

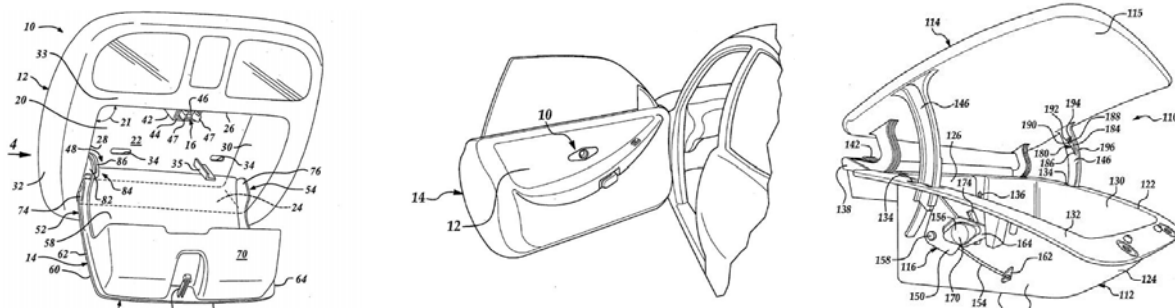


**FIRST PRINCIPALS, INC.**

1768 East 25<sup>th</sup> Street, Cleveland, OH 44114  
 PHONE: 216.881.8520 • FAX: 216.881.8522

**CONFIDENTIAL OPPORTUNITY to ACQUIRE  
 INTELLECTUAL PROPERTY of  
 Sidler, Inc.  
 An Automotive Interior Components Company**

The Intellectual Property available via bankruptcy auction are patented engineering designs contracted by major automobile manufacturers. Sidler was a leading supplier of interior lighting, panels, and other components to the major automobile manufacturers in North America.



Sidler’s major customers included Lear Corporation (for GM), Intier (for GM), Visteon, May & Scofield, Hi-Craft Engineering, and others.

These innovative designs embody economy of parts, reduced manufacturing costs, user convenience, and compliance with automotive manufacturing standards.

Assets to be auctioned include the following US Patents & Patent Applications. Details follow.

US Patent	Title	Description
<u>6,126,221</u>	<b>Universal Garage Door Opener Mounting Panel</b>	<ul style="list-style-type: none"> <li>• Easy One-touch operation of a garage door remote from its convenient compartment</li> <li>• A compartment door that is also the activation button</li> </ul>
<u>5,982,123</u>	<b>Interval Control for Intermittent Wipers</b>	<ul style="list-style-type: none"> <li>• Control of the interval between successive wipes in response to the quantity of rain.</li> <li>• Sensitivity to vehicle speed without additional sensors</li> <li>• Control system simplification and Hardware reduction</li> </ul>
<u>2007/0013202</u>	<b>Pivotable Door for Vehicle Interiors</b>	<ul style="list-style-type: none"> <li>• A convenient, non-binding, easy-to-open door</li> <li>• Flush exterior</li> </ul>
<u>2006/0198155</u>	<b>Panel-Mounted Task Light</b>	<ul style="list-style-type: none"> <li>• A focused replacement for <i>overhead</i> reading lights mounted in a door</li> <li>• Restricted illumination onto the lap of a passenger</li> </ul>
<u>2006/0113810</u>	<b>Modular Overhead Console Assembly</b>	<ul style="list-style-type: none"> <li>• A Unique, simply designed, movable module within an overhead console</li> <li>• Multiple, interchangeable components</li> </ul>
<u>2006/0208506</u>	<b>Latching Mechanism Vehicle Panel Door</b>	<ul style="list-style-type: none"> <li>• A desirable "push-push" open and close mechanism</li> <li>• A dampener mechanism for slow opening</li> <li>• A door that stays closed during bumps and collisions and a flush interior</li> </ul>

Assets to be auctioned include assignment of ownership rights to patents and patent applications. Bids may be for all assets or just selected assets. The following minimums and increments will apply as approved by the bankruptcy court:

<b>Bids</b>	<b>Minimum</b>	<b>Increment</b>
<b>Individual Property</b>	\$10,000	\$2,000
<b>All Six Properties</b>	\$25,000	\$5,000

Detail on all assets is available once a signed confidentiality agreement has been received. More non-confidential information on Sidler's Intellectual Property including USPTO assignments and correspondence is also available at <http://www.firstprincipals.com/Sidler.pdf>

The Liquidating Trustee in consultation with the Post Confirmation Committee will evaluate each submission to determine the highest and best offer for the Company and its creditors.

Any questions regarding the business, the assets being sold, or other questions regarding this sale should be directed to the Liquidating Trustee's financial advisors listed below.

The Sale will take place at 9:30am on Thursday, October 4, 2007. Qualified bids must be submitted by 10:00am on Wednesday, October 3, 2007 (extended at discretion of Liquidating Trustee.)

*Please note: this Auction was originally scheduled to take place on September 11, 2007. Based on a need by interested parties for additional time to review the Auction materials, the Auction has been postponed until October 4, 2007. In the attached documents, wherever the date September 11, 2007 appears, please substitute October 4, 2007.*

**Dr. Stephen P. Weeks**  
*President*  
[spweeks@firstprincipals.com](mailto:spweeks@firstprincipals.com)  
Cell: 216.533.6371

Phone: 216.881.8520  
Fax: 216.881.8522

**Michael F. Allan**  
*Vice President*  
[mfallan@firstprincipals.com](mailto:mfallan@firstprincipals.com)  
Cell: 440.263.6834

**The Opportunity**

Sidler, Inc. has developed and patented a fundamental design for a Universal Garage Door Opener.

The design provides

- Easy operation of a garage door remote from its convenient compartment
- A compartment door that is also the activation button
- One-touch operation

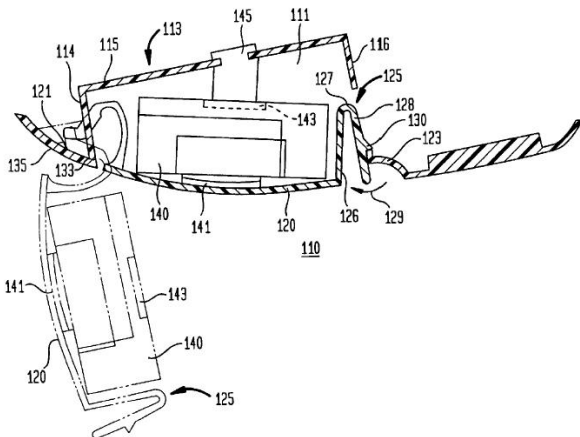
The design is compliant with all requirements of major automobile manufacturers.

**Technology**

The Sidler design offers the following advantages:

- Simple operation
- Less expensive than built-in transmitter electronics that mimic the remote
- Originally designed for a major automobile manufacturer

Detailed engineering drawings are available to facilitate rapid development of a manufacturing program.



**Intellectual Property**

The Sidler design is protected by US Patent 6,126,221 “Universal Garage Door Opener Overhead Compartment” and several foreign counterparts.

The patent is highly cited by later patents. It protects the combination of door panel and operating switch.

**For More Information**

The Liquidating Trustee is seeking qualified bidders to acquire this intellectual property.. For more information, contact:

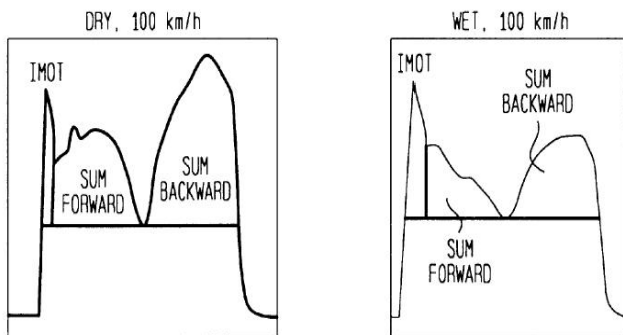
Dr. Stephen P. Weeks, President  
 First Principals, Inc.  
 1768 East 25th Street  
 Cleveland, OH 44114  
 Tel: 216-881-8521  
 Cell: 216-533-6371  
 Fax: 216-881-8522  
 email: spweeks@firstprincipals.com  
 Website www.firstprincipals.com

**The Opportunity**

Sidler, Inc. has developed and patented a simpler, less-expensive control system for intermittent windshield wipers.

The system provides

- Control of the duration of the interval between successive wipes in response to the quantity of rain.
- Sensitivity to vehicle speed without additional sensors
- Control system simplification
- Hardware reduction
- Cost reduction



The design is compliant with all requirements of major automobile manufacturers. Detailed engineering drawings are available to facilitate rapid development of a manufacturing program.

**Intellectual Property**

The Sidler design is protected by US Patent 5,982,123 "Interval control system for intermittent windshield wiper" and several foreign counterparts.

**Technology**

The Sidler design offers the following advantages:

- Utilizes the current drawn by the windshield wiper to measure wiper-to-windshield friction, indicative of wetness
- Includes a determination of relative air speed in control logic
- Simplifies wiper system
- Eliminates costly rain sensors
- Eliminates air speed sensors
- Eliminates coupling to vehicle speedometer

**For More Information**

The Liquidating Trustee is seeking qualified bidders to acquire this intellectual property.. For more information, contact:

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**The Opportunity**

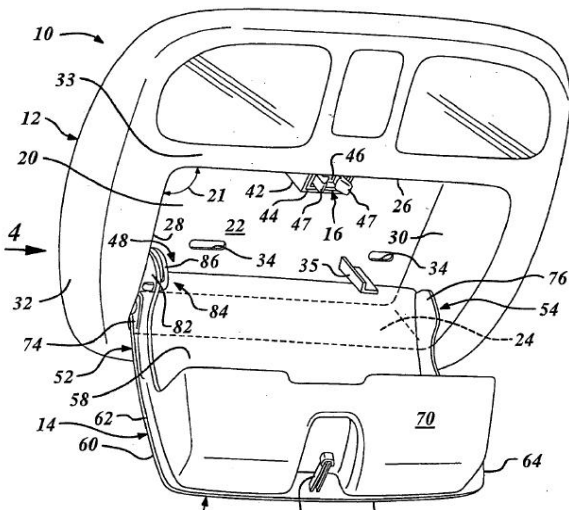
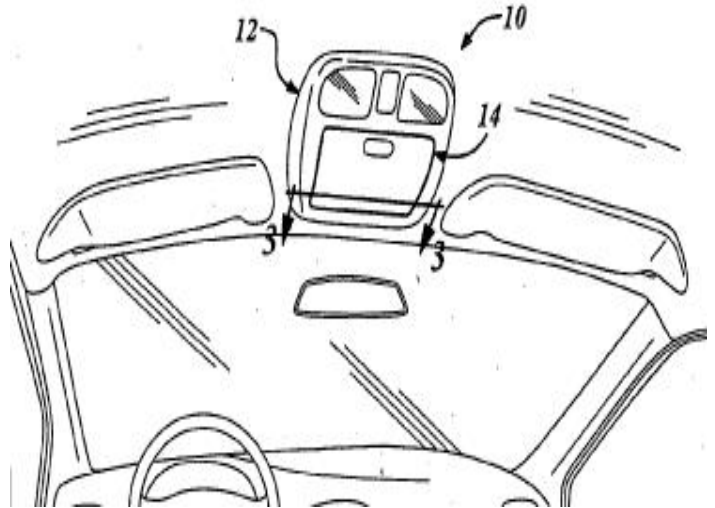
Sidler, Inc. has developed and patented an interior storage compartment system with a pivotable door for automobiles.

The system provides

- a convenient easy-to-open door
- no binding
- flush exterior
- decreased component manufacturing complexity and costs

**Technology**

The Sidler design offers a solution to a heat warping problem wherein panel doors don't align with mating surfaces and/or are difficult to open and close. This is achieved through the use of biasing members that increase stiffness.



The design is compliant with all requirements of major automobile manufacturers.

Detailed engineering drawings are available to facilitate rapid development of a manufacturing program.

**Intellectual Property**

The Sidler design is protected by US Patent Application 2007/0013202 "Vehicle interior accessory having a pivotable door" and several foreign counterparts.

**For More Information**

The Liquidating Trustee is seeking qualified bidders to acquire this intellectual property.. For more information, contact:

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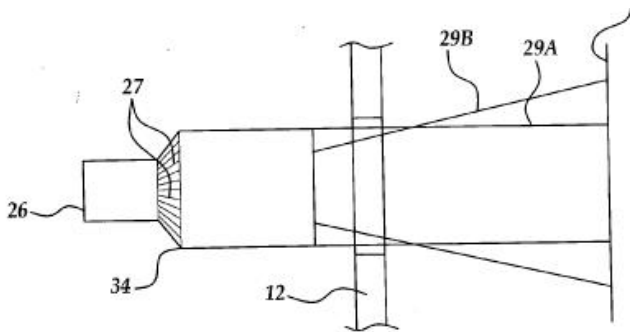
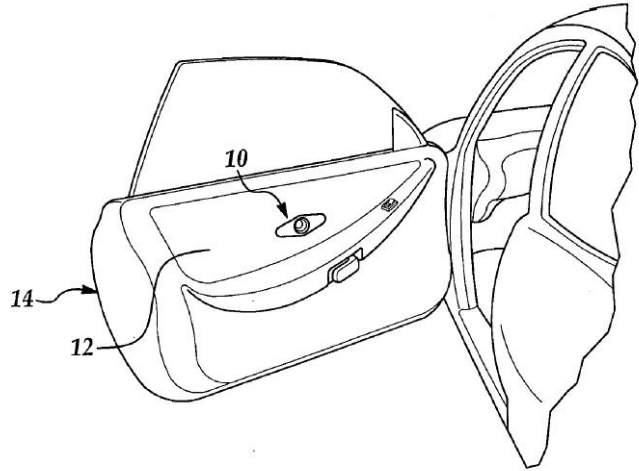
# PANEL-MOUNTED TASK LIGHT FOR VEHICLE INTERIORS

## The Opportunity

Sidler, Inc. has developed and patented an innovative design for incorporating a recessed task light into a vehicle interior.

The design provides

- a focused lamp mounted in a door or other vehicle interior panel
- restricted illumination onto the lap of a passenger for reading maps and other tasks
- a replacement for *overhead* reading lights which can be distracting to a driver, and potentially unsafe.



The design is compliant with all requirements of major automobile manufacturers.

## Technology

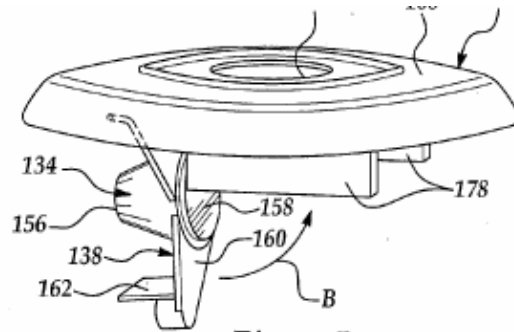
The Sidler design offers the following advantages:

- Reduction of optical flooding and glare
- Low part count
- Optimal packaging
- Robustness
- Low cost

Detailed engineering drawings are available to facilitate rapid development of a manufacturing program.

## Intellectual Property

The Sidler design is protected by US Patent Application 2006/0198155 "Panel Mounted Task Light for a Vehicle" and several foreign counterparts.



## For More Information

The Liquidating Trustee is seeking qualified bidders to acquire this intellectual property. For more information,

Dr. Stephen P. Weeks, President  
 First Principals, Inc.  
 1768 East 25<sup>th</sup> Street  
 Cleveland, OH 44114

Tel: 216-881-8521 Cell: 216-533-6371

Fax: 216-881-8522

email: [spweeks@firstprincipals.com](mailto:spweeks@firstprincipals.com)

Website: <http://www.firstprincipals.com>

**The Opportunity**

Sidler, Inc. has developed and patented a modular overhead console system for automobiles.

The system provides

- a movable module within an overhead console
- multiple, interchangeable components
- unique, simple design
- inexpensive production.

**Technology**

The Sidler design offers the following advantages:

- includes a rail base and a rail head
- a track defined between the rail head and the rail base
- movable modules that slidably mount to the rail

Component modules can be assembled in whatever order the owner desires.

The design is compliant with all requirements of major automobile manufacturers.



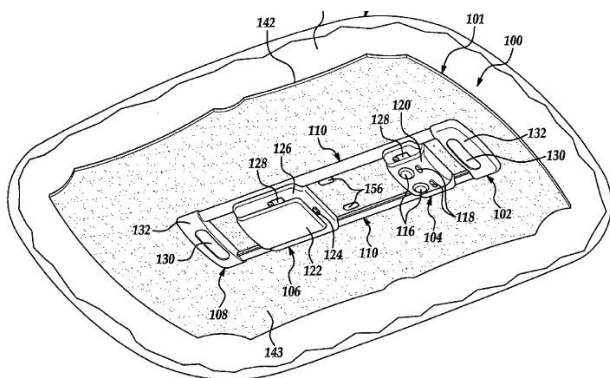
**Intellectual Property**

The Sidler design is protected by US Patent Application 2006/0113810 “Modular overhead console assembly for a vehicle” and several foreign counterparts.

**For More Information**

The Liquidating Trustee is seeking qualified bidders to acquire this intellectual property. For more information, contact:

Dr. Stephen P. Weeks, President  
 First Principals, Inc.  
 1768 East 25<sup>th</sup> Street  
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 Cell: 216-533-6371  
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 Website: [www.firstprincipals.com](http://www.firstprincipals.com)



Detailed engineering drawings are available to facilitate rapid development of a manufacturing program.

## LATCHING MECHANISM FOR VEHICLE PANEL DOORS

### The Opportunity

Sidler, Inc. has developed and patented unique panel door latching mechanism for automobiles.

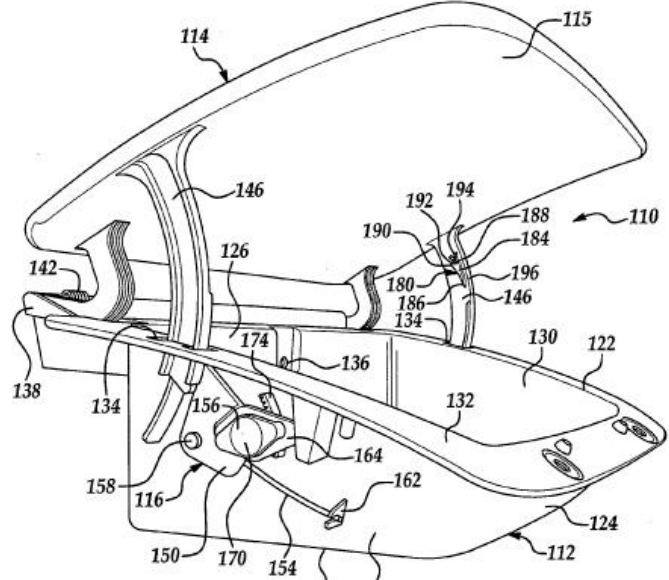
The system provides

- a desirable “push-push” open and close mechanism
- a dampener mechanism for slow opening
- a door that stays closed during bumps and collisions
- flush exterior
- decreased component manufacturing complexity and costs

### Technology

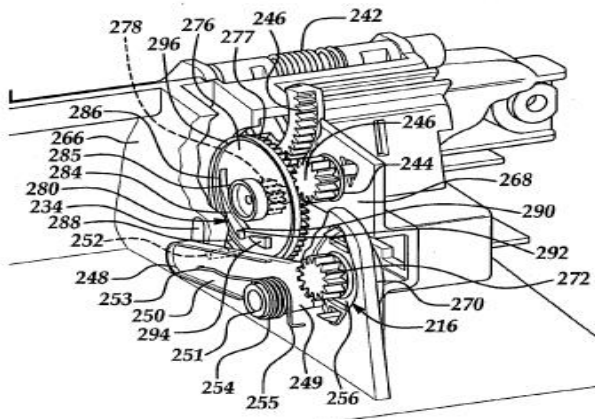
The Sidler design offers a vehicle interior latch that is fully optimized for simplicity, packaging, safety, flexibility, and robustness.

The design of the latch prevents the panel door from bouncing open on collision or from accidental pushing of the door panel. This is controlled by the dampener mechanism that also regulates the speed with which the door opens.



### Intellectual Property

The Sidler design is protected by US Patent Application 2006/0208506 “Latching mechanism” and several foreign counterparts.



The design is compliant with all requirements of major automobile manufacturers.

Detailed engineering drawings are available to facilitate rapid development of a manufacturing program.

### For More Information

The Liquidating Trustee is seeking qualified bidders to acquire this intellectual property. For more information, contact:

Dr. Stephen P. Weeks, President  
 First Principals, Inc.  
 1768 East 25<sup>th</sup> Street  
 Cleveland, OH 44114

Tel: 216-881-8521  
 Cell: 216-533-6371  
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email: [spweeks@firstprincipals.com](mailto:spweeks@firstprincipals.com)  
 Website: [www.firstprincipals.com](http://www.firstprincipals.com)

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

SIDLER, INC.,

Debtor.

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Case No. 05-89610

Chapter 11

Hon. Phillip J. Shefferly

**ORDER GRANTING SECOND EX PARTE MOTION OF THE LIQUIDATING  
TRUSTEE TO ADJOURN AUCTION SALE  
AND HEARING TO APPROVE SALE OF ASSETS**

THIS MATTER came before the Court on the Trustee's Second Ex-Parte Motion,<sup>1</sup> the Court being fully advised in the premises and otherwise finding good cause for entry of this Ex-Parte Order;

**NOW, THEREFORE; IT IS HEREBY ORDERED AS FOLLOWS:**

1. The Second Ex-Parte Motion is granted.
2. The Auction Sale shall be adjourned from September 25, 2007 at 2:30 p.m. (Eastern Prevailing Time) until October 4, 2007 at 9:30 a.m. (Eastern Prevailing Time) at Jaffe's Offices.
3. The Sale Hearing shall be adjourned from September 26, 2007 at 2:00 p.m. (Eastern Prevailing Time) until October 5, 2007, at 11:00 a.m. (Eastern Prevailing Time), in the Courtroom of the Honorable Phillip J. Shefferly, 211 West Fort Street, Suite 1975, Detroit, MI 48226.
4. Except as provided in this Ex Parte Order, all other terms and conditions of the Bidding Procedures Motion shall remain unchanged.

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<sup>1</sup> All capitalized terms not defined herein shall have the meaning ascribed to them in the Second Ex Parte Motion.

5. This Ex-Parte Order shall be served on the Interested Parties, by overnight delivery or facsimile or email on or before September 25, 2007, and such service shall be deemed good and sufficient service thereof.

Signed on September 25, 2007

          /s/ Phillip J. Shefferly            
Phillip J. Shefferly  
I. United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re:

SIDLER, INC.,

Debtor.

Case No. 05-89610

Chapter 11

Hon. Phillip J. Shefferly

**ORDER GRANTING EX PARTE MOTION OF THE LIQUIDATING  
TRUSTEE TO ADJOURN AUCTION SALE  
AND HEARING TO APPROVE SALE OF ASSETS**

THIS MATTER came before the Court on the Trustee's Ex-Parte Motion<sup>1</sup> for an Ex-Parte Order to adjourn (i) Auction Sale and (ii) the hearing to approve Auction Sale, the Court being fully advised in the premises and otherwise finds good cause for entry of this Ex-Parte Order;

**NOW, THEREFORE; IT IS HEREBY ORDERED AS FOLLOWS:**

1. The Ex-Parte Motion is granted.
2. The Auction Sale shall be adjourned from September 11, 2007 at 2:30 p.m. (Eastern Prevailing Time) until September 25, 2007 at 2:30 p.m. (Eastern Prevailing Time) at Jaffe's Offices.
3. The hearing to approve the Auction Sale shall be adjourned from September 12, 2007 at 2:00 p.m. for two (2) weeks until September 26, 2007 at 2:00 p.m., in the Courtroom of the Honorable Phillip J. Shefferly, 211 West Fort Street, Suite 1900, Detroit, MI 48826.

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<sup>1</sup> All capitalized terms not defined herein shall have the meaning ascribed to them in the Ex Parte Motion.

4. Except as provided in this Ex Parte Order, all other terms and conditions of the Bidding Procedures Motion shall remain unchanged.

5. Any objections to the Sale Motion shall be filed with the Court and served on Judith Greenstone Miller, counsel to the Trustee, 27777 Franklin Road, Suite 2500, Southfield, MI 48034, so as to be received no later than 4:00 p.m. on September 21, 2007.

6. This Ex-Parte Order shall be served on the Interested Parties, by overnight delivery or facsimile or email on or before September 11, 2007, and such service shall be deemed good and sufficient service thereof.

Signed on September 11, 2007

/s/ Phillip J. Shefferly  
Phillip J. Shefferly  
I. United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION

In re:

SIDLER, INC.,  
Debtor.

Case No. 05-89610  
Chapter 11  
Hon. Phillip J. Shefferly

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**ORDER GRANTING MOTION OF THE LIQUIDATING TRUSTEE FOR AN  
ORDER APPROVING BIDDING PROCEDURES FOR THE SALE OF ASSETS  
FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND  
INTERESTS PURSUANT TO 11 U.S.C. § 363(b) AND RULE 6004 OF THE  
FEDERAL RULES OF BANKRUPTCY PROCEDURE**

This matter having come before the Court upon the Trustee's<sup>1</sup> Bidding Procedures Motion, a hearing having been conducted, no objections having been filed or all such objections having been resolved or denied by the Court, the Court having reviewed same and being otherwise fully and duly advised in the premises;

**THE COURT HEREBY FINDS:**

- A. The Court has jurisdiction to consider the Bidding Procedures Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b).
- B. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
- C. The statutory bases for the relief requested herein are 11 U.S.C. §§ 105(a) and 363(b), (f) and (m) and Fed.R.Bankr.P. 6004.
- D. On or about November 29, 2005, Sidler filed its voluntary chapter 11 petition ("Petition Date").

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<sup>1</sup> All capitalized terms contained herein shall have the same meanings ascribed to them in the Bidding Procedures Motion.

E. After the Petition Date, Sidler continued to operate as a debtor in possession pursuant to 11 U.S.C. §§ 1107 and 1108, and thereafter, liquidated its assets through the chapter 11 proceeding.

F. A committee of unsecured creditors (“Committee”) was appointed by the U.S. Trustee on December 22, 2005.

G. Sidler filed a combined Disclosure Statement and Chapter 11 Plan of Liquidation (collectively, “Plan”) that was confirmed by this Court on or about August 11, 2006. The Plan provides, among other things, for the establishment of the Trust to liquidate the remaining assets of the estate and make distribution to allowed claims of creditors pursuant to the Plan. Scott Eisenberg was appointed Trustee of the Trust on or about September 12, 2006. In addition, the Plan provides that this Court will retain jurisdiction to administer assets of the estate. See Article V of the Plan. After the Plan was confirmed, the Committee has continued to serve in this matter and ultimately is the primary party vested with directing the Trustee with respect to the Assets. See Article 4.1.4(C) of the Plan.

H. At the time that the Trust was established, Sidler owned various interests in intellectual property and patents, which are more specifically delineated on Exhibit A, attached to the Motion (collectively, “Assets”).<sup>2</sup>

I. Sidler transferred all of its rights, title and interests in the Assets to the Trustee, as evidenced by assignments filed with the Patent and Trademark Office (“PTO”). The Trustee has continued to maintain the Assets since his appointment.

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<sup>2</sup> For purposes of delineating the Assets to be sold by the Trustee herein, “Assets” include all potential causes of action that may exist, if any, relative to the infringement of patents or other intellectual property rights associated with each of the respective Assets.

J. The sale of the Assets will facilitate maximizing the value of the Assets for the creditors of the estate that are beneficiaries of the Trust.

K. The Trustee gave adequate, proper and timely notice of the Bidding Procedures Motion regarding Bidding Procedures to the Interested Parties. Such notice to Interested Parties was calculated to provide timely and adequate notice to the U.S. Trustee, the Debtor, those parties having requested notice in this case pursuant to Fed.R.Bankr. P. 2002, and the Committee, as well as those persons potentially interested in bidding on the Assets. As such, the notice constitutes good and sufficient notice under the circumstances with respect to this Bidding Procedures Motion, all proceedings to be held thereon, and the entry of an order or orders granting all of the relief requested herein. No further notice is required.

**IT IS HEREBY ORDERED THAT:**

1. A hearing to consider approval of the sale of the Assets to the Recommended Successful Bidder (as defined below) will take place on the 12<sup>th</sup> day of September, 2007 at 2:00 p.m. ("Sale Hearing"). At the Sale Hearing, the Court may approve a sale of the Assets.

2. The sale of the Assets will be conducted by an Auction to be conducted on September 11, 2007 at 2:30 p.m. (Eastern Prevailing Time) at the Offices of Jaffe, Raitt, Heuer & Weiss, P.C., 27777 Franklin Road, Suite 2500, Southfield, Michigan 48034 ("Jaffe's Offices"), or such other place as the Court so directs. As part of conducting the Auction at Jaffe's Offices, the Trustee may allow Qualified Bidders (as defined below) to bid at the Auction via telephone. Prior to the Auction, the Trustee shall provide notice of the telephone number to Qualified Bidders (as defined below) to enable them to participate in the Auction in this manner.

3. The Trustee will only consider bids that meet the following criteria for becoming a qualified bidder ("Qualified Bidder").

- a) Bidders desiring to become a Qualified Bidder will be required to (i) execute a confidentiality agreement customary for transactions of this type, in form and substance satisfactory to the Trustee, and (ii) timely provide the Trustee with information concerning the bidder's financial qualifications and any other information that the Trustee may reasonably request.
- b) At the current time the Trustee has not received any offers to acquire the Assets. In the event, however, the Trustee receives a purchase agreement for the Assets prior to the Auction that is acceptable to the Trustee, bidders desiring to become a Qualified Bidder will be required to execute and be bound by a purchase agreement ("Initial Bid") with substantially the same terms and conditions as contained in the Initial Bid. Proposed changes from the terms of the Initial Bid must be submitted on a black lined copy to the Trustee and its counsel. The Trustee will not be required to execute any purchase agreement(s) until after the entry of a Sale Order approved by the Court with respect to a Qualified Bidder's purchase agreement. The Trustee, after consultation with the Committee, reserves the right, to determine in its sole discretion, whether an Initial Bid is an acceptable beginning bid ("Qualified Bid"). The Trustee also reserves the right, after consultation with the Committee, to accept an Initial Bid, dispense with and cancel the Auction and seek approval of the Initial Bid as the Recommended Successful Bid (as defined below) if the Trustee believes, in his business judgment, after consultation with the Committee, that the Initial Bid represents the best offer to negate further cost and expense and maximize the value of the Assets.
- c) A Qualified Bidder will be required to make a deposit ("Deposit") prior to the Auction. The Deposit for the Qualified Bidder must be in a refundable cash deposit of at least \$5,000, irrespective of the Qualified Bid. The Deposit shall be held by the Trustee in a non-interest bearing escrow or client trust fund account. If a Successful Bidder does not perform its financial obligations to close under its purchase agreement on the closing date (as defined herein) and for no other reason, the Successful Bidder shall forfeit to the Trustee the Deposit.
- d) Qualified Bidders must submit a Qualified Bid and the Deposit on or before 10:00 a.m. (Eastern Prevailing Time) one (1) day prior to the Auction ("Bid Deadline").
- e) All bids must be for cash or cash equivalent.
- f) All bids are binding bids and cannot be subject to any other contingencies, including financing or due diligence contingencies, unless specifically provided for in the Bidding Procedures Order.

- g) The Trustee, after consultation with the Committee, will determine in its business judgment, whether a bidder is a Qualified Bidder having submitted a Qualified Bid and shall notify each potential bidder whether it is a Qualified Bidder.
- h) At the commencement of the Auction, the Trustee shall deliver to all Qualified Bidders a copy of the highest and best Qualified Bid received, as determined in the Trustee's business judgment, after consultation with the Committee.
- i) Bidding at the Auction will continue until such time as the highest and best Qualified Bid(s) is determined.
- j) The first Qualified Bid must be at least \$25,000 for bidding on all of the Assets and subsequent bids must be at least \$5,000 higher than the amount of the previous bid amount. In the case of bidding for an individual Asset, the first Qualified Bid for each individual Asset must be at least \$10,000 and subsequent bids thereon must be at least \$2,000 higher than the amount of the previous bid amount.
- k) Each Qualified Bidder must either appear in person or through a duly authorized representative at the Auction. For purposes of "appearing at the Auction," the Qualified Bidder may appear either in person or via telephone, subject to making acceptable arrangements with the Trustee at least one (1) business day prior to the Auction. At least one (1) business day prior to the Auction, the Qualified Bidder shall notify the Trustee how it intends to appear at the Auction.
- l) The Trustee, with the consent of the Committee, may make reasonable alterations or additions to the Bidding Procedures as announced at the Auction, provided that such changes are not materially inconsistent with the terms of the Bidding Procedures.
- m) The Trustee may continue or adjourn the Auction from time to time with the announcement of the first adjournment to be made at the original Auction date set by the Court. However, if the Auction is adjourned, in no event shall a bidder having submitted and qualified as the Initial Bid be allowed to withdraw its bid.
- n) All due diligence, if any, in connection with the Assets must be completed prior to the Bid Deadline. For purposes of conducting due diligence in connection with the Assets, a Qualified Bidder should contact Dr. Stephen P. Weeks, President, First Principals, Inc., 1768 East 25<sup>th</sup> Street, Cleveland, Ohio 44114, (216) 881-8521, (216) 881-8522 (Facsimile), [spweeks@firstprincipals.com](mailto:spweeks@firstprincipals.com).

- o) As part of the Sale Motion, the Trustee intends to seek waiver of the ten (10) day stay provided in Fed.R.Bankr.P. 6004(h). Provided that such authorization is obtained from the Court, closing on the sale by the Successful Bidder (as defined below) shall take place at Jaffe's Offices the next business day following the entry of the Sale Order. If such authorization is not obtained from the Court, closing on the sale by the Successful Bidder (as defined below) shall occur on the 11<sup>th</sup> day following the entry of the Sale Order (or if such day is a Saturday or Sunday, then on the first business day thereafter).
- p) At closing on the sale of the Assets, the Trustee shall cooperate with the Recommended Successful Bidder (as defined below) to execute and deliver those documents necessary to transfer title of the Assets to the Recommended Successful Bidder (as defined below).

4. The Trustee, after consultation with the Committee, will evaluate all Qualified Bids received, and determine whether it believes any Qualified Bids should be approved by the Court and, if so, which it believes reflects the best offer and should be recommended to the Court for approval ("Recommended Successful Bid").

5. Before the conclusion of the Auction, unless and to the extent otherwise agreed by the Trustee, each individual or entity that is determined to have made a Recommended Successful Bid shall complete and sign all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which its respective Recommended Successful Bid was made.

6. Each Qualified Bidder, by submitting a bid, shall be deemed to acknowledge that (i) it understands and is bound by the terms of the Bidding Procedures and the other terms of this Bidding Procedure Motion, the resulting Bidding Procedures Order and Sale Order; (ii) it had an opportunity to inspect and examine and review all pertinent documents and information in the possession of the Trustee with respect to the Assets before making its offer and that each such

bidder relied solely on that review and upon its investigation and inspection in making its bid;<sup>3</sup> (iii) the bidder is not relying upon any written or oral statements, representations, promises, warranties or guarantees of any kind whether expressed or implied, by operation of law or otherwise, made by any person or party including the Trustee and the Committee, their respective agents and representatives regarding the Assets, these Bidding Procedures or completion of any information provided in connection therewith, and (iv) it submits its bid of its own volition and with full knowledge of the potential consequences associated therewith.<sup>4</sup>

7. At the Sale Hearing, the Court may approve the sale of Assets (such approved bid, “Successful Bid” and such bidder, “Successful Bidder”). The Trustee also reserves the right to sell each of the Assets individually and to seek approval of sales of each of the respective individual Assets from the Court to the extent that the Trustee determines, after consultation with the Committee, in its business judgment, that such proposed bids maximize the value of the

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<sup>3</sup> Because each of the Assets being offered for sale at the Auction consists of intellectual property, a physical inspection of the Assets is impossible. In addition to reviewing the information and documents in the possession of the Trustee, each Qualified Bidder is encouraged to review the applicable records on file with the PTO or other applicable office(s) outside the United States maintaining such records with respect to the Assets.

<sup>4</sup> Each of the Assets, except as otherwise provided in attached Exhibit A, is subject to pending applications for issuance of patents, each of which applications is at different stages currently. In some cases, as identified on attached Exhibit A, patents for individual Assets have been issued. The Trustee believes, to the best of his information, knowledge and belief, that all requisite filings to maintain or complete the process for issuance of patents for each Asset have been completed. However, the Trustee makes no representation or guaranty that a patent will ultimately be issued for each Asset or the extent or reach of such patent(s) or the enforceability of such patent(s). In addition, prior to the issuance of potential patents for each Asset, additional filings will be required to maintain and prosecute the patents. Each Qualified Bidder is encouraged to consult with its advisors regarding: (i) the potential actions that will be necessitated to maintain and prosecute the patents for the Assets, (ii) the potential costs related to maintaining and prosecuting the patents for the Assets, (iii) the potential risks related to the issuance, or non-issuance, of patents for each of the respective Assets, and (iv) the potential rights to enforce the patent(s) or other rights associated with each of the Assets.

assets for the beneficiaries of the Trust.

8. If a Qualified Bidder is not the Successful Bidder, as determined by the Court at the Sale Hearing, the Deposit will be returned to the Qualified Bidder within ten (10) business days after entry of the Sale Order or within five (5) business days of a Final Order denying a sale, and the Qualified Bidder's bid shall remain binding until such time. In the event that the sale to the Successful Bidder is not consummated within the time established by these Bidding Procedures, the Trustee, after consultation with the Committee, will have the right to accept the next Qualified Bid and consummate the sale with the next Qualified Bidder.

9. All bidders shall bear their own costs and expenses in connection with the submission of bids, the Auction, the sale process and preparation of those documents necessary to effectuate a transfer of title of the Assets, whether or not such sale is ultimately conducted or approved by the Court and consummated.

10. The Trustee does not believe that there are any secured creditors with allowed claims subject to the Assets. Nevertheless, a secured party with an allowed claim on the Assets may bid pursuant to Section 363(k) of the Bankruptcy Code and such rights, to the extent they exist, shall not be altered or impaired by this Bidding Procedures Motion or these Bidding Procedures.

11. Other than as provided in this Bidding Procedures Motion, the sale of the Assets shall be on an "AS IS, WHERE IS" basis, without any representations or warranties of any kind, nature or description by the Trustee or its agents or representatives, including any warranties of merchantability or fitness for a particular purpose. Moreover, the Sale Order shall provide the Successful Bidder shall not be a successor in interest to Sidler or the Trustee, and

