)**

Upon the Motion (the "Motion")² of the above-captioned debtors and debtors in possession (the "Debtors") in their respective chapter 11 cases (the "Cases") for Order Pursuant to Sections 363 and 105 of Title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") Approving and Authorizing the Sale of the Debtors' Internet Addresses to Cerner Corporation Free and Clear of all Liens, Interests, Claims and Encumbrances and Waiving the Requirements of Bankruptcy Rules 6004(h); and upon the Declaration of Jack Hazan in support of the Motion, dated November 29, 2011 (the "Declaration"); and upon the arguments made at the Hearing held on December 20, 2011 (the "Hearing"); and the Court having considered the Motion and the arguments made and evidence proffered or adduced in support of the Motion at the Hearing; and it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors

¹ The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Borders Group, Inc. (4588); Borders International Services, Inc. (5075); Borders, Inc. (4285); Borders Direct, LLC (0084); Borders Properties, Inc. (7978); Borders Online, Inc. (8425); Borders Online, LLC (8996); and BGP (UK) Limited.

² All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

and other parties in interest; and adequate notice of the Motion having been given and it appearing that no other notice need be given; and having heard the objections made, if any, to the relief sought in the Motion; and after due deliberation and sufficient cause therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:³

A. This Court has jurisdiction to approve the sale of the Internet Addresses and the Agreements (as defined below) (collectively, the “IA Sale”) pursuant to 28 U.S.C. §§ 157(b) and 1334 and Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.).

B. Venue of these cases in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409(a).

C. Approval of the IA Sale is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A), (N) and (O). The statutory predicates for the approval of the IA Sale are sections 363 and 105 of the Bankruptcy Code and Rules 2002 and 6004 of the Bankruptcy Rules.

D. As evidenced by the affidavits of service filed with the Court, proper, timely, adequate and sufficient notice of the Motion, the IA Sale and the Hearing has been provided in accordance with sections 363, 365 and 105(a) of the Bankruptcy Code, Bankruptcy Rules 2002, 6004 and 6006 and the applicable Local Rules for the United States Bankruptcy Court for the Southern District of New York and in compliance with the Bidding Procedures Order. No other or further notice of the Motion, the Hearing or the IA Sale is required.

E. A reasonable opportunity to object or be heard regarding the relief requested in the Motion and the IA Sale has been afforded to all parties in interest in the Cases,

³ Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

including the following: (i) the Office of the United States Trustee, (ii) counsel to the DIP Agents, (iii) counsel to the Committee, (iv) all parties who are known to assert a security interest in, lien on or claim against any of the Internet Addresses, if any, (v) ARIN and (vi) all other applicable parties in interest, including all entities on the 2002 service list as of the date of the Motion ((i) through (vi) collectively, the “Notice Parties”).

F. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h), the parties may consummate the IA Sale immediately upon entry of this Order. Time is of the essence in consummating the IA Sale to the Purchaser (as defined below). Accordingly, cause exists to lift the stay to the extent necessary, as contemplated by Bankruptcy Rule 6004(h). To any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, the Court expressly finds that there is no just reason for delay in the implementation of this Order.

G. As demonstrated by: (i) the Declaration; (ii) the testimony and other evidence proffered or adduced at the Hearing; and (iii) the representations of counsel made on the record at the Hearing, the Debtors have marketed the Internet Addresses, and the Debtors and Cerner Corporation, as the purchaser (together with its affiliates and designees, as applicable, the “Purchaser”) have negotiated the IA Sale in a diligent, noncollusive, fair and good faith manner. The Debtors conducted an open and robust marketing and sale process for the Internet Addresses that afforded a full, fair and reasonable opportunity for any person to make a higher or otherwise better offer to purchase the Internet Addresses. The Debtors and the Purchaser entered into the purchase agreement on or about November 29, 2011 (the “Purchase Agreement”; together with all other documents and agreements contemplated thereby or entered into in connection

therewith, the “Agreements”), attached hereto as **Exhibit 1**, as the highest and best offer.

H. The Agreements constitute the highest and best offer obtainable for the Internet Addresses (the “Internet Addresses”), and will provide a greater recovery for the Debtors’ stakeholders than would be provided by any available alternative. Thus, prompt consummation of the IA Sale contemplated by the Agreements at this time will serve the best interests of the Debtors, their estates, their creditors and all parties in interest by maximizing the value to be obtained from the Internet Addresses.

I. The Debtors have demonstrated both: (a) good, sufficient and sound business purpose and justification for the IA Sale because, among other things, the Debtors and their advisors diligently and in good faith analyzed all other available options in connection with the disposition of the Internet Addresses and determined that (i) the terms and conditions set forth in the Agreements, (ii) the transfer of the Internet Addresses by the Debtors to the Purchaser,⁴ and (iii) the consideration to be paid as reflected in the Agreements are all fair and reasonable and together constitute the highest or otherwise best value obtainable for the Internet Addresses; and (b) compelling circumstances exist for the IA Sale under section 363 of the Bankruptcy Code before, and outside of, a chapter 11 plan because, among other things, absent the IA Sale the value of the Internet Addresses will be substantially diminished.

J. A sale of the Internet Addresses other than one free and clear of liens, claims, encumbrances, defenses (including, without limitation, rights of setoff and recoupment) and interests, including, without limitation, security interests of whatever kind or nature, mortgages, pledges, deeds of trust, hypothecations, assignments, preferences, debts, easements, charges, suits, licenses, options, rights-of-recovery, judgments, orders and decrees of any court

⁴ Notwithstanding anything else herein to the contrary, whenever this order refers to the “transfer” of the Internet Addresses or similar terminology, the Court means the transfer of the Debtors’ interests in the Internet Addresses.

or foreign or domestic governmental entity, taxes (including foreign, state and local taxes), covenants, restrictions, indentures, instruments, leases, options, off-sets, claims for reimbursement, contribution, indemnity or exoneration, successor, product, tax, labor, alter ego and other liabilities, causes of action, contract rights and claims, to the fullest extent of the law, in each case, of any kind or nature, known or unknown, whether pre-petition or post-petition, secured or unsecured, choate or inchoate, filed or unfiled, scheduled or unscheduled, perfected or unperfected, liquidated or unliquidated, noticed or unnoticed, recorded or unrecorded, contingent or non-contingent, material or non-material, statutory or non-statutory, matured or unmatured, legal or equitable (subject to any exceptions specifically provided in the Agreements, collectively, “Interests”) and without the protections of this Order would impact materially and adversely the Debtors’ estates and would yield substantially less value, with less certainty than any available alternatives. Without the protections afforded to the Purchaser under the Bankruptcy Code and this Order, the Purchaser would have not offered the consideration indicated in the Agreements for the Internet Addresses. In addition, each entity with an Interest in the Internet Addresses (i) has consented to the IA Sale or is deemed to have consented to the IA Sale, (ii) could be compelled in a legal or equitable proceeding to accept money satisfaction of such interest or (iii) otherwise falls within the provisions of section 363(f) of the Bankruptcy Code and, therefore, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code have been satisfied. Those holders of Interests who did not object, or who withdrew their objections, to the Motion are (i) deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code. Holders of Interests are adequately protected by having their Interests, if any, attach to the cash proceeds of the IA Sale in the same priority as their pre-petition liens and/or security interests ultimately attributable to the property to which

the Interests apply, subject to the terms thereof. Therefore, approval of the Agreements and the consummation of the IA Sale free and clear of Interests is appropriate pursuant to section 363(f) of the Bankruptcy Code and is in the best interests of the Debtors' estates, their creditors and other parties in interest.

K. The consideration to be paid by the Purchaser under the Agreements in connection with the IA Sale, was negotiated at arm's length and constitutes reasonably equivalent value and fair and adequate consideration for the Internet Addresses under the Bankruptcy Code, the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act and the laws of the United States, any state, territory, possession thereof or the District of Columbia (collectively, "Laws"). The terms and conditions set forth in the Agreements are fair and reasonable under these circumstances and were not entered into for the purpose of, nor do they have the effect of, hindering, delaying or defrauding any of the Debtors or their creditors under any applicable Laws.

L. The Purchaser is not an "insider" (as that term is defined in section 101(31) of the Bankruptcy Code) of any of the Debtors.

M. The Purchaser negotiated the terms and conditions of the IA Sale in good faith and at arm's length. The Purchaser has acted in good faith in all respects in connection with these Cases and the IA Sale in that (i) the Purchaser recognized that the Debtors were free to negotiate with any other party that expressed interest in consummating the IA Sale, (ii) all payments to be made by the Purchaser and other agreements or arrangements entered into by the Purchaser with the Debtors in connection with the IA Sale have been disclosed and (iii) the negotiation and execution of the Agreements and all other aspects of the IA Sale were conducted in good faith. The Purchaser purchased the Internet Addresses in "good faith" within the

meaning of section 363(m) of the Bankruptcy Code and are, therefore, entitled to the protections afforded thereby.

N. The Debtors and their management actively participated in the sale process and acted in good faith. Accordingly, neither the Debtors nor the Purchaser has engaged in any conduct that would cause or permit the IA Sale, the Agreements or any related action to be avoided under section 363(n) of the Bankruptcy Code.

O. No transfer or other disposition of the Internet Addresses pursuant to the Agreements will result in any of the Purchaser having any liability or responsibility (i) for any Interest, (ii) for the satisfaction in any manner of any Interest or (iii) to third parties or the Debtors, except as expressly set forth in the Agreements. Without limiting the effect or scope of the foregoing, no transfer or other disposition of the Internet Addresses pursuant to the Agreements does or will subject any of the Purchaser to any liability for Interests against the Debtors or the Debtors' Interests in such Internet Addresses by reason of such transfer under any Laws, including, without limitation, any theory of successor or transferee liability, antitrust, product line, de facto merger or substantial continuity or similar theories. The Purchaser (i) is not a continuation of the Debtors or their estates and there is no continuity between any of the Purchaser and the Debtors, (ii) is not holding itself out to the public as a continuation of the Debtors and (iii) is not a successor to the Debtors or their estates and the IA Sale does not constitute a consolidation, merger or de facto merger of any of the Purchaser and the Debtors. The IA Sale is not being undertaken for the purpose of escaping liability for the Debtors' debts. The Purchaser has given substantial consideration under the Agreements for the benefit of the holders of liabilities in the Debtors. The consideration given by the Purchaser constitutes valid and valuable consideration for the releases of any potential claims of successor liability of the

Purchaser, which releases shall be deemed to have been given in favor of the Purchaser by all holders of liabilities against or Interests in the Debtors or any of the Internet Addresses.

P. Each of the Debtors (i) has full corporate or other power to execute, deliver and perform its obligations under the Agreements, (ii) has all of the corporate or other power and authority necessary to consummate the IA Sale and (iii) has taken all actions necessary to duly and validly authorize and approve the IA Sale and Agreements.

Q. Upon entry of this Order, each of the Agreements is a legal, valid and binding contract between and among the parties thereto and is enforceable in accordance with its terms.

R. As of Closing, the consummation of the IA Sale contemplated by the Agreements will be legal, valid and properly authorized under all applicable provisions of the Bankruptcy Code, including Sections 105(a), 363(b), 363(f) and 363(m), and all of the applicable requirements of such sections have been complied with in respect of the IA Sale.

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

A. Motion Granted, Objections Overruled.

1. The relief requested in the Motion is granted and approved in all respects as provided herein.

2. Any objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled, and all reservations of rights included in such objections, are overruled on the merits.

B. IA Sale Approved and Authorized.

3. The IA Sale and the transfer and assignment of the Internet Addresses to the Purchaser pursuant to the Agreements is hereby approved and authorized in accordance with, and under sections 363(b), 363(f), 363(m) and 365(a) of the Bankruptcy Code.

4. The terms and conditions of the Agreements and all payments and IA Sales contemplated thereunder are hereby approved in all respects and incorporated herein. The Debtors are authorized and directed to execute and deliver, and empowered to fully perform under, consummate, and implement the Agreements and the IA Sale, together with all additional instruments and documents that may be reasonably necessary or desirable to do so, and to take all further action as may reasonably be requested by the Purchaser for the purpose of assigning, transferring, granting, conveying and conferring the Internet Addresses to the Purchaser as contemplated in the Agreements.

5. Pursuant to section 363(f) of the Bankruptcy Code, the Internet Addresses may be transferred to the Purchaser pursuant to the IA Sale, and shall vest the Purchaser and/or its designees as of the Closing with all rights, title, privileges and interests of the Debtors and their estates in and to the Internet Addresses, free and clear of all Interests, pursuant to the terms of the Agreements. The transfer of the Internet Addresses to the Purchaser, as provided in the Agreements will be legal, valid and effective to the fullest extent provided herein.

6. Any Interests shall attach to the proceeds of the IA Sale in the order of their priority, with the same validity, force and effect which they previously had against the Internet Addresses, subject to the rights and defenses, if any, of the Debtors and their estates with respect thereto, and the proceeds of the IA Sale shall be allocated and managed in accordance with any applicable Orders of this Court related thereto and in accordance with the terms of any chapter 11 plan that may be confirmed and effective in these cases.

7. All persons and entities holding Interests are hereby barred and enjoined from asserting such Interests in any manner against any of the Purchaser, their successors or assigns, or against the Internet Addresses. No person or entity shall interfere with the Purchaser's title to or use and enjoyment of the Internet Addresses on account of the Interests, and the Purchaser shall be free to sell or otherwise transfer the Internet Addresses it acquires in its sole discretion, subject to the provisions of the Agreements. All persons and entities in possession of any Internet Addresses subject to the IA Sale are directed to surrender possession of such Internet Addresses to the Purchaser upon demand.

8. This Order shall be construed as, and shall be for any and all purposes, a full and complete general assignment, conveyance and transfer of the Internet Addresses or a bill of sale transferring good and marketable title in the Internet Addresses to the Purchaser pursuant to the terms of the Agreements. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the IA Sale and to give effect to the Agreements.

C. No Assumed Liabilities.

9. The Purchaser (as a successor entity, successor employer or otherwise) has not acquired and will not acquire or assume or be deemed to have acquired or assumed at Closing any obligations or liabilities of the Debtors whatsoever except as expressly provided in the Agreements, and all entities are hereby permanently enjoined and restrained from asserting or prosecuting any claim on account of any obligations or liabilities against any of the Purchaser or agents on account of the Internet Addresses.

10. Except as expressly provided in the Agreements, neither the Purchaser nor their respective successors or assigns shall be obligated or liable, either directly or indirectly, as successor, transferee or otherwise, for any obligations or liabilities of the Debtors or their

affiliates (whether under federal or state law or otherwise) as a result of the sale or purchase of the Internet Addresses or employment of any employee or former employee of the Debtors.

Except as expressly provided in the Agreements, none of the Purchaser nor any of their respective successors and assigns shall be or be deemed to be a successor or successor in interest or responsible person or potentially responsible person to the Debtors or any current or former creditor, employee, equity holder or other party in interest with respect to any liability, and to the extent permitted by applicable law, none shall have any liability (whether under federal or state law or otherwise) for successor liability, including with respect to any liabilities arising from or under products liability, tax, environmental, employment or other applicable law.

D. Order Binding.

11. This Order (a) shall be effective as a determination that, upon the Closing of the IA Sale, all liabilities of any kind or nature whatsoever existing as to the Internet Addresses being sold by the Debtors prior to the Closing of the IA Sale have been unconditionally released, discharged, and terminated, and that the conveyances described herein have been effected, and (b) shall be binding upon and shall govern the acts of all entities, including, without limitation all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to the Internet Addresses. Upon consummation of the IA Sales set forth in the Agreements, the Purchaser or its designee shall be authorized to file termination statements or lien terminations in any jurisdiction to remove any record, notice filing or financing statement recorded to attach perfect or otherwise notice any lien or encumbrance that is extinguished or

otherwise released pursuant to this Order under Section 363 and the related provisions of the Bankruptcy Code. To the extent provided by Section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend, on account of the filing or pendency of these Cases or the consummation of the IA Sale, any permit or license relating to the operation of the Internet Addresses sold, transferred, or conveyed to the Purchaser.

12. If any person or entity that has filed financing statements, mortgages, construction or mechanic's liens, *lis pendens* or other document or agreement evidencing liens on or Interests in the Internet Addresses shall not have delivered to the Debtors prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, or releases of any Interests which the person or entity has with respect to the Internet Addresses, each such person or entity is hereby directed to deliver all such statements, instruments and releases and the Debtors and the Purchaser are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of the person or entity asserting the same and the Purchaser is authorized to file a copy of this Order which, upon filing, shall be conclusive evidence of the release and termination of such interest. Each and every federal, state and local governmental unit is hereby directed to accept any and all documents and instruments necessary or appropriate to give effect to the IA Sale.

E. Good Faith.

13. The IA Sale is undertaken by the Debtors and the Purchaser in good faith, as that term is used in section 363(m) of the Bankruptcy Code and, accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the IA Sale shall not affect the validity of the IA Sale to the Purchaser, unless such authorization is duly stayed pending such appeal. The Purchaser is a good faith purchaser of the Internet Addresses, and is entitled to all of the benefits and protections afforded by section 363(m) of the Bankruptcy Code.

F. Other Provisions.

14. Notwithstanding anything else herein to the contrary, including, without limitation, paragraphs J, 3-8, and 11 hereof, (i) the IA Sale, as stated in the Agreements, is conditioned upon ARIN's consent including any terms and/or conditions established by ARIN's Transfer Policies or any other policies, guidelines, or regulations developed by ARIN and published on its website, as may be amended and supplemented from time to time (collectively, "ARIN's Policies"), (ii) the transfer of the Debtors' interests in the Internet Addresses to the Purchaser is subject to ARIN's Policies, and (iii) the Debtors and the Purchaser are required to comply with ARIN's Policies before any transfer of the Debtors' rights in the Internet Addresses may be effectuated. Nothing in this Order is intended, nor shall be construed, as exempting the Debtors and Purchaser from complying with the ARIN Policies.

15. The Purchaser is a party in interest and shall have the ability to appear and be heard on all issues related to this Order, the IA Sale, the Agreements and the various procedures and hearings contemplated therein.

16. The Agreements and related documents may be modified, amended or supplemented by the parties thereto in accordance with the terms thereof without further order of this Court, provided that any such modification, amendment or supplement is not material and adverse to the Debtors.

17. This Order and the terms and provisions of the Agreements shall be binding on all of the Debtors' creditors (whether known or unknown), the Debtors, the Purchaser and each of the respective affiliates, successors and assigns thereof, and any affected third parties including, but not limited to, all persons asserting an interest in the Internet Addresses, notwithstanding any subsequent appointment of any trustee, party, entity or other fiduciary under any section of the Bankruptcy Code with respect to the forgoing parties, and as to such trustee, party, entity or

other fiduciary, such terms and provisions likewise shall be binding. The provisions of this Order and the terms and provisions of the Agreements, and any actions taken pursuant hereto or thereto shall survive the entry of any order which may be entered confirming or consummating any plan of the Debtors or converting the Debtors' cases from chapter 11 to chapter 7, and the terms and provisions of the Agreements, as well as the rights and interests granted pursuant to this Order and the Agreements, shall continue in these or any superseding cases and shall be binding upon the Debtors, the Purchaser and their respective successors and permitted assigns, including any trustee or other fiduciary hereafter appointed as a legal representative of the Debtors under chapter 7 or chapter 11 of the Bankruptcy Code. Each of the Purchaser and the trustee shall be and hereby are authorized to perform under the Agreements upon the appointment of the trustee without further order of this Court.

18. No bulk sales law or any similar law of any state or other jurisdiction shall apply in any way to the IA Sale.

19. In the event that anything contained in any plan(s) confirmed in these Cases or any order confirming such plan(s) shall conflict with the provisions of this Order or of the Agreements, this Order shall control.

20. This Court shall retain jurisdiction (i) to enforce and implement the terms and provisions of the Agreements, all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connection therewith, (ii) to resolve any disputes arising under or related to the IA Sale, Agreements, Interests and Internet Addresses, (iii) to interpret, implement and enforce the provisions of this Order and (iv) to protect the Debtors and/or the Purchaser against any assertions of Interests.

21. The failure to include specifically any particular provision of the Agreements in this Order shall not diminish or impair the effectiveness of such provisions, it being the intent of the Court that the Agreements and all of their provisions, payments and IA Sales, be authorized and approved in their entirety. Likewise, all of the provisions of this Order are nonseverable and mutually dependent.

22. Notwithstanding the provisions of Bankruptcy Rule 6004(h), because time is of the essence, this Order shall not be stayed for fourteen (14) days after the entry hereof, but shall be effective and enforceable immediately upon issuance hereof.

23. To the extent that anything contained in this Order explicitly conflicts with a provision in the Agreements and/or any other related agreements, this Order shall govern and control.

Dated: December ____, 2011
New York, New York

UNITED STATES BANKRUPTCY JUDGE

Exhibit 1
[Purchase Agreement]