

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11

SIRGOLD, INC.,

Case No.: 16-12963 (SCC)

Debtor.
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**ORDER PURSUANT TO §§105(a) AND 363 OF THE BANKRUPTCY CODE AND
RULES 2002 AND 6004 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE:
(I) AUTHORIZING PUBLIC AUCTION SALE OF THE DEBTOR'S INTEREST IN
REAL PROPERTIES LOCATED AT: (A) 62 WEST 47TH STREET, UNITS 309 AND
309A, NEW YORK, NEW YORK 10036; AND (B) 22 MERIDIAN ROAD, UNIT 11,
EDISON, NEW JERSEY 08820; (II) SCHEDULING A HEARING TO CONFIRM THE
RESULTS OF SUCH SALES TO THE HIGHEST OR BEST BIDDER(S); (III)
APPROVING CERTAIN TERMS AND CONDITIONS OF SALE; AND (IV) GRANTING
RELATED RELIEF**

Upon the motion dated April 3, 2017 (the "Motion") [Dkt. 101] of Salvatore LaMonica, Chapter 11 Trustee (the "Trustee"), of the estate of Sirgold, Inc. (the "Debtor"), by and through his attorneys, LaMonica Herbst & Maniscalco, LLP, pursuant to 11 U.S.C. §§ 105(a) and 363, and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") seeking the entry of an order pursuant to, *inter alia*, §§ 105(a) of Title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"): (i) authorizing the sale of the Debtor's interest in the real properties located at: (a) 62 West 47th Street, Units 309 and 309A, New York, New York 10036 (the "Manhattan Property"); and (b) 22 Meridian Road, Unit 11, Edison, New Jersey 08820 (the "New Jersey Property", together with the Manhattan Property, the "Real Properties"), free and clear of all liens, claims, encumbrances and interests (the "Liens") to the highest or best bidder(s) at a public sale (the "Auction Sale"); (ii) approving the terms and conditions that will govern the public sale of the Real Properties (the "Terms and Conditions of Sale"), copies of which were annexed to the Motion as Exhibits A and B; (iii) scheduling a hearing to confirm

results of the public sale of the Real Properties to the highest or best bidder(s) at the public sale; and (iv) granting such other and further relief as this Court deems just and proper under the circumstances; and no opposition having been filed; and a hearing having been held on April 27, 2017 (the "Hearing"); and Gary F. Herbst, Esq., of LaMonica Herbst & Maniscalco, LLP, having appeared at the Hearing on behalf of the Trustee; and upon the Affidavit of Service of the Motion which is on file with the Court [Dkt. 104]; and no further notice being necessary or required; and the Court having found that the relief requested in the Motion satisfies the standards under the Bankruptcy Code and Bankruptcy Rules; and after due deliberation and for the reasons set forth on the record at the Hearing, it is hereby

ORDERED, that all capitalized terms used but not defined herein shall be ascribed the same meaning(s) as set forth in the Motion and the Terms and Conditions of Sale; and it is further

ORDERED, that the Trustee is authorized to proceed with the Auction Sale of the Real Properties; and it is further

ORDERED, that the Terms and Conditions of Sale, substantially in the form annexed to this Order as Exhibits A and B are approved and shall govern the bids relating to the Real Properties; and it is further

ORDERED, that all bids for the Real Properties shall be submitted in accordance with the Terms and Conditions of Sale; and it is further

ORDERED, that pursuant to the Terms and Conditions of Sale of the Manhattan Property annexed to this Order as Exhibit A, the sale of the Manhattan Property shall be subject to the approval and right of first refusal of the Board of Managers of the Diamond & Jewelry

Industry Commercial Condominium pursuant to the Offering Plan of the Diamond & Jewelry Industry Commercial Condominium; and it is further

ORDERED, that the Auction Sale of the Real Properties shall be conducted on May 24, 2017 at 11:00 a.m., at the NY LaGuardia Airport Marriott Hotel, 102-05 Ditmars Boulevard, East Elmhurst, New York 11369; and it is further

ORDERED, that secured creditor Unity Bank (“Unity”) shall have the right, pursuant to 11 U.S.C. § 363(k), to credit bid on either of the Real Properties at the Auction Sale up to the amount of Unity’s respective liens against the particular property on which it is credit bidding, and, if Unity purchases one or both of the Real Properties, Unity may offset its liens against the purchase price of that property purchased; and it is further

ORDERED, that if Unity purchases one or both of the Real Properties, Unity shall pay at closing the following costs incurred in relation to the sale of only the specific Real Property Unity purchases: any and all closing costs; all senior liens and claims, if any; all taxes associated with the sale, if any; and any and all costs of the Auction Sale, including the Buyer’s Premium and the fees and expenses of the Trustee and the retained professionals, against which amounts Unity may not offset its liens; and it is further

ORDERED, that Unity shall not be required to deliver a Qualifying Deposit unless it intends on bidding an amount that exceeds Unity’s lien, provided that in the event that Unity is the successful purchaser and fails to close, Unity shall be liable to the Debtor’s estate for any and all damages incurred in connection with Unity’s failure to close; and it is further

ORDERED, that the Trustee shall not sell the Real Properties for any amount insufficient to satisfy Unity’s lien without an order of the Court so authorizing, prior to which Unity shall have the opportunity to object; and it is further

ORDERED, that a hearing to confirm the results of the Auction Sale shall be held before this Court on **June 2, 2017 at 11:00 a.m., in Courtroom 623** at the United States Bankruptcy Court, Southern District of New York, One Bowling Green, New York, New York 10004; and it is further

ORDERED, that the Trustee and his professionals are authorized to do such things, execute such documents and expend such funds as may be reasonably necessary to effectuate the terms and conditions of this Order and the sale of the Real Properties; and it is further

ORDERED, that the Court shall retain jurisdiction over any matter or dispute arising from or relating to the implementation of this Order.

Dated: New York, New York
May 1, 2017

/S/ Shelley C. Chapman
HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

TERMS AND CONDITIONS OF SALE

PURSUANT TO AN ORDER OF THE HONORABLE SHELLY C. CHAPMAN, THE DEBTOR'S INTEREST IN THE REAL PROPERTY LOCATED AT 62 WEST 47TH STREET, UNITS 309 AND 309A, NEW YORK, NEW YORK 10036, IS TO BE SOLD AT PUBLIC SALE ON MAY 24, 2017 AT 11:00 A.M.

1. On October 21, 2016 (the "Petition Date"), an involuntary petition (the "Involuntary Petition") for relief pursuant to chapter 7 of title 11 of the United States Code (the "Bankruptcy Code") was filed against the Debtor by petitioning creditors.

2. On November 14, 2016, the Debtor, in answer to the Involuntary Petition, filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code.

3. On November 17, 2016, the Court so-ordered a stipulation providing for the voluntary conversion of the Debtor's case to one under chapter 11 of the Bankruptcy Code.

4. On January 27, 2017, Salvatore LaMonica was appointed as Chapter 11 Trustee (the "Trustee").

5. The Debtor is the record owner of a commercial condominium unit located at 62 West 47th Street, Units 309 and 309A, New York, New York 10036 (the "Manhattan Property").

6. These Terms and Conditions of Sale are promulgated in connection with the Bankruptcy Court-authorized public sale of the estate's interest in the Manhattan Property (the "Public Sale"). The Public Sale shall be conducted by Maltz Auctions, Inc., d/b/a Maltz Auctions ("Maltz"), the Trustee's Bankruptcy Court retained estate broker, for the sale contemplated herein.

7. The Trustee is represented by LaMonica Herbst & Maniscalco, LLP ("LH&M"), with offices at 3305 Jerusalem Avenue, Suite 201, Wantagh, New York 11793.

8. The Public Sale will be held on May 24, 2017 at 11:00 a.m. (the "Sale Date") at the NY LaGuardia Airport Marriott Hotel, 102-05 Ditmars Boulevard, East Elmhurst, NY 11369.

9. The Successful Purchaser (as hereinafter defined) of the Manhattan Property, will, at the time and place of the conclusion of the Public Sale, sign a memorandum of sale (the "Memorandum of Sale") in accordance with these Terms and Conditions of Sale.

10. In order to be permitted to bid on the Manhattan Property, prior to the commencement of the Public Sale, every prospective bidder (each a "Bidder") must deliver to Maltz a bank check made payable to "Salvatore LaMonica, Esq., as Trustee" in the amount of Sixty-five Thousand Dollars (\$65,000.00) (the "Qualifying Deposit"), which amount shall serve as a partial good faith deposit against payment of the purchase price by such competing Bidder as the Trustee determines to have made the highest or best bid for the Manhattan Property (the "Successful Purchaser").

11. The Successful Purchaser and the competing Bidder who the Trustee determines to have made the second highest or best bid for the Manhattan Property (the "Second Highest Bidder") must execute, and thereby agree to be bound by these Terms and Conditions of Sale and the Memorandum of Sale. At the conclusion of the Public Sale, Maltz will return the Qualifying Deposits to all Bidders, except for the Successful Purchaser and the Second Highest Bidder. The Second Highest Bidder's Qualifying Deposit shall be returned within two (2) business days following approval of the Public Sale by the Bankruptcy Court ("Court Approval Date").

12. Within 48 hours after conclusion of the Public Sale, the Successful Purchaser shall deliver to the Trustee by bank check made payable to "Salvatore LaMonica, Esq., as Trustee" an amount equal to 10% of the high bid realized at the Public Sale, minus the Qualifying Deposit (together with the Qualifying Deposit, the "Deposit"), plus a 5% Buyer's Premium (as hereinafter defined).

13. The Buyer's Premium shall be deemed to have been earned immediately upon the fall of the hammer and is due within 48 hours after conclusion of the Public Sale. Failure of the Successful Purchaser to tender the 10% Deposit of the high bid and the Buyer's Premium within 48 hours after conclusion of the Public Sale shall result in an immediate default under the terms of these Terms and Conditions of Sale and the Memorandum of Sale and shall result in the forfeiture of all earnest monies paid, including the Qualifying Deposit and Buyer's Premium.

14. Pursuant to an Order of the Bankruptcy Court, the Successful Purchaser, and the Second Highest Bidder in the event of a Successful Purchaser's Default (as hereinafter defined), are solely responsible to pay Maltz five percent (5%) of the high bid at the Public Sale (the "Buyer's Premium"). The sum of the high bid at the Public Sale and the Buyer's Premium is defined herein as the "Purchase Price").

15. Neither the Trustee, Trustee's counsel, Maltz, nor the Estate is liable or responsible for the payment of fees of any third party broker. The only commissions that the Estate may be liable for are those of Maltz which has been retained pursuant to an Order of the Bankruptcy Court, and those of the Trustee.

16. The Successful Purchaser must close title to the Manhattan Property at a date that is no more than thirty (30) days after the Court Approval Date, **TIME BEING OF THE ESSENCE as to the Successful Purchaser**, although such date may be extended solely by the Trustee (the "Successful Purchaser's Closing"). The Successful Purchaser must pay the balance of the Purchase Price for the Manhattan Property to the Trustee by bank check in immediately available federal funds at or prior to the Successful Purchaser's Closing.

17. If the Successful Purchaser fails to post the total required 10% Deposit and 5% Buyer's Premium within 48 hours following the Public Sale or if the Successful Purchaser fails to tender the Purchase Price to the Trustee at or prior to the Successful Purchaser's Closing ("Successful Purchaser's Default"), the Trustee, in his sole and absolute discretion, may deem the Second Highest Bidder to hold all benefits and obligations under the Terms and Conditions of Sale and Memorandum of Sale as the new Successful Purchaser (the "New Successful

Purchaser”). The New Successful Purchaser shall not receive credit for any Deposit and/or Buyer’s Premium forfeited by the initial Successful Purchaser.

18. The new Successful Purchaser must close title to the Manhattan Property at the later of a date: (a) no more than thirty (30) days following receipt of written notice to the New Successful Purchaser of Successful Purchaser’s Default; or (ii) no more than thirty (30) days after the Court Approval Date (the “New Successful Purchaser’s Closing” and, together with the Successful Purchaser’s Closing, the “Closing”), **TIME BEING OF THE ESSENCE as to the New Successful Purchaser**, although such date may be extended solely by the Trustee.

19. The Successful Purchaser, or the New Successful Purchaser as the case may be, has seven (7) days from the Court Approval Date to order title, copy of which shall promptly be provided to LH&M. The Successful Purchaser, or the New Successful Purchaser as the case may be, has fourteen (14) days from the Court Approval Date to advise the Trustee through LH&M (by electronic mail to jw@lhmlawfirm.com and gfh@lhmlawfirm.com) of any and all title issues or defects that would in any way be an impediment to the Closing on the sale of the Manhattan Property. The failure of the Successful Purchaser, or the New Successful Purchaser as the case may be, to advise the Trustee through LH&M within fourteen (14) days from the Court Approval Date of any such title issues or defects shall be deemed a waiver of any and all rights to raise any such title issues or defects.

20. The Closing shall take place at the offices of Trustee’s counsel, LH&M, located at 3305 Jerusalem Avenue, Suite 201, Wantagh, New York 11793, or such other location as the Trustee deems appropriate.

21. The Successful Purchaser, or the New Successful Purchaser as the case may be, shall pay any and all costs and expenses in connection with the transfer of the Manhattan Property including, but not limited to: fees related to obtaining a survey; fee title or mortgage insurance; title company endorsement, search and escrow charges; appraisals, reports and other costs of property due diligence; and County, State, New York City, or other property transfer, flip tax, deed or documentary tax, or other taxes imposed upon the sale due in connection with the transfer of the Manhattan Property from the Trustee at Closing. The Trustee shall not be required to execute any form of title affidavit (but may in his sole and absolute discretion) and all title exceptions customarily omitted from a title policy on account of such title affidavit shall be deemed permitted exceptions. The Successful Purchaser or the New Successful Purchaser as the case may be, acknowledges that it will be responsible for the preparation of all required ACRIS forms and/or any transfer tax forms.

22. In connection with the Closing and Closing date, the Successful Purchaser, or the New Successful Purchaser as the case may be, is hereby given notice that **TIME IS OF THE ESSENCE against the Successful Purchaser, or the New Successful Purchaser as the case may be, and the failure of the Successful Purchaser, or the New Successful Purchaser as the case may be, to close for any reason whatsoever (except as otherwise provided herein) including its failure to pay the balance of the Purchase Price at the Closing, will result in an immediate forfeiture of the Deposit and Buyer’s Premium and the termination of the Successful Purchaser’s, or the New Successful Purchaser’s as the case may be, right to**

acquire the Manhattan Property under these Terms and Conditions of Sale and the Memorandum of Sale.

23. The Successful Purchaser, or the New Successful Purchaser as the case may be, shall be obligated to close title to the Manhattan Property and, except as expressly set forth herein, there is no contingency of any kind or nature that will permit the Successful Purchaser, or the New Successful Purchaser as the case may be, to cancel or avoid their obligations under these Terms of and Conditions of Sale and the Memorandum of Sale, other than the Trustee's inability to deliver insurable title to the Manhattan Property. Further, the Successful Purchaser, or the New Successful Purchaser as the case may be, shall have demonstrated, to the satisfaction of the Trustee, evidence of its ability to conclude the transaction upon these Terms and Conditions of Sale and the Memorandum of Sale. The Trustee reserves the right to reject any Purchaser or Bidder who the Trustee believes, in his sole discretion, is not financially capable of consummating the purchase of the Manhattan Property.

24. The Trustee and his professionals have not made and do not make any representations or warranties as to the physical condition, expenses, operations, value of the land or buildings thereon, or any other matter or thing affecting or related to the Manhattan Property or the Public Sale that might be pertinent to the purchase of the Manhattan Property, including, without limitation: (a) the current or future estate tax liability, assessment or valuation of the Manhattan Property; (b) the potential qualification of the Manhattan Property for any and all benefits conferred by or available under federal, state or municipal laws, whether for subsidies, special estate tax treatment, insurance, mortgages, or any other benefits, whether similar or dissimilar to those enumerated; (c) the compliance or non-compliance of the Manhattan Property, in its current or any future state, with applicable present or future zoning ordinances or other land use law or regulation, or the ability to obtain a change in the zoning or use, or a variance in respect to the Manhattan Property; (d) the availability of any financing for the purchase, alteration, rehabilitation or operation of the Manhattan Property from any source, including, but not limited to, any state, city or federal government or institutional lender; (e) the current or future use of the Manhattan Property; (f) the current or future rents, other operating incomes or expenses; (g) the presence or absence of any laws, ordinances, rules or regulations issued by any governmental authority, agency or board and any violations thereof; and/or (h) the compliance or non-compliance with environmental laws and the presence or absence of underground fuel storage tanks, any asbestos, any lead paint or other hazardous materials anywhere on the Manhattan Property, or notes or notices of violations of law or municipal ordinances, orders or requirements noted or issued by any governmental department, agency or bureau having authority as to but not limited to lands, housing, buildings, fire, health, environment and labor conditions affecting the Manhattan Property. Each Bidder hereby expressly agrees and acknowledges that no such representations or warranties have been made. The Trustee and his professionals shall not be liable or bound in any manner by expressed or implied warranties, guarantees, promises, statements, representations or information pertaining to the Manhattan Property, made or furnished by the Trustee or his Professionals. Unit 309A of the Manhattan Property shall be delivered vacant of tenancies at Closing. Unit 309 of the Manhattan Property is subject to the current tenant's tenancy; copies of the current tenant's lease will be made available upon request.

25. The Manhattan Property is being sold subject to the restrictions and conditions contained within the Offering Plan of the Diamond & Jewelry Industry Commercial Condominium (the "Offering Plan"), including, but not limited to the approval and right of first refusal of the Board of Managers of the Diamond & Jewelry Industry Commercial Condominium. Copies of the Offering Plan will be made available upon request.

26. The Manhattan Property is being sold "**AS IS,**" "**WHERE IS,**" "**WITH ALL FAULTS,**" without any representations, covenants, guarantees or warranties of any kind or nature, and free and clear of any liens, claims, or encumbrances of whatever kind or nature, with such liens, if any, to attach to the proceeds of sale in such order and priority as they existed as of October 21, 2016, and sale of the Manhattan Property is subject to, among other things: (a) any state of facts that an accurate survey may show; (b) any covenants, restrictions and easements of record; (c) any state of facts a physical inspection may show; (d) any building or zoning ordinances or other applicable municipal regulations and violations thereof; (e) all leases, if any, as may exist or encumber the Manhattan Property; and (f) environmental conditions; provided, however, the Manhattan Property shall be delivered free and clear of any and all monetary liens. By delivering their respective Qualifying Deposits, all Bidders acknowledge that they have had the opportunity to review and inspect the Manhattan Property, the state of title thereof and laws, rules and regulations applicable thereto, and will rely solely thereon and on their own independent investigations and inspections of the Manhattan Property in making their bids. Neither the Trustee nor any of his professionals make any representations or warranties with respect to the permissible uses of the Manhattan Property including, but not limited to, the zoning of the Manhattan Property. All Bidders acknowledge that they have conducted their own due diligence in connection with the Manhattan Property and are not relying on any information provided by the Trustee or his professionals. The Manhattan Property will be sold subject to any and all violations requiring corrective action. By delivering their respective Qualifying Deposits, all Bidders expressly acknowledge that the sale of the Manhattan Property shall be subject to any claims by any tenant in connection with the amount of that tenant's security deposit.

27. The Trustee shall convey the Manhattan Property by delivery of a Trustee's Deed. The quality of title shall be that which any reputable title insurance company authorized to do business in the State of New York is willing to approve and insure. If the Successful Purchaser, or the New Successful Purchaser as the case may be, is unable to obtain title insurance, subject to the permissible exceptions contained herein, the Trustee may, at his option, arrange for the issuance of a title insurance policy by such a company at the sole cost and expense of the Successful Purchaser, or the New Successful Purchaser as the case may be.

28. Nothing contained in these Terms and Conditions of Sale is intended to supersede or alter any provisions of the Bankruptcy Code or otherwise interfere with the jurisdiction of the Bankruptcy Court.

29. All of the terms and conditions set forth in these Terms and Conditions of Sale are subject to modification as may be directed by the Trustee or by the Court. The Trustee reserves the right to modify these Terms and Conditions of Sale at any time before or after the Public Sale.

30. These Terms and Conditions of Sale will be read into the record, or specifically incorporated by reference, at the Public Sale of the Manhattan Property. By making a bid for the

Manhattan Property, all Purchasers will be deemed to have acknowledged having read and understood these Terms and Conditions of Sale and have agreed to be bound by them.

31. If the Trustee is unable to deliver the Manhattan Property in accordance with these Terms and Conditions of Sale for any reason whatsoever, the Trustee's and the estate's only obligation will be to refund the Deposit and Buyer's Premium, without interest, to the Successful Purchaser, or the New Successful Purchaser as the case may be, and upon such refund, the Successful Purchaser, or the New Successful Purchaser as the case may be, will have no claim or recourse against the Trustee, his professionals or the estate and shall have no further rights under these Terms and Conditions of Sale or Memorandum of Sale.

32. The Public Sale of the Manhattan Property is subject to confirmation by the Trustee and pursuant to a further order of the Bankruptcy Court confirming the Public Sale.

33. The Bankruptcy Court shall determine any disputes concerning the Public Sale of the Manhattan Property. By participating in the Public Sale, all Purchasers consent to the jurisdiction of the Bankruptcy Court to determine such disputes under the Debtor's pending case.

34. The Successful Bidder shall provide any and all information requested by the condominium board of managers for the Manhattan Property and execute any and all documents reasonably requested by the condominium board.

I have read these Terms and Conditions of Sale and agree to be bound by them.

By: _____ Date: _____

Print Name: _____

MEMORANDUM OF SALE – SUCCESSFUL PURCHASER

High Bid Realized at Public Sale: _____

5% Buyer’s Premium: _____

Purchase Price: _____

The undersigned has this ___ day of _____ 2017 agreed to purchase the property located at 62 West 47th Street, Units 309 and 309A, New York, New York 10036 (the “Manhattan Property”) of debtor Sirgold, Inc. (the “Debtor”) and sold by Salvatore LaMonica, the Chapter 11 Trustee of the Debtor, for the sum of \$_____ DOLLARS and hereby promises and agrees to comply with the annexed Terms and Conditions of Sale of the Manhattan Property and this Memorandum of Sale.

SUCCESSFUL PURCHASER (Signature)

SUCCESSFUL PURCHASER (Signature)

PRINT NAME

PRINT NAME

ADDRESS

ADDRESS

ADDRESS (City, State, Zip)

ADDRESS (City, State, Zip)

TELEPHONE NUMBER

TELEPHONE NUMBER

EMAIL ADDRESS

EMAIL ADDRESS

Received from _____ the sum of \$65,000.00 DOLLARS, as a non-refundable deposit for the purchase of the Manhattan Property pursuant to the Terms and Conditions of Sale.

This is to verify that the final Purchase Price in the above sale was for the sum of \$_____.

MALTZ AUCTIONS, INC., d/b/a MALTZ AUCTIONS

SUCCESSFUL PURCHASER ATTORNEY INFORMATION

Name _____

Address _____

Phone _____

MEMORANDUM OF SALE – SECOND HIGHEST BIDDER

Bid Realized at Public Sale: _____

5% Buyer’s Premium: _____

Purchase Price: _____

The undersigned has this ___ day of _____ 2017 agreed to purchase the property located at 62 West 47th Street, Units 309 and 309A, New York, New York 10036 (the “Manhattan Property”) of debtor Sirgold, Inc. (the “Debtor”) and sold by Salvatore LaMonica, the Chapter 11 Trustee of the Debtor, for the sum of \$_____ DOLLARS. In the event of the Successful Bidder’s Default and if deemed by Trustee, in his sole and absolute discretion, to hold all benefits and obligations of a Successful Purchaser under the Terms and Conditions of Sale and this Memorandum of Sale and hereby promises and agrees to comply with the annexed Terms and Conditions of Sale of said Manhattan Property and this Memorandum of Sale.

SECOND HIGHEST BIDDER (Signature)

SECOND HIGHEST BIDDER (Signature)

PRINT NAME

PRINT NAME

ADDRESS

ADDRESS

ADDRESS (City, State, Zip)

ADDRESS (City, State, Zip)

TELEPHONE NUMBER

TELEPHONE NUMBER

EMAIL ADDRESS

EMAIL ADDRESS

Received from _____ the sum of \$65,000.00 DOLLARS, as a non-refundable deposit for the purchase of the Manhattan Property pursuant to the Terms and Conditions of Sale.

This is to verify that the final Purchase Price for the 2nd Highest Bid was in the above sale was for the sum of \$_____.

MALTZ AUCTIONS, INC., d/b/a MALTZ AUCTIONS

SECOND HIGHEST BIDDER ATTORNEY INFORMATION

Name _____

Address _____

Phone _____

EXHIBIT B

TERMS AND CONDITIONS OF SALE

PURSUANT TO AN ORDER OF THE HONORABLE SHELLY C. CHAPMAN, THE DEBTOR'S INTEREST IN THE REAL PROPERTY LOCATED AT 22 MERIDIAN ROAD, UNIT 11, EDISON, NEW JERSEY 08820, IS TO BE SOLD AT PUBLIC SALE ON MAY 24, 2017 AT 11:00 A.M.

1. On October 21, 2016 (the "Petition Date"), an involuntary petition (the "Involuntary Petition") for relief pursuant to chapter 7 of title 11 of the United States Code (the "Bankruptcy Code") was filed against the Debtor by petitioning creditors.

2. On November 14, 2016, the Debtor, in answer to the Involuntary Petition, filed a voluntary petition for relief pursuant to chapter 11 of the Bankruptcy Code.

3. On November 17, 2016, the Court so-ordered a stipulation providing for the voluntary conversion of the Debtor's case to one under chapter 11 of the Bankruptcy Code.

4. On January 27, 2017, Salvatore LaMonica was appointed as Chapter 11 Trustee (the "Trustee").

5. The Debtor is the record owner of a commercial condominium unit located at 22 Meridian Road, Unit 11, Edison, New Jersey 08820 (the "New Jersey Property").

6. These Terms and Conditions of Sale are promulgated in connection with the Bankruptcy Court-authorized public sale of the estate's interest in the New Jersey Property (the "Public Sale"). The Public Sale shall be conducted by Maltz Auctions, Inc., d/b/a Maltz Auctions ("Maltz"), the Trustee's Bankruptcy Court retained estate broker, for the sale contemplated herein.

7. The Trustee is represented by LaMonica Herbst & Maniscalco, LLP ("LH&M"), with offices at 3305 Jerusalem Avenue, Suite 201, Wantagh, New York 11793.

8. The Public Sale will be held on May 24, 2017 at 11:00 a.m. (the "Sale Date") at the NY LaGuardia Airport Marriott Hotel, 102-05 Ditmars Boulevard, East Elmhurst, NY 11369.

9. The Successful Purchaser (as hereinafter defined) of the New Jersey Property, will, at the time and place of the conclusion of the Public Sale, sign a memorandum of sale (the "Memorandum of Sale") in accordance with these Terms and Conditions of Sale.

10. In order to be permitted to bid on the New Jersey Property, prior to the commencement of the Public Sale, every prospective bidder (each a "Bidder") must deliver to Maltz a bank check made payable to "Salvatore LaMonica, Esq., as Trustee" in the amount of Twenty-five Thousand Dollars (\$25,000.00) (the "Qualifying Deposit"), which amount shall serve as a partial good faith deposit against payment of the purchase price by such competing Bidder as the Trustee determines to have made the highest or best bid for the New Jersey Property (the "Successful Purchaser").

11. The Successful Purchaser and the competing Bidder who the Trustee determines to have made the second highest or best bid for the New Jersey Property (the "Second Highest Bidder") must execute, and thereby agree to be bound by these Terms and Conditions of Sale and the Memorandum of Sale. At the conclusion of the Public Sale, Maltz will return the Qualifying Deposits to all Bidders, except for the Successful Purchaser.

12. Within 48 hours after conclusion of the Public Sale, the Successful Purchaser shall deliver to the Trustee by bank check made payable to "Salvatore LaMonica, Esq., as Trustee" an amount equal to 10% of the high bid realized at the Public Sale, minus the Qualifying Deposit (together with the Qualifying Deposit, the "Deposit"), plus a 5% Buyer's Premium (as hereinafter defined).

13. The Buyer's Premium shall be deemed to have been earned immediately upon the fall of the hammer and is due within 48 hours after conclusion of the Public Sale. Failure of the Successful Purchaser to tender the 10% Deposit of the high bid and the Buyer's Premium within 48 hours after conclusion of the Public Sale shall result in an immediate default under the terms of these Terms and Conditions of Sale and the Memorandum of Sale and shall result in the forfeiture of all earnest monies paid, including the Qualifying Deposit and Buyer's Premium.

14. Pursuant to an Order of the Bankruptcy Court, the Successful Purchaser, and the Second Highest Bidder in the event of a Successful Purchaser's Default (as hereinafter defined), are solely responsible to pay Maltz five percent (5%) of the high bid at the Public Sale (the "Buyer's Premium"). The sum of the high bid at the Public Sale and the Buyer's Premium is defined herein as the "Purchase Price").

15. Neither the Trustee, Trustee's counsel, Maltz, nor the Estate is liable or responsible for the payment of fees of any third party broker. The only commissions that the Estate may be liable for are those of Maltz which has been retained pursuant to an Order of the Bankruptcy Court, and those of the Trustee.

16. The Successful Purchaser must close title to the New Jersey Property at a date that is no more than thirty (30) days after the Court Approval Date, **TIME BEING OF THE ESSENCE as to the Successful Purchaser**, although such date may be extended solely by the Trustee (the "Successful Purchaser's Closing"). The Successful Purchaser must pay the balance of the Purchase Price for the New Jersey Property to the Trustee by bank check in immediately available federal funds at or prior to the Successful Purchaser's Closing.

17. If the Successful Purchaser fails to post the total required 10% Deposit and 5% Buyer's Premium within 48 hours following the Public Sale or if the Successful Purchaser fails to tender the Purchase Price to the Trustee at or prior to the Successful Purchaser's Closing ("Successful Purchaser's Default"), the Trustee, in his sole and absolute discretion, may deem the Second Highest Bidder to hold all benefits and obligations under the Terms and Conditions of Sale and Memorandum of Sale as the new Successful Purchaser (the "New Successful Purchaser"). The New Successful Purchaser shall not receive credit for any Deposit and/or Buyer's Premium forfeited by the initial Successful Purchaser.

18. The new Successful Purchaser must close title to the New Jersey Property at the later of a date: (a) no more than thirty (30) days following receipt of written notice to the New Successful Purchaser of Successful Purchaser's Default; or (ii) no more than thirty (30) days after the Court Approval Date (the "New Successful Purchaser's Closing" and, together with the Successful Purchaser's Closing, the "Closing"), **TIME BEING OF THE ESSENCE as to the New Successful Purchaser**, although such date may be extended solely by the Trustee.

19. The Successful Purchaser, or the New Successful Purchaser as the case may be, has seven (7) days from the Court Approval Date to order title, copy of which shall promptly be provided to LH&M. The Successful Purchaser, or the New Successful Purchaser as the case may be, has fourteen (14) days from the Court Approval Date to advise the Trustee through LH&M (by electronic mail to jw@lhmlawfirm.com and gfh@lhmlawfirm.com) of any and all title issues or defects that would in any way be an impediment to the Closing on the sale of the New Jersey Property. The failure of the Successful Purchaser, or the New Successful Purchaser as the case may be, to advise the Trustee through LH&M within fourteen (14) days from the Court Approval Date of any such title issues or defects shall be deemed a waiver of any and all rights to raise any such title issues or defects.

20. The Closing shall take place at the offices of Trustee's counsel, LH&M, located at 3305 Jerusalem Avenue, Suite 201, Wantagh, New York 11793, or such other location as the Trustee deems appropriate.

21. The Successful Purchaser, or the New Successful Purchaser as the case may be, shall pay any and all costs and expenses in connection with the transfer of the New Jersey Property including, but not limited to: fees related to obtaining a survey; fee title or mortgage insurance; title company endorsement, search and escrow charges; appraisals, reports and other costs of property due diligence; and County, State, City, or other local, or other property transfer, flip tax, deed or documentary tax, or other taxes imposed upon the sale due in connection with the transfer of the New Jersey Property from the Trustee at Closing. The Trustee shall not be required to execute any form of title affidavit (but may in his sole and absolute discretion) and all title exceptions customarily omitted from a title policy on account of such title affidavit shall be deemed permitted exceptions. The Successful Purchaser or the New Successful Purchaser as the case may be, acknowledges that it will be responsible for the preparation of all required ACRIS forms and/or any transfer tax forms.

22. In connection with the Closing and Closing date, the Successful Purchaser, or the New Successful Purchaser as the case may be, is hereby given notice that **TIME IS OF THE ESSENCE against the Successful Purchaser, or the New Successful Purchaser as the case may be, and the failure of the Successful Purchaser, or the New Successful Purchaser as the case may be, to close for any reason whatsoever (except as otherwise provided herein) including its failure to pay the balance of the Purchase Price at the Closing, will result in an immediate forfeiture of the Deposit and Buyer's Premium and the termination of the Successful Purchaser's, or the New Successful Purchaser's as the case may be, right to acquire the New Jersey Property under these Terms and Conditions of Sale and the Memorandum of Sale.**

23. The Successful Purchaser, or the New Successful Purchaser as the case may be, shall be obligated to close title to the New Jersey Property and, except as expressly set forth herein, there is no contingency of any kind or nature that will permit the Successful Purchaser, or the New Successful Purchaser as the case may be, to cancel or avoid their obligations under these Terms of and Conditions of Sale and the Memorandum of Sale, other than the Trustee's inability to deliver insurable title to the New Jersey Property. Further, the Successful Purchaser, or the New Successful Purchaser as the case may be, shall have demonstrated, to the satisfaction of the Trustee, evidence of its ability to conclude the transaction upon these Terms and Conditions of Sale and the Memorandum of Sale. The Trustee reserves the right to reject any Purchaser or Bidder who the Trustee believes, in his sole discretion, is not financially capable of consummating the purchase of the New Jersey Property.

24. The Trustee and his professionals have not made and do not make any representations or warranties as to the physical condition, expenses, operations, value of the land or buildings thereon, or any other matter or thing affecting or related to the New Jersey Property or the Public Sale that might be pertinent to the purchase of the New Jersey Property, including, without limitation: (a) the current or future estate tax liability, assessment or valuation of the New Jersey Property; (b) the potential qualification of the New Jersey Property for any and all benefits conferred by or available under federal, state or municipal laws, whether for subsidies, special estate tax treatment, insurance, mortgages, or any other benefits, whether similar or dissimilar to those enumerated; (c) the compliance or non-compliance of the New Jersey Property, in its current or any future state, with applicable present or future zoning ordinances or other land use law or regulation, or the ability to obtain a change in the zoning or use, or a variance in respect to the New Jersey Property; (d) the availability of any financing for the purchase, alteration, rehabilitation or operation of the New Jersey Property from any source, including, but not limited to, any state, city or federal government or institutional lender; (e) the current or future use of the New Jersey Property; (f) the current or future rents, other operating incomes or expenses; (g) the presence or absence of any laws, ordinances, rules or regulations issued by any governmental authority, agency or board and any violations thereof; and/or (h) the compliance or non-compliance with environmental laws and the presence or absence of underground fuel storage tanks, any asbestos, any lead paint or other hazardous materials anywhere on the New Jersey Property, or notes or notices of violations of law or municipal ordinances, orders or requirements noted or issued by any governmental department, agency or bureau having authority as to but not limited to lands, housing, buildings, fire, health, environment and labor conditions affecting the New Jersey Property. Each Bidder hereby expressly agrees and acknowledges that no such representations or warranties have been made. The Trustee and his professionals shall not be liable or bound in any manner by expressed or implied warranties, guarantees, promises, statements, representations or information pertaining to the New Jersey Property, made or furnished by the Trustee or his Professionals. The New Jersey Property shall be delivered vacant of tenancies at Closing.

25. The New Jersey Property is being sold **“AS IS,” “WHERE IS,” “WITH ALL FAULTS,”** without any representations, covenants, guarantees or warranties of any kind or nature, and free and clear of any liens, claims, or encumbrances of whatever kind or nature, with such liens, if any, to attach to the proceeds of sale in such order and priority as they existed as of October 21, 2016, and sale of the New Jersey Property is subject to, among other things: (a) any state of facts that an accurate survey may show; (b) any covenants, restrictions and easements of

record; (c) any state of facts a physical inspection may show; (d) any building or zoning ordinances or other applicable municipal regulations and violations thereof; and (e) environmental conditions; provided, however, the New Jersey Property shall be delivered free and clear of any and all monetary liens. By delivering their respective Qualifying Deposits, all Bidders acknowledge that they have had the opportunity to review and inspect the New Jersey Property, the state of title thereof and laws, rules and regulations applicable thereto, and will rely solely thereon and on their own independent investigations and inspections of the New Jersey Property in making their bids. Neither the Trustee nor any of his professionals make any representations or warranties with respect to the permissible uses of the New Jersey Property including, but not limited to, the zoning of the New Jersey Property. All Bidders acknowledge that they have conducted their own due diligence in connection with the New Jersey Property and are not relying on any information provided by the Trustee or his professionals. The New Jersey Property will be sold subject to any and all violations requiring corrective action.

26. The Trustee shall convey the New Jersey Property by delivery of a Trustee's Deed. The quality of title shall be that which any reputable title insurance company authorized to do business in the State of New Jersey is willing to approve and insure. If the Successful Purchaser, or the New Successful Purchaser as the case may be, is unable to obtain title insurance, subject to the permissible exceptions contained herein, the Trustee may, at his option, arrange for the issuance of a title insurance policy by such a company at the sole cost and expense of the Successful Purchaser, or the New Successful Purchaser as the case may be.

27. Nothing contained in these Terms and Conditions of Sale is intended to supersede or alter any provisions of the Bankruptcy Code or otherwise interfere with the jurisdiction of the Bankruptcy Court.

28. All of the terms and conditions set forth in these Terms and Conditions of Sale are subject to modification as may be directed by the Trustee or by the Court. The Trustee reserves the right to modify these Terms and Conditions of Sale at any time before or after the Public Sale.

29. These Terms and Conditions of Sale will be read into the record, or specifically incorporated by reference, at the Public Sale of the New Jersey Property. By making a bid for the New Jersey Property, all Purchasers will be deemed to have acknowledged having read and understood these Terms and Conditions of Sale and have agreed to be bound by them.

30. If the Trustee is unable to deliver the New Jersey Property in accordance with these Terms and Conditions of Sale for any reason whatsoever, the Trustee's and the estate's only obligation will be to refund the Deposit and Buyer's Premium, without interest, to the Successful Purchaser, or the New Successful Purchaser as the case may be, and upon such refund, the Successful Purchaser, or the New Successful Purchaser as the case may be, will have no claim or recourse against the Trustee, his professionals or the estate and shall have no further rights under these Terms and Conditions of Sale or Memorandum of Sale.

31. The Public Sale of the New Jersey Property is subject to confirmation by the Trustee and pursuant to a further order of the Bankruptcy Court confirming the Public Sale.

32. The Bankruptcy Court shall determine any disputes concerning the Public Sale of the New Jersey Property. By participating in the Public Sale, all Purchasers consent to the jurisdiction of the Bankruptcy Court to determine such disputes under the Debtor's pending case.

33. The Successful Bidder shall provide any and all information requested by the condominium board of managers for the New Jersey Property and execute any and all documents reasonably requested by the condominium board.

I have read these Terms and Conditions of Sale and agree to be bound by them.

By: _____ Date: _____

Print Name: _____

MEMORANDUM OF SALE – SUCCESSFUL PURCHASER

High Bid Realized at Public Sale: _____

5% Buyer’s Premium: _____

Purchase Price: _____

The undersigned has this ___ day of ____ 2017 agreed to purchase the property located at 22 Meridian Road, Unit 11, Edison, New Jersey 08820 (the “New Jersey Property”) of debtor Sirgold, Inc. (the “Debtor”) and sold by Salvatore LaMonica, the Chapter 11 Trustee of the Debtor, for the sum of \$_____ DOLLARS and hereby promises and agrees to comply with the annexed Terms and Conditions of Sale of the New Jersey Property and this Memorandum of Sale.

SUCCESSFUL PURCHASER (Signature)

SUCCESSFUL PURCHASER (Signature)

PRINT NAME

PRINT NAME

ADDRESS

ADDRESS

ADDRESS (City, State, Zip)

ADDRESS (City, State, Zip)

TELEPHONE NUMBER

TELEPHONE NUMBER

EMAIL ADDRESS

EMAIL ADDRESS

Received from _____ the sum of \$25,000.00 DOLLARS, as a non-refundable deposit for the purchase of the New Jersey Property pursuant to the Terms and Conditions of Sale.

This is to verify that the final Purchase Price in the above sale was for the sum of \$_____.

MALTZ AUCTIONS, INC., d/b/a MALTZ AUCTIONS

SUCCESSFUL PURCHASER ATTORNEY INFORMATION

Name _____

Address _____

Phone _____

MEMORANDUM OF SALE – SECOND HIGHEST BIDDER

Bid Realized at Public Sale: _____

5% Buyer’s Premium: _____

Purchase Price: _____

The undersigned has this ___ day of ____ 2017 agreed to purchase the property located at 22 Meridian Road, Unit 11, Edison, New Jersey 08820 (the “New Jersey Property”) of debtor Sirgold, Inc. (the “Debtor”) and sold by Salvatore LaMonica, the Chapter 11 Trustee of the Debtor, for the sum of \$_____ DOLLARS. In the event of the Successful Bidder’s Default and if deemed by Trustee, in his sole and absolute discretion, to hold all benefits and obligations of a Successful Purchaser under the Terms and Conditions of Sale and this Memorandum of Sale and hereby promises and agrees to comply with the annexed Terms and Conditions of Sale of said New Jersey Property and this Memorandum of Sale.

SECOND HIGHEST BIDDER (Signature)

SECOND HIGHEST BIDDER (Signature)

PRINT NAME

PRINT NAME

ADDRESS

ADDRESS

ADDRESS (City, State, Zip)

ADDRESS (City, State, Zip)

TELEPHONE NUMBER

TELEPHONE NUMBER

EMAIL ADDRESS

EMAIL ADDRESS

Received from _____ the sum of \$25,000.00 DOLLARS, as a non-refundable deposit for the purchase of the New Jersey Property pursuant to the Terms and Conditions of Sale.

This is to verify that the final Purchase Price for the 2nd Highest Bid was in the above sale was for the sum of \$_____.

MALTZ AUCTIONS, INC., d/b/a MALTZ AUCTIONS

SECOND HIGHEST BIDDER ATTORNEY INFORMATION

Name _____

Address _____

Phone _____