

ORIGINAL

Attorney or Party Name, Address, Telephone & FAX Numbers, and California State Bar Number <b>Daniel A. Lev (CA Bar No. 129622)</b> <b>SulmeyerKupetz</b> 333 South Hope Avenue, 35 <sup>th</sup> Floor Los Angeles, CA 90071 PH: 213.626.2311; FAX: 213.629.4520	FOR COURT USE ONLY <div style="border: 2px solid black; padding: 5px; text-align: center;"> <b>FILED</b>  <b>AUG 05 2008</b> </div> <small>CLERK U.S. BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA Deputy Clerk</small>
<b>UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA</b>	
In re: <b>MORWEAR MANUFACTURING, INC.</b>  <div style="text-align: right;">Debtor(s).</div>	CASE NO. <b>2:05-bk-27443-EC</b>  <b>CHAPTER 7</b>

### NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: <b>August 29, 2008</b>	Time: <b>1:30 p.m.</b>
Location: <b>255 East Temple Street, Los Angeles, CA 90012, Courtroom 1679</b>	

Type of Sale:  Public     Private    Last date to file objections: August 15, 2008

Description of Property to be Sold: See Attachment

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Terms and Conditions of Sale: See Attachment

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Proposed Sale Price: See Attachment

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Overbid Procedure (If Any): See Attachment

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If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Contact Person for Potential Bidders (include name, address, telephone, fax and/or e:mail address):

Daniel A. Lev, Esq.  
SulmeyerKupetz, A Professional Corporation  
333 South Hope Street, 35<sup>th</sup> Floor  
Los Angeles, California 90071  
Tel: 213.626.2311

Date: July 31, 2008

## ATTACHMENT TO NOTICE OF SALE OF ESTATE PROPERTY

Description of Property to be Sold: The estate's right, title and interest in and to certain assets of Morwear Manufacturing, Inc., a Delaware corporation ("Morwear" or the "Debtor"), described as follows:

### Raabe Parties Claims

Eric Von Knipe (a defendant in a certain adversary proceeding commenced by the Chapter 7 Trustee styled David K. Gottlieb, Chapter 7 Trustee v. Eric Von Knipe, et al., bearing Adv. No. LA 05-02275-EC (the "Adversary Proceeding")) contends that the Von Knipe Parties (consisting of Eric Von Knipe, X2, Inc. and Moldwash U.S.A., Inc.) and the Debtor's estate have rights of action against Dieter Raabe and/or the Raabe Parties (consisting of various entities, all of whom are affiliated with Dieter Raabe, including, but not limited to, Dieter Raabe, Sue Wong, Drake Investments, Inc., Studio S, Inc., Diversified Coatings, Inc., Montaly, Ltd., Asia Coatings, Inc. and any other corporation, partnership or business entity in which any of the Raabe Parties has a direct or indirect ownership interest, or over which Dieter Raabe has control or influence). Claims against the Raabe Parties are referred to herein as the "Raabe Related Claims".

Method of Sale: Offers subject to overbid.

Sale Description: Date of Sale: August 29, 2008, 1:30 p.m. (subject to continuances)  
Place: 255 East Temple Street, Courtroom "1639", Los Angeles,  
CA 90012

Offers Received: None at this time

Overbid Terms: The sale will be on an "as is" and "where is" basis without any representations and/or warranties whatsoever, subject to Bankruptcy Court approval. Each party who wishes to participate in the overbid process must comply with the following overbid criteria: Any party interested in acquiring the estate's rights in, to and under the Raabe Related Claims must pre-qualify by providing evidence of financial wherewithal and, if the party is interested in bidding for the Raabe Related Claims, by delivering cash or a cashier's check to the Trustee, care of Daniel A. Lev, Esq., **SulmeyerKupetz**, A Professional Corporation, 333 South Hope Street, 35th Floor, Los Angeles, California 90071, (213) 626-2311, in an amount equal to Thirty Thousand Dollars and Zero Cents (\$30,000.00) no later than seven (7) calendar days prior to any scheduled hearing to approve the settlement and the sale of the Raabe Related Claims. Bidding will be conducted at the Bankruptcy Court at the time of the hearing to consider approval of the sale and all qualified bidders must be able to consummate the transaction no later than the close of the hearing to approve the sale. No overbid will be accepted if it is in an increment less than Ten Thousand Dollars and Zero Cents (\$10,000.00) higher than the immediately preceding bid, such that the first opening bid

for the Raabe Related Claims shall be Three Hundred Ten Thousand Dollars  
(\$310,000.00).

Contact Name: Daniel A. Lev, Esq.  
Contact Number: (213) 626-2311  
Case Name: In re Morwear Manufacturing, Inc.  
Case Number: LA 05-27443-EC