

UNITED STATES BANKRUPTCY COURT
DISTRICT OF CONNECTICUT
NEW HAVEN DIVISION

In re:	:	
	:	CHAPTER 11
BAILEY’S EXPRESS, INC.,	:	
Debtor.	:	CASE NO. 17-31042(AMN)
	:	
BAILEY’S EXPRESS, INC.	:	
	:	
Movant,	:	
v.	:	
BANKWELL and SAIA, INC.,	:	
	:	
Respondents.	:	

MOTION FOR AN ORDER UNDER 11 U.S.C. §§105(a), 363, AND 365 AND FEDERAL RULES OF BANKRUPTCY PROCEDURE 6004 AND 6006 AUTHORIZING AND APPROVING (A) THE SALE OF THE DEBTOR’S TRUCKS, FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES AND (B) OTHER RELATED RELIEF

TO THE HONORABLE ANN M. NEVINS, UNITED STATES BANKRUPTCY JUDGE:

Bailey’s Express, Inc. (the “Debtor” or “Bailey’s”), as debtor and debtor-in-possession, by and through its undersigned counsel, hereby respectfully moves this Court for an order pursuant to Sections 105(a), 363 and 365 and Federal Rules of Bankruptcy Procedure 6004 and 6006, authorizing and approving (a) the sale of the Debtor’s trucks, free and clear of liens, claims, interests and encumbrances and (b) other related relief (the “Motion”). In support thereof, the Debtor respectfully represents as follows:

INTRODUCTION

1. On July 13, 2017 (the “Petition Date”), the Debtor filed a voluntary petition in this Court commencing a case for relief under Chapter 11 of the Bankruptcy Code (the “Chapter 11 Case”).

2. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

3. The statutory predicates for the relief requested herein are Bankruptcy Code Sections 105, 363(b) and (f), 365 and Rules 6004 and 6006 of the Federal Rules of Bankruptcy Procedure.

BACKGROUND

4. Bailey’s was a less than truckload carrier that provided shipping services across the nation and was dedicated to helping Connecticut, Massachusetts and Rhode Island companies market their products throughout the United States including Hawaii and Alaska. Bailey’s also provided services to Mexico, Puerto Rico and Canada.

5. Bailey’s was in business since 1920 and until recent years has been financially sound but because of the downturn in the economy, the increased costs of doing business and the new competition from businesses like Walmart and Amazon, which are now providing their own direct shipping services, Bailey’s suffered substantial losses. Bailey’s was unable to pay its debts as they come due and had to suspend shipping services. Bailey’s sought protection under Chapter 11 for the purposes of working through its financial difficulties, restoring services and reorganizing the business.

6. Since the Petition Date the Debtor explored three opportunities to restart the business but despite the Debtor's best efforts, the Debtor has determined that there is no realistic opportunity for a successful restart of the operations.

7. Once the Debtor determined that there was no viable restart program that could be implemented in a reasonable period of time, it immediately turned its attention to a liquidation process to maximize value for the Estate and minimize expenses.

8. The Debtor has been actively engaged in discussions with two separate potential stalking horse bidders for the sale of the 23 trucks owned by the Debtor (the "Trucks").

9. After considering the alternatives, the Debtor has determined that it is of the best interests of the creditors to enter into a certain Purchase Agreement dated October 17, 2017 (together with related documents, agreements and instruments) (the "Purchase Agreement") for the sale (the "Sale") of the Trucks owned by the Debtor as set forth in the Purchase Agreement to Bayshore Ford Truck Sales, LLC (the "Purchaser") for a purchase price of \$145,000. A copy of the Purchase Agreement is attached to the Sale Order as Exhibit A.

10. As of the Petition Date, Bankwell held a secured claim against the Debtor in the approximate amount of \$11,000 (the "Bankwell Claim"). Bankwell holds a security interest in all of the DIP Collateral (as that term is defined in cash collateral orders) which includes the Trucks.

11. SAIA, INC. ("SAIA") interposed an objection to the Debtor's use of cash collateral in which SAIA asserted that the Debtor was holding cash in trust on behalf of SAIA pursuant to an interline trust doctrine theory. To resolve the objection, the Debtor agreed to provide adequate protection to SAIA in the form of a lien, subordinate to the security interest held by Bankwell on the DIP collateral (as that term is defined in Cash Collateral orders), but

only to the extent that SAIA successfully establishes that SAIA is entitled to interpose an Interline Trust on cash selected by the Debtor (the “SAIA Conditional Lien”). SAIA asserts that it holds a claim in the amount of \$846,807.78.

12. The Debtor has further determined that it is in the best interests of the estate to conduct an auction to solicit higher and better bids for the Trucks on terms substantially similar to those contained in the Purchase Agreement.

13. The Sale as set forth in the Purchase Agreement is in the best interests of the Debtor’s bankruptcy estate, creditors and other parties in interest since the sale will maximize the value received for the Trucks.

RELIEF REQUESTED

14. By this Motion, the Debtor seeks the entry of an order (the “Sale Order”) authorizing the Debtor to sell its Trucks in accordance with the terms of the Purchase Agreement entered into between the Debtor and the Purchaser, or to such other entity or entities constituting a “Qualified Bidder” which shall submit a bid deemed by the Court to be the highest and best offer (“Winning Bid”). The Debtor proposes to sell the Trucks to the Purchaser or to the maker of the Winning Bid (the “Winning Bidder”), other than in the ordinary course of business, free and clear of liens, claims, encumbrances and interests pursuant to 11 U.S.C. §§105, 363(b) and (f) and Rules 6004 and 6006 of the Federal Rules of Bankruptcy Procedure.

15. The aforescribed sale (the “Sale”) shall be subject to higher and better offers. The Trucks shall be sold pursuant to the procedures to be established by the Bankruptcy Court pursuant to its Order (a) Authorizing and Approving Bidding Procedures, (b) Scheduling Bid Deadline, Auction Date and Sale Hearing, (c) Authorizing and Approving the Payment of an Expense Reimbursement, (d) Approving the Form and Manner of Notice Thereof and (e)

Granting Related Relief, All in Connection with the Sale of the Trucks and Trailers (the “Sale Procedures Order.”

16. **CREDITORS AND PARTIES IN INTEREST ARE ADVISED TO REVIEW THE PURCHASE AGREEMENT FOR THE COMPLETE TERMS AND CONDITIONS UPON WHICH THE TRUCK AND TRAILERS WILL BE SOLD. THIS MOTION ONLY CONTAINS A SUMMARY. THE SALE SHALL BE SUBJECT TO THE PROCEDURES OUTLINES IN THE SALES PROCEDURES ORDER.**

BASIS FOR RELIEF

A. Motion To Sell Property Of The Estate Other Than In The Ordinary Course Of Business Free And Clear Of Any Liens, Claims, Interests or Encumbrances

1. Pursuant to 11 U.S.C. §§ 363(b) and (f), a debtor-in-possession, after notice and a hearing, may sell property of the estate other than in the ordinary course of business free and clear of any liens, claims, encumbrances or interests.

2. The Debtor submits that approval of the relief sought herein is in the best interests of their bankruptcy estates, creditors and other parties in interest. The Debtor further submits that delaying a sale of the Trucks will result in a diminution of the value of these assets. Trucks sitting idly for any length of time can lead to mechanical problems and deterioration of the systems, especially during the winter.

3. As such, it is imperative that the Debtor move forward with the sale of the Trucks on an expedited basis and prior to confirming a plan.

4. After careful consideration of all of their various options and cognizant of its fiduciary duties to creditors, the Debtor determined that the Debtor was not in a position to restart its business and reorganize as a going concern and that the only viable alternative was to

proceed with an expeditious liquidation and the proposed sale of the Trucks facilitates that process and represents a sound exercise of the Debtor's business judgment.

5. The Debtor submits that the consideration to be paid by the Purchaser or other Winning Bidder, as applicable, represents the fair market value for the Trucks. Moreover, the Sale to the Purchaser will be subject to the Sale Procedures Order which sets forth the means for obtaining the highest and best offer for the Assets in order to maximize value for the bankruptcy estate.

6. Although the Trucks represent a principal asset of the Debtor, it is not a sale of substantially all of the assets of the Chapter 11 Debtor "outside" a plan of reorganization. In re: Lionel Corp., 722 F.2d. 1063 (2d. Cir. 1983). The Lionel decision requires that a debtor articulate a sound business reason for a sale of substantially all of its assets other than in the ordinary course of business by way of a motion pursuant to 11 U.S.C. § 363 rather than through a plan of reorganization or liquidation. Factors set forth by the Second Circuit Court of Appeals in the Lionel decision weigh in favor of this Court approving the Sale in the case at bar

- (a) There is not a substantial likelihood that a plan of reorganization can be proposed and confirmed in the near future. Although the Debtor has filed a Plan of Liquidation and is seeking to move forward expeditiously with confirmation of same, the sale of the Trucks should not be delayed until confirmation because as set forth herein, the Trucks will deteriorate in value if not sold on an expeditious basis.
- (b) The consideration to be obtained from the Sale as proposed represents fair market value for the Trucks and remains subject to higher and better offers which the Debtor continues to solicit.
- (c) There is no probability that Bailey can revitalize the business given the level of debt and the lack of time and resources presently available to do so.

7. Although the Debtor is not seeking to sell substantially all of its assets, the foregoing factors nonetheless militate in favor of this Court approving the proposed Sale in accordance with the analysis set forth in Lionel. Moreover, it is respectfully submitted that the

Sale should be authorized where the value received is the highest and best available and the debtor has established that the assets will lose value if not disposed of promptly. See, In re: Chateaugay Corporation, 973 F.2d. 141 f2d. Cir. 1982).

8. Pursuant to Local Rule of Bankruptcy Procedure 6004-1, an appraisal is ordinarily required prior to any sale not in the ordinary course of business unless the trustee or debtor-in-possession determines that such appraisal is not warranted under the facts of the case. In light of the short time frame sought for the sale of the Trucks, the costs and delay associated with the procurement of an appraisal, and the limited market for the Trucks, it is respectfully submitted that sufficient cause exists to dispense with the need for an appraisal at this time.

B. Purchaser Entitled to Protections Of Bankruptcy Code Section 363(m)

9. Section 363(m) of the Bankruptcy code provides:

The reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

11 U.S.C. § 363(m). While the Bankruptcy Code does not define "good faith", the Seventh Circuit in In the Matter of Andy Frain Services, Inc., 798 F.2d 1113 (7th Cir. 1986) held that:

The requirement that a purchaser act in good faith . . . speaks to the integrity of his conduct in the course of the sale proceedings. Typically, the misconduct that would destroy a purchaser's good faith status at a judicial sale involves fraud, collusion between the purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.

789 F.2d at 1125 (emphasis omitted) (quoting In re Rock Indus. Mach. Corp., 572 F.2d 1195,1198 (7th Cir. 1978) (interpreting Bankruptcy Rule 805, the precursor of section 363(m)).

10. As set forth above, the Purchaser was selected by the Debtor only after determining that the Purchaser's terms were likely to be the most favorable submitted by any

party. The Purchase Agreement was the result of arms-length negotiations and was not tainted by fraud, collusion or bad faith. Accordingly, the Debtor respectfully requests that the Court make a finding that the Purchaser is entitled to the protections of 11 U.S.C. § 363(m).

C. The Sale Should Be Free And Clear Of Liens, Claims, Encumbrances and Interests

11. Under Section 363(f) of the Bankruptcy Code, a debtor-in-possession may sell property free and clear of any lien, claim, or interest in such property if, among other things:

- (a) applicable nonbankruptcy law permits sale of such property free and clear of such interest;
- (b) such entity consents;
- (c) such interest is a lien and the price at which such property is sold is greater than all liens on such property;
- (d) such interest is in bona fide dispute; or
- (e) such entity could be compelled in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

12. Because Section 363(f) of the Bankruptcy Code is drafted in the disjunctive, satisfaction of any one of its five requirements will be sufficient to permit the sale of the Assets free and clear of liens, claims, encumbrances, pledges, mortgages, security interests, charges, options, and other interests (collectively, the “Interests”). The Debtor satisfies at least two of these requirements. The proceeds of the Sale will be in excess of the Bankwell Claim. SAIA’s Conditional Lien in an aggregate amount exceeds the value of Bailey’s interest in the Trucks. SAIA consents to the relief requested herein thereby satisfying § 363(f)(2) of the Bankruptcy Code as to such secured creditors.

13. In addition, all holders of Interests, including Bankwell and SAIA, could be compelled to accept a money satisfaction of their Interests in legal or equitable proceedings in

accordance with Section 363(f)(5) of the Bankruptcy Code. Such legal or equitable proceedings include proceedings to confirm a plan of reorganization, under which the holder of a lien may be compelled to accept payment in satisfaction of its lien pursuant to section 1129(b)(2)(A) of the Bankruptcy Code.

14. Moreover, between the other assets of the Debtor which includes commercial real property, accounts receivable, machinery and equipment and litigation claims, SAIA's Conditional Lien has more than sufficient collateral to adequately protect its interest. In fact, section 1129(b)(2)(A) of the Bankruptcy Code specifically allows a Debtor to sell property subject to a lien free and clear of such lien if such lien attaches to the net proceeds of the sale, subject to any claims and defenses the debtor may possess with respect thereto. The Debtor submits that any Interests in the Trucks sold immediately attach to the net proceeds of the Sale in this case.

15. Based upon the foregoing, the sale of the Trucks, free and clear of liens, claims, encumbrances and interests, should be approved under section 363(f) of the Bankruptcy Code.

D. The Court Should Waive Or Reduce The Fourteen Day Stay Set Forth In Fed. R. Bankr. P. 6004(h) and 6006(d)

16. Pursuant to Bankruptcy Rule 6004(h) and 6006(d), unless the court orders otherwise, all orders authorizing the sale of property pursuant to § 363 of the Bankruptcy Code and all orders authorizing the assumption and assignment of executory contracts and unexpired leases are automatically stayed for 14 days after entry of the order. Fed. R. Bankr. P. 6004(g) and 6006(d). The purpose of Bankruptcy Rule 6004(h) and 6006(d) is to provide sufficient time for an objecting party to appeal before the order can be implemented. See Advisory Committee Notes to Fed. R. Bankr. P. 6004(h).

17. Although Bankruptcy Rule 6004(h) and 6006(d), and the Advisory Committee Notes are silent as to when a court should "order otherwise" and eliminate or reduce the 14 day stay period, Collier suggests that the 14 day stay period should be eliminated to allow a sale or other transaction to close immediately "where there has been no objection to the procedure." 10 Collier on Bankruptcy 15th Ed. Rev., ¶ 6064.09 (L. King, 15th rev. ed. 1988). Furthermore, Collier provides that if an objection is filed and overruled, and the objecting party informs the court of its intent to appeal, the stay may be reduced to the amount of time actually necessary to file such appeal. Id.

18. To preserve the value of the Trucks, it is critical that the Debtor close the Sale as soon as possible after all closing conditions have been met or waived. Accordingly, the Debtor respectfully requests that the Court waive the 14-day stay periods to the minimum amount of time needed by any objecting party to file its appeal to allow the Sale to close as provided pursuant to the terms of the Purchase Agreement.

WHEREFORE, the Debtor respectfully requests that the Court issue an order under 11 U.S.C. §§105(a), 363 and 365 and Fed. R. Bankr. P. 6004 and 6006 authorizing and approving (a) the sale of the Trucks free and clear of liens, claims, interests and encumbrances and (b) other

related relief; and granting such other and further relief as the Court may deem just and proper.

Dated: Bridgeport, CT
October 18, 2017

Respectfully submitted,

PULLMAN & COMLEY, LLC
COUNSEL TO THE DEBTOR

By: /s/ Elizabeth J. Austin

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EXHIBIT A

ASSET PURCHASE AGREEMENT

THIS AGREEMENT (this “**Agreement**”) is made and entered into as of the 17th day of October, 2017, by and between **Bailey’s Express, Inc.** (“**Seller**” or “**Debtor**”), and **Bayshore Ford Truck Sales, LLC**, (together with its successors and assigns as permitted by this Agreement, “**Purchaser**”). Each of the foregoing parties is individually herein called a “**Party**” and collectively called the “**Parties**”.

RECITALS

A. Seller is the owner of 23 trucks located at 61 Industrial Park Road Middletown, CT 06457 (the “**Premises**”).

B. On July 13, 2017 (the “**Petition Date**”), the Debtor filed a voluntary petition (the “**Petition**”) for relief commencing a case under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”).

C. Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, the “**Acquired Assets**” (as hereinafter defined), upon the terms and conditions hereinafter set forth.

D. The Parties intend to effectuate the transactions contemplated by this Agreement through a sale of the Acquired Assets pursuant to Section 363 of the Bankruptcy Code.

E. The execution and delivery of this Agreement by Seller and Seller’s ability to consummate the transactions set forth in this Agreement are subject, among other things, to the entry of the “**Sale Order**” (as hereinafter defined) by the Bankruptcy Court under, *inter alia*, Sections 105, 363 of the Bankruptcy Code or as otherwise agreed to by Purchaser.

NOW, THEREFORE, in consideration of the mutual undertakings of the parties hereto, it is hereby agreed as follows:

1. Certain Defined Terms. As used herein, the following terms shall have the meanings specified for the same below:

1.1 “**Alternative Transaction**” means Seller entering, or otherwise agreeing to enter, into a transaction or series of transactions involving a sale, transfer or other disposition of all or any portion of the Acquired Assets to another purchaser or purchasers other than Purchaser.

1.2 “**Bankruptcy Case**” means the case resulting from the Petition.

1.3 “**Bidding Procedures**” means the bid procedures set forth in the “Bidding Procedures Order” (as hereinafter defined).

1.4 “**Bidding Procedures Motion**” means the Motion of Seller for an order (A) Approving Procedures for the Sale of the Debtor’s Assets, (B) Scheduling Auction and

Hearing to Consider Approval of Sale, (C) Approving Notice of Respective Dates, Times and Places for Auction and Hearing on Approval of Sale and (D) Approving the Form and Manner of Notice of Sale Process and of Approval Hearing, (E) Approving Purchaser as Stalking Horse Bidder with Break-up Fee and Allowance of Expense Reimbursement, and (F) Granting Related Relief filed by Seller on the Petition Date.

1.5 **“Bidding Procedures Order”** means the “Order” (as hereinafter defined) of the Bankruptcy Court approving the Bidding Procedures substantially in the form and substance acceptable to Purchaser in its sole discretion.

1.6 **“Business Day”** means any day other than a Saturday, Sunday or federal or California, Connecticut, Colorado or Delaware state holiday.

1.7 **“Contract”** means any agreement, contract, obligation, promise, instrument, undertaking, or other arrangements (whether oral or written) that is legally binding. However, in no event shall any “Permitted Encumbrance” (as hereinafter defined) constitute a Contract for purposes of this Agreement.

1.8 **“Debtor”** means, together, Seller and Bailey’s Express, Inc.

1.9 **“Final Order”** means an action taken or Order issued by the applicable “Governmental Entity” (as hereinafter defined) as to which: (i) no request for stay of the action or Order is pending, no such stay is in effect, and, if any deadline for filing any such request is designated by statute or regulation, it is passed, including any extensions thereof, (ii) no petition for rehearing or reconsideration of the action or Order, or protest of any kind, is pending before the Governmental Entity and the time for filing any such petition or protest is passed, (iii) the Governmental Entity does not have the action or Order under reconsideration or review on its own motion and the time for such reconsideration or review has passed, and (iv) the action or Order is not then under judicial review, there is no notice of appeal or other application for judicial review pending, and the deadline for filing such notice of appeal or other application for judicial review has passed, including any extensions thereof; provided, however, that a request for a stay, appeal, motion to rehear or reconsider or petition for certiorari referred to above shall be disregarded for purposes of such clause if such request for a stay, appeal, motion to rehear or reconsider or petition for certiorari would not, individually or in the aggregate, reasonably be expected to result in more than \$5,000 of losses to Purchaser.

1.10 **“Governmental Entity”** means any federal, state, provincial, local, county or municipal government, governmental, regulatory or administrative agency, commission, board, bureau or other authority or instrumentality, domestic or foreign or any court, tribunal, arbitration panel or judicial body.

1.11 **“Legal Requirements”** means all federal, state and local laws, moratoria, initiatives, referenda, ordinances, rules, regulations, standards, orders, zoning conditions and other governmental requirements (including those relating to the environment, health and safety, or handicapped persons) applicable to the Acquired Assets and/or the Project.

1.12 **“Liability”** means any debt, loss, claim, damage, demand, fine, judgment, penalty, liability or obligation (whether direct or indirect, known or unknown, absolute or

contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due), and including all costs and expenses relating thereto.

1.13 “**Order**” means any order, injunction, decree, ruling, writ, assessment or arbitration award of a Governmental Entity.

1.14 “**Person**” means any individual, corporation, partnership, joint venture, limited liability company, association, joint-stock company, trust, unincorporated organization or Governmental Entity.

1.15 “**Proceeding**” means any claim, charge, action, arbitration, audit, hearing, investigation, mediation, inquiry, proceeding, litigation, or suit (whether civil, criminal, administrative or investigative) commenced, brought, conducted, or heard by or before, or otherwise involving any Governmental Entity or arbitrator or mediator.

1.16 “**Sale Motion**” means a Motion of Seller for an Order, in form and substance acceptable to Purchaser in its sole discretion, (i) approving the sale of the Debtor’s Assets Free and Clear of All Liens, Claims, Encumbrances, and other Interests, and (ii) Granting Related Relief.

1.17 “**Sale Order**” means an Order of the Bankruptcy Court, in form and substance acceptable to Purchaser in its sole discretion, authorizing and approving the sale of the Acquired Assets to Purchaser pursuant to this Agreement.

1.18 “**Seller Related Party**” means, with respect to Seller, its present and former shareholders, members, investors, managers, partners, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, legal representatives, employees, agents and other representatives, past and present. In no event shall Purchaser be deemed a Seller Related Party under this Agreement.

1.19 “**Tax**” or “**Taxes**” (and with correlative meaning, “**Taxing**”) means (i) any federal, state, provincial, local, foreign or other income, alternative, minimum, add-on minimum, accumulated earnings, personal holding company, franchise, capital stock, net worth, capital, profits, intangibles, windfall profits, gross receipts, value added, sales, use, goods and services, excise, customs duties, transfer, conveyance, mortgage, registration, stamp, documentary, recording, premium, severance, environmental (including taxes under Section 59A of the Internal Revenue Code), natural real sources, real property, personal property, ad valorem, intangibles, rent, occupancy, vault, license, occupational, employment, unemployment insurance, social security, disability, workers’ compensation, payroll, health care, withholding, estimated or other similar taxes, duty, levies or other governmental charges or assessments or deficiencies thereof (including all interest, penalties and additions to tax whether disputed or not) and, (ii) any transferee liability in respect of any items described in clause (i) above.

1.20 “**Third Party Consents**” means the consents, approvals and waivers set forth on Exhibit “E”.

1.21 **“Vehicles”** shall mean the vehicles more particularly described on Exhibit A to this Agreement (subject to removal of any Vehicles from Exhibit A by Purchaser), including, but not limited to all keys, accessories and parts associated with the Vehicles.

2. Purchase and Sale of Acquired Assets; Assumption of Assumed Liabilities.

2.1 Acquired Assets.

2.1.1 On the terms and subject to the conditions set forth in this Agreement, including approval of the Bankruptcy Court pursuant to Sections 105 and 363 of the Bankruptcy Code or pursuant to such other Sections of the Bankruptcy Code or as otherwise agreed to by Purchaser, at the “Closing” (as hereinafter defined), Seller shall sell, assign, transfer, convey, and deliver to Purchaser, and Purchaser shall purchase, **free and clear of all claims, interests, rights, liens or encumbrances of any kind whatsoever**, and accept from Seller, all right, title and interest of Seller in the assets of Seller in the Vehicles listed and described on Exhibit A hereto (collectively, the **“Acquired Assets”**).

2.1.2 Notwithstanding anything in this Agreement to the contrary, at any time prior to Closing, Purchaser shall be entitled in its sole discretion to remove any Vehicles from the list of Acquired Assets by providing written notice thereof to Seller, and any Vehicles so removed shall not constitute Acquired Assets at Closing (and the same shall be Excluded Assets).

2.1.3 Upon acceptance by the Seller of this Agreement, the Seller shall refrain from using or operating the Vehicles, and shall secure the Vehicles safely at the Premises.

3. Purchase Price. The purchase price (the **“Purchase Price”**) for the Acquired Assets shall be a total of \$145,000. The provisions of the foregoing clause of this Section 3 shall survive the Closing.

3.1 Deposit. Within three (3) Business Days after the entry by the Bankruptcy Court of the Bidding Procedures Order, Purchaser shall deliver ten percent (10%) of the Purchase Price \$14,500 (the **“Initial Deposit”**) to the Seller, in its capacity as escrow holder hereunder, is called **“Escrow Agent”**. The Initial Deposit, together with all interest earned thereon, is collectively herein called the **“Escrow Deposit”**. The Escrow Deposit shall be held by Escrow Agent as a deposit against the Purchase Price in accordance with the terms and provisions of this Agreement. The Escrow Deposit shall be disposed of by Escrow Agent only as provided in this Agreement.

3.2 Adjustment of Purchase Price. At any time prior to Closing, Purchaser, in its sole discretion, shall have the option to remove any Vehicles from Exhibit A. Any Vehicles so removed by the Purchaser shall not constitute Acquired Assets at Closing, and shall reduce the total Purchase Price by the value assigned to the Vehicle in Exhibit A.

3.3 Payment of Purchase Price. On the Closing Date, the Buyer shall pay to Seller the Purchase Price, less the Escrow Deposit, less any adjustments permitted by Section 3.2 herein, as the case may be (**“Closing Payment”**).

4. Conditions Precedent. The obligation of Purchaser to purchase, and Seller to sell, the Acquired Assets as contemplated by this Agreement is subject to satisfaction of each of the following respective conditions precedent (any of which, other than with respect to the Bankruptcy Court's entry of the Bidding Procedures Order and the Sale Order. If any of such conditions is not fulfilled (or waived by Purchaser in writing) pursuant to the terms of this Agreement, then the Party in whose favor such condition exists may terminate this Agreement and, in connection with any such termination made in accordance with this Section 4, Seller and Purchaser shall be released from further obligation or liability hereunder (except for those obligations and liabilities which, pursuant to the terms of this Agreement, survive such termination [and without releasing any Party for a breach or default occurring prior to such termination]).

4.1 Conditions Precedent to Obligation of Seller and Purchaser.

4.1.1 Final Sale Order/Closing. A condition precedent to the obligation of Purchaser to purchase, and Seller to sell, the Acquired Assets as contemplated by this Agreement, including the allowance and the Debtor's payment of the Administrative Expense and Break-up Fee hereunder, shall be that the Sale Order shall have been entered and shall have become a Final Order on or before November 30, 2017.

4.1.2 No Adverse Governmental Entity Action. A condition precedent to the obligation of Purchaser to purchase, and Seller to sell, the Acquired Assets as contemplated by this Agreement, shall be that no Governmental Entity shall have enacted, issued, promulgated or entered any Order that is in effect and has the effect of making illegal or otherwise prohibiting the consummation of the transactions contemplated by this Agreement that has not been withdrawn or terminated.

4.1.3 Outside Closing Date. A condition precedent to the obligation of Purchaser to purchase, and Seller to sell, the Acquired Assets as contemplated by this Agreement, shall be that the Closing as contemplated herein shall have occurred on or before December 1, 2017.

4.2 Conditions Precedent to Obligation of Purchaser

4.2.1 Title Contingency. A condition precedent to Purchaser's obligation to purchase the Acquired Assets as contemplated by this Agreement shall be the irrevocable and unconditional written proof provided by Seller of the Debtor's clear title in the Vehicles.

4.2.2 Seller as Debtor. It shall be a condition to Purchaser's obligation to purchase the Acquired Assets as contemplated by this Agreement that Seller is the Debtor in the Bankruptcy Case, the Bankruptcy Case will be pending, and no trustee shall have been appointed in the Bankruptcy Case.

5. Closing Procedure. The sale and purchase herein provided shall be consummated (the "Closing") at a closing conference ("Closing Conference"), which shall be held on the Closing Date by mail or at a mutually satisfactory location. As used herein, "Closing Date" means five (5) Business Days after the date upon which all of the all of the conditions precedent

set forth in this Agreement are satisfied or waived by both Parties (to the extent such conditions may be waived) or such earlier or later date as may be agreed upon in writing by the Parties.

6. Seller Deliveries. At Closing, Seller shall deliver to Purchaser the following:

- (a) The Vehicles at the Premises;
- (b) A duly executed bill of sale from Seller with respect to each Vehicle in the form of Exhibit "B"; and
- (c) A duly executed title for each Vehicle evidencing transfer to Purchaser.
- (d) Such additional documents as may be reasonably required by Purchaser in order to consummate the transactions hereunder (provided the same do not increase in any material respect the costs to, or liability or obligations of, Seller in a manner not otherwise provided for herein).

6.1.2 Purchaser Deliveries. Purchaser shall deliver to Seller the following:

- (a) The Purchase Price, less any Escrow Deposit, less the amount of any Administrative Expenses.

7. Representations and Warranties.

7.1 Representations and Warranties of Seller.

7.1.1 Representations and Warranties of Seller. Seller hereby represents and warrants to Purchaser as follows:

- (a) Title. Seller has good and marketable title to the Vehicles, free and clear of any claims, liens, interests or encumbrances.
- (b) Registration. The Vehicles are registered by a Governmental Entity to legally operate on the road.
- (c) Working Order. All Vehicles run and are drivable.
- (d) Leases. The Vehicles are not subject of any leases.
- (e) Litigation. There is no pending (and Seller has not received any written notice of any threatened) Proceeding involving any of the Vehicles.
- (f) Compliance. Seller has received no written notice to the effect that the Vehicles are not in compliance with applicable laws and ordinances or that there has been or may be an investigation of the Vehicles by any Governmental Entity having jurisdiction over the Vehicles.

(g) Due Authority. This Agreement and all agreements, instruments and documents herein provided to be executed or to be caused to be executed by Seller is and on the Closing Date will be duly authorized, executed and delivered by and, subject to the entry of the Sale Order, are binding upon Seller. Seller has the capacity and authority to enter into this Agreement and, subject to the entry of the Sale Order, consummate the transactions herein provided without the consent or joinder of any other party.

(h) Consents; No Conflict. Except for consents and permissions of the Bankruptcy Court, Seller has obtained all consents and permissions related to the transactions herein contemplated and required under any covenant, agreement, encumbrance, or applicable laws. After giving effect to the Sale Order, neither this Agreement nor any agreement, document or instrument executed or to be executed in connection with the same, nor anything provided in or contemplated by this Agreement or any such other agreement, document or instrument, does now or shall hereafter breach, violate, invalidate, cancel, make inoperative or interfere with, or result in the acceleration or maturity of, any agreement, document, instrument, right or interest, or applicable law affecting or relating to Seller or the Acquired Assets.

8. Interim Covenants of Seller. Until the Closing Date or the sooner termination of this Agreement:

8.1 Maintenance and Operation. Seller shall maintain the Vehicles in the same manner as prior hereto pursuant to its normal course of business (such maintenance obligations not including extraordinary capital expenditures or expenditures not incurred in such normal course of business).

8.2 Service Agreements. Seller shall not enter into, materially modify or terminate any additional service contracts or other similar agreements relating to the Vehicles.

9. Certain Acknowledgments.

9.1 Bankruptcy Court Approval and Filings.

9.1.1 Seller and Purchaser acknowledge that this Agreement and the sale of the Acquired Assets are subject to Bankruptcy Court approval. Seller and Purchaser acknowledge that to obtain such approval, Seller must demonstrate that it has taken reasonable steps to obtain the highest or otherwise best offer possible for the Acquired Assets, including giving notice of the transactions contemplated by this Agreement to creditors and certain other interested parties as ordered by the Bankruptcy Court and, if necessary, conducting an auction in respect of the Acquired Assets (the "**Auction**"). Purchaser shall take such actions as are reasonably requested by Seller to assist in obtaining the Sale Order, including furnishing affidavits or other non-confidential documents or information for filing with the Bankruptcy Court.

9.1.2 Within five (5) days from execution of this Agreement, Seller shall file a Bidding Procedures Motion and Sale Motion. The Bidding Procedures Motion shall seek a Bidding Procedures Order providing for the Break-Up Fee and Expense Reimbursement provided for in Section 9.2 herein. Additionally, the Bidding Procedures Motion and Bidding Procedures Order shall provide that any qualified bids received by the Seller shall be an amount

not less than ten percent (10%) above the Purchase Price, and any such qualified bids shall promptly be shared with the Purchaser. Seller shall use its commercially reasonable efforts to obtain prompt entry of the Bidding Procedures Order and Sale Order. Seller shall file all pleadings with the Bankruptcy Court as are necessary or appropriate to secure prompt entry of the Sale Order, and shall serve all parties entitled to notice of such pleadings under applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and Orders of the Bankruptcy Court. If not previously filed, within ten (10) Business Days after entry into this Agreement, Seller shall file the Sale Motion and set it for hearing no later than October 26, 2017.

9.1.3 In the event an appeal is taken or a stay pending appeal is requested, from the Sale Order, Seller shall promptly notify Purchaser of such appeal or stay request and shall promptly provide to Purchaser a copy of the related notice of appeal or order of stay. Seller shall also provide Purchaser with written notice of any motion or application filed in connection with any appeal from any of such orders. If an appeal or a stay of pending appeal is taken with respect to the Sale Order, Seller shall use its best efforts to cause the timely opposing and dismissing of such appeal or stay pending appeal and to cause such order to become a Final Order.

9.1.4 From and after the date of this Agreement, Seller shall not take any action that is intended to result in, or fail to take any action the intent of which failure to act would result in, the reversal, voiding, modification or staying of the Sale Order.

9.1.5 From and after the date of this Agreement, Seller shall provide Purchaser at least two (2) Business Days in advance of filing with the Bankruptcy Court, a draft of any motions, orders, notices, or other pleadings that Seller proposes to file with the Bankruptcy Court seeking approval of this Agreement. Seller shall cooperate with Purchaser and consider in good faith the views and any changes or revisions requested by Purchaser with respect to all such filings. Nothing contained herein shall be deemed to affect or alter the requirement that the form and substance of the Sale Order, **shall be in form and substance acceptable to Purchaser in its sole discretion.**

9.2 Break Up Fee and Expense Reimbursement. Subject to entry of the Bidding Procedures Order and provided that Purchaser does not deliver a Termination Notice, the Purchaser shall be entitled to be paid by Seller (a) a break-up fee of \$4,350 plus (b) reimbursement of the actual out-of-pocket expenses incurred by Purchaser in connection with the transactions contemplated hereby in an amount not to exceed \$3,750 (the “**Administrative Expense Claim**”) and (c) return of the Escrow Deposit if (i) the Purchaser is not the winning bidder for the Acquired Assets, (ii) Seller enters into an Alternative Transaction, (iii) an Order is entered that approves a sale of all or substantially all of the Acquired Assets to any Person other than Purchaser, (iv) Seller materially breaches this Agreement, which amounts shall constitute allowed administrative expenses against Seller and shall be paid by Seller immediately upon Purchaser’s entitlement thereto; provided that Purchaser will not be entitled to such payments if the Purchaser has materially breached its obligations under this Agreement.

10. Failure of Closing; Certain Remedies.

10.1 If the transaction herein provided shall not close by reason of Seller's default under this Agreement or the termination of this Agreement, then the Escrow Deposit shall be returned to Purchaser, and neither Party shall have any further obligation or liability to the other (except under those provisions of this Agreement that expressly survive a termination of this Agreement); provided, however, if the transactions hereunder shall fail to close by reason of Seller's default, then Purchaser shall be entitled, as its sole remedy, to payment of the break-up fee and reimbursement of its expenses as provided in Section 9.2 and the Escrow Deposit shall be returned to Purchaser.

10.2 IN THE EVENT THE TRANSACTION HEREIN PROVIDED SHALL NOT CLOSE BY REASON OF PURCHASER'S DEFAULT UNDER THIS AGREEMENT (PROVIDED THAT ALL CONDITIONS TO PURCHASER'S OBLIGATION TO CLOSE HAVE BEEN SATISFIED OR WAIVED IN WRITING), THEN THE ESCROW DEPOSIT SHALL BE DELIVERED TO SELLER AS FULL COMPENSATION AND LIQUIDATED DAMAGES UNDER AND IN CONNECTION WITH THIS AGREEMENT, AND IN SUCH EVENT, PURCHASER SHALL NOT BE LIABLE TO SELLER FOR ANY MONETARY DAMAGES EXCEPT FOR PAYMENT OF THE ESCROW DEPOSIT TO SELLER AS AFORESAID, IF APPLICABLE. IN CONNECTION WITH THE FOREGOING, THE PARTIES RECOGNIZE THAT SELLER WILL INCUR EXPENSES IN CONNECTION WITH THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT; FURTHER, THAT IT IS EXTREMELY DIFFICULT AND IMPRACTICABLE TO ASCERTAIN THE EXTENT OF DETRIMENT TO SELLER CAUSED BY THE BREACH BY PURCHASER UNDER THIS AGREEMENT AND THE FAILURE OF THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT OR THE AMOUNT OF COMPENSATION SELLER SHOULD RECEIVE AS A RESULT OF PURCHASER'S BREACH OR DEFAULT. IN THE EVENT THE TRANSACTION HEREIN PROVIDED SHALL NOT BE CONSUMMATED ON ACCOUNT OF PURCHASER'S DEFAULT (ALL OF THE CONDITIONS TO PURCHASER'S OBLIGATION TO CLOSE HAVING BEEN SATISFIED OR WAIVED IN WRITING), THEN RECEIPT BY SELLER OF THE ESCROW DEPOSIT SHALL BE THE SOLE AND EXCLUSIVE REMEDY OF SELLER UNDER THIS AGREEMENT BY REASON OF SUCH DEFAULT, SUBJECT TO THE PROVISIONS OF THIS AGREEMENT THAT EXPRESSLY SURVIVE A TERMINATION OF THIS AGREEMENT.

Seller's Initials

Purchaser's Initials

10.3 Upon the occurrence of an Alternative Transaction, Purchaser shall have the right to terminate this Agreement upon delivery of written notice to Seller. In the event of such a termination by Purchaser, then the Escrow Deposit shall be returned to Purchaser, and neither Party shall have any further obligation or liability hereunder to the other except with

respect to the provisions of this Agreement that expressly survive a termination of this Agreement.

11. Miscellaneous.

11.1 Brokers.

11.1.1 Except as provided in Section 11.1.2 below, Seller represents and warrants to Purchaser, and Purchaser represents and warrants to Seller, that no broker or finder has been engaged by it, in connection with the sale contemplated by this Agreement. In the event of a claim for broker's or finder's fee or commissions in connection with the sale contemplated by this Agreement, then Seller shall indemnify, defend and hold harmless Purchaser from the same if it shall be based upon any statement or agreement alleged to have been made by Seller, and Purchaser shall indemnify, defend and hold harmless Seller from the same if it shall be based upon any statement or agreement alleged to have been made by Purchaser.

11.2 Taxes. In the event Seller is liable for any Taxes as a result of this transaction, Seller shall be solely responsible to pay all Taxes, including but not limited to transfer taxes or document title fees resulting to Seller as a result of the transaction hereunder.

11.3 Post-Closing Storage of Vehicles. After the Closing, the Vehicles shall be permitted to remain at the Premises for a period of not more than twenty-one (21) days, at no expense to Purchaser. Seller shall make Vehicles available for removal by Purchaser at any time after Closing upon notice not less than twenty-four (24) before such removal.

11.4 Further Assurances. Each Party shall, from time to time, execute, acknowledge where appropriate and deliver, such further instruments and documents, and take such other action, as any other Party may reasonably request in order to carry out the intent and purpose of this Agreement or of any of the documents executed in connection herewith, at the expense of the Party making such request. This Section shall survive the Closing.

11.5 No Waiver. No waiver by a Party of any breach of this Agreement or of any warranty or representation hereunder by the other Party shall be deemed to be a waiver of any other breach by such other Party (whether preceding or succeeding and whether or not of the same or similar nature), and no acceptance of payment or performance by a Party after any breach by the other Party shall be deemed to be a waiver of any breach of this Agreement or of any representation or warranty hereunder by such other Party, whether or not the first Party knows of such breach at the time it accepts such payment or performance. No failure or delay by a Party to exercise any right it may have by reason of the default of the other Party shall operate as a waiver of default or modification of this Agreement or shall prevent the exercise of any right by the first Party while the other Party continues to be so in default. Closing shall constitute a waiver of any condition to Closing, but shall not constitute a waiver of liability for a breach occurring prior to Closing.

11.6 Consents and Approvals. Except as otherwise expressly provided herein, any approval or consent provided to be given by a Party hereunder must be in writing to be effective and may be given or withheld in the sole and absolute discretion of such Party.

11.7 Press Releases. Any press release issued with respect to the transactions contemplated by this Agreement shall be subject to the prior approval of Purchaser and Seller. This Section shall survive the Closing or termination of this Agreement.

11.8 Confidentiality. Each Party agrees that it will treat in confidence all documents, materials and other information that it shall have obtained regarding the other Party during the course of the negotiations leading to the consummation of the transactions contemplated hereby (whether obtained before or after the date of this Agreement), the investigation provided for herein and the preparation of this Agreement and other related documents. Such documents, materials and information shall not be disclosed or communicated to any third Person (other than, in the case of Purchaser, to its counsel, accountants, financial advisors and potential lenders, and in the case of Seller, to its counsel, accountants and financial advisors). No Party shall use any confidential information referred to in the immediately preceding sentence in any manner whatsoever except solely for the purpose of evaluating the proposed purchase and sale of the Acquired Assets and the enforcement of its rights hereunder and under the documents executed in connection with this Agreement; provided, however, that after the Closing, Purchaser may use or disclose any confidential information that is otherwise reasonably related to the ownership and operation of the Vehicles. The obligation of each Party to treat such documents, materials and other information in confidence shall not apply to any information that (i) is or becomes available to such Party from a source other than such Party, (ii) is or becomes available to the public other than as a result of disclosure by such Party or its agents, (iii) is required to be disclosed under applicable law or judicial process, including the Bankruptcy Case, but only to the extent it must be disclosed, or (iv) such Party reasonably deems necessary to disclose to obtain any of the consents or approvals contemplated hereby. This Section shall survive the Closing or termination of this Agreement.

11.9 Modification. This Agreement may not be modified or amended except by written agreement signed by Seller and Purchaser and to the extent required with the approval of the Bankruptcy Court.

11.10 Matters of Construction.

11.10.1 Incorporation of Exhibits. All exhibits attached and referred to in this Agreement are hereby incorporated herein as fully set forth in (and shall be deemed to be a part of) this Agreement.

11.10.2 Entire Agreement. This Agreement contains the entire agreement between the Parties respecting the matters herein set forth and supersedes all prior agreements between the Parties hereto respecting such matters.

11.10.3 Non-Business Days. Whenever action must be taken (including the giving of notice or the delivery of documents) under this Agreement during a certain period of time (or by a particular date) that ends (or occurs) on a non-Business Day, then such period (or date) shall be extended until the immediately following Business Day.

11.10.4 Severability. If any portion of this Agreement shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent

jurisdiction to be illegal, null or void or against public policy, the remaining portion of this Agreement shall not be affected thereby and shall remain in full force and effect to the fullest extent permissible by law.

11.10.5 Interpretation. Words used in the singular shall include the plural, and vice-versa, and any gender shall be deemed to include the other. Whenever the words “including”, “include” or “includes” are used in this Agreement, they shall be interpreted in a non-exclusive manner. The captions and headings of the Sections of this Agreement are for convenience of reference only, and shall not be deemed to define or limit the provisions hereof. Except as otherwise indicated, all Exhibit and Section references in this Agreement shall be deemed to refer to the Exhibits and Sections in this Agreement. Each Party acknowledges and agrees that this Agreement (a) has been reviewed by it and its counsel, (b) is the product of negotiations between the parties, and (c) shall not be deemed prepared or drafted by either Party. In the event of any dispute between the parties concerning this Agreement, the parties agree that any ambiguity in the language of this Agreement is to not to be resolved against Seller or Purchaser, but shall be given a reasonable interpretation in accordance with the plain meaning of the terms of this Agreement and the intent of the Parties as manifested hereby.

11.10.6 Governing Law. THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF DELAWARE (WITHOUT REGARD TO CONFLICTS OF LAW). EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY CONSENTS TO SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE BANKRUPTCY COURT FOR ANY LITIGATION ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY (AND AGREES NOT TO COMMENCE ANY LITIGATION RELATING THERETO EXCEPT IN THE BANKRUPTCY COURT), AND WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUCH LITIGATION IN THE BANKRUPTCY COURT. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

11.10.7 Third Party Beneficiaries. Except as otherwise expressly provided in this Agreement, Seller and Purchaser do not intend by any provision of this Agreement to confer any right, remedy or benefit upon any third party, and no third party shall be entitled to enforce or otherwise shall acquire any right, remedy or benefit by reason of any provision of this Agreement.

11.11 No Joint Venture. This Agreement does not and shall not be construed to create a partnership, joint venture or any other relationship between the parties hereto except the relationship of the seller and purchaser specifically established hereby.

11.12 Successors and Assigns. Neither Party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other Party (in which event such transferee shall assume in writing all of the transferor’s obligations hereunder, but such transferor shall not be released from its obligations hereunder). Seller hereby consents to

the assignment by Purchaser of its interest in this Agreement to an entity controlled by or under common control with Purchaser, provided Purchaser gives Seller prior written notice of the same and causes to be fully executed and delivered to Seller an assignment and assumption agreement in form reasonably satisfactory to Seller. No consent given by Seller to any transfer or assignment of Purchaser's rights or obligations hereunder shall be construed as a consent to any other transfer or assignment of Purchaser's rights or obligations hereunder. No transfer or assignment in violation of the provisions hereof shall be valid or enforceable. Subject to the foregoing, this Agreement and the terms and provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of the parties.

11.13 Notices. Any notice which a Party is required or may desire to give another Party shall be in writing and may be delivered (a) personally, (b) by United States registered or certified mail, postage prepaid, (c) by Federal Express or other reputable courier service regularly providing evidence of delivery (with charges paid by the Party sending the notice), or (d) by facsimile or a PDF or similar attachment to an email, provided that such telecopy or email attachment shall be followed within one (1) Business Day by delivery of such notice pursuant to clause (a), (b) or (c) above. Any such notice to a Party shall be addressed at the address set forth below (subject to the right of a Party to designate a different address for itself by notice similarly given). Service of any such notice or other communications so made shall be deemed effective on the day of actual delivery (whether accepted or refused) as evidenced by printed confirmation if by facsimile or email attachment (provided that if any notice or other communication to be delivered by facsimile or email attachment as provided above cannot be transmitted because of a problem affecting the receiving Party's facsimile machine or computer, the deadline for receiving such notice or other communication shall be extended through the next Business Day), as shown by the addressee's return receipt if by certified mail, and as confirmed by the courier service if by courier; provided, however, that if such actual delivery occurs after 5:00 p.m. (local time where received) or on a non-Business Day, then such notice or communication so made shall be deemed effective on the first Business Day after the day of actual delivery. Except as expressly provided above and in Section 11.15 with respect to certain email attachments, no communications via electronic mail shall be effective to give any notice, request, direction, demand, consent, waiver, approval or other communications hereunder.

TO SELLER:

Elizabeth J. Austin
Pullman and Comley
850 Main Street
P.O. Box 7006
Bridgeport, CT 06601-7006

TO PURCHASER:

John Centrella
Bayshore Ford Consultant
Wholesale Fleet Asset Management and Commercial Vehicle Purchases.

2217 N. Dupont Hwy
New Castle, De. 19720
(302) 652-5358 Fax

11.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document. The delivery of an executed counterpart to this Agreement by facsimile or as a PDF or similar attachment to an email shall constitute effective delivery of such counterpart for all purposes with the same force and effect as the delivery of an original, executed counterpart.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SELLER:

BAILEY'S EXPRESS, INC.

By: _____

Name: _____

Title: Chief Restructuring Officer

PURCHASER:

BAYSHORE FORD TRUCK SALES, LLC

By: _____

Name: _____

Title: _____

EXHIBIT "A"

LIST OF VEHICLES

EXHIBIT "B"

FORM OF BILL OF SALE

Bill Of Sale

IN CONSIDERATION OF the sum of \$145,000 USD, Bailey's Express Inc. of 61 Industrial Park Road in Middletown, CT 06457 (the 'seller'), Sells to Bayshore Ford Truck Sales, Inc of 4003 N Dupont Highway, New Castle DE 19720 (the 'purchaser'), the following motor vehicles:

Truck number	Make	Model	Year	Vin	Price
55	Ford	LNT9000	1995	1FDYW90U3SVA29552	\$2,000.00
57	Ford	LNT9000	1998	1FTYW96Y7WVA40431	\$1,250.00
58	Sterling	LT95010	2000	2FWPEDYB8YAF59389	\$1,250.00
59	Sterling	LT95010	2000	2FWPEDYB7YAG67924	\$2,750.00
60	Sterling	LT95010	2000	2FWPEDYB1YAH30242	\$3,000.00
61	Sterling	LT95010	2000	2FWPEDYB81AH30583	\$3,000.00
62	Sterling	LT95010	2001	2FWJAZBD11AH30479	\$3,500.00
63	Sterling	LT95010	2001	2FWJAZBD71AJ20440	\$4,000.00
64	Sterling	LT95010	2002	2FWJAZBD32AJ69474	\$4,000.00
66	Kenworth	T800	2003	1XKDD69X53J708269	\$6,500.00
67	Kenworth	T800	2003	1XKDD69X13J708270	\$6,000.00
69	Kenworth	T800	2003	1XKDD69X33J394914	\$6,000.00
70	Kenworth	T800	2003	1XKDD69X53J394915	\$6,500.00
71	Kenworth	T800	2006	1XKDD49X46J104382	\$9,000.00
72	Kenworth	T800	2006	1XKDD49X36J137812	\$7,000.00
73	Kenworth	T800	2006	1XKDD49X07J144315	\$8,500.00
74	Kenworth	T800	2007	1XKDD49X275144316	\$10,500.00
75	Kenworth	T440	2013	1XKBA58X2DJ358743	\$19,750.00
76	Kenworth	T440	2013	1XKBAJ8X3EJ408771	\$21,500.00
Ot1	Ottawa	Com-430	1992	67047	\$4,000.00
Ot2	Ottawa	Com-430	2001	303143	\$4,000.00
Ford1	Ford	F350 Dump w/plow	1994	1FDKF38KXREA12022	\$4,500.00
Ford2	Ford	F350 duel rear w/plow	2000	1FTWX33F5YEB36792	\$6,500.00

Upon receipt of final fund payment, Baileys Express, Inc will release and forward titles to Bayshore Ford Truck Sales Inc. @ 4003 N Dupont Highway, New Castle, DE 19720 Attn: Title Dept.

 Seller
 David Allen
 Bailey's Express, Inc

 Puchaser
 Todd Willard
 Commercial Truck Manager
 Bayshore Ford Truck Sales, Inc