

ATTORNEY OR PART NAME, ADDRESS, TELEPHONE & FAX NUMBERS, AND CALIFORNIA STATE BAR NUMBER Michael S. Kogan (SBN 128500) KOGAN LAW FIRM, APC, 1901 Avenue of the Stars, Suite 1050 Los Angeles, California 90067 Telephone (310) 432-2310, mkogan@koganlawfirm.com	FOR COURT USE ONLY
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA	In Re: INFERNO DISTRIBUTION, LLC Debtor(s)
	CASE NO.: 2:12-bk-39145-BR (Jointly administered with 2:12-bk-39146-BR)

NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: September 10, 2013	Time: 10:00 a.m.
Location: 255 E. Temple St., Los Angeles, CA 90012, Courtroom 1668	

Type of Sale: Public Private Last Date to File Objections: August 27, 2013

Description of Property to be Sold: **Estate's interest in the Sales Agency Agreement, by and between the Debtors and various third parties to market and sell motion picture rights are listed in Exhibit "A" herein**

Terms and Conditions of Sale: as-is with no warranties whatsoever as to condition, **subject** to liens, claims and encumbrances _____

Proposed Sale Price: \$100,000.00

Overbid Procedure (If Any): \$120,000 initial bid (\$120,000 deposit to overbid) (sold subject to liens, claims and encumbrances) _____

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

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

 Michael S. Kogan

 KOGAN LAW FIRM, APC

 1901 Avenue of the Stars, Suite 1050

 Los Angeles, CA 90067

Date: 8/02/2013

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7
8 Attorneys for Wesley H. Avery,
9 Chapter 7 Trustee

10
11
12 **UNITED STATES BANKRUPTCY COURT**
13 **CENTRAL DISTRICT OF CALIFORNIA**
14 **LOS ANGELES DIVISION**

15 In re **INFERNO DISTRIBUTION, LLC,**) **Case No. 2:12-bk-39145-BR**
16 Debtor.) **Chapter 7**
17 *Jointly Administered with*) **(Jointly administered with 2:12-bk-39146-**
18 In re **INFERNO INTERNATIONAL, LLC,**) **BR)**
19 Debtor.)
20 *Applied only to Inferno Distribution, LLC*) **NOTICE OF HEARING ON MOTION OF**
21 *Applies only to Inferno International, LLC*) **CHAPTER 7 TRUSTEE FOR APPROVAL**
22) **OF ASSET PURCHASE AND SALE**
23) **AGREEMENT**
24) **Date: September 10, 2013**
25) **Time: 10:00 a.m.**
26) **Place: Courtroom 1668**
27)
28)

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30 **PLEASE TAKE NOTICE** that Wesley H. Avery, solely in his capacity as the Chapter 7
31 Trustee (“Trustee”) for the bankruptcy estates of Inferno Distribution, LLC (“**Inferno**
32 **Distribution**”) and Inferno International, LLC (“**Inferno International**”) (Inferno Distribution
33 and Inferno International, collectively referred to as the “**Debtors**” or “**Inferno**”), will move the
34 Court on his Motion for of Chapter 7 Trustee for Approval of Asset Purchase and Sale Agreement
35 (the “**Motion**”) which requested pursuant to Section 363(b)(1) of Title 11 of the Bankruptcy Code

1 (the "**Bankruptcy Code**"), for an order approving the sale of the estate's interest in the Sales
2 Agency Agreements, (including any amendments thereto, collectively the "**Sales Agency**
3 **Agreements**"), by and between the Debtors and various third parties to market and sell motion
4 picture rights(hereinafter, the Debtors' estates interests in the Sales Agency Agreements are
5 collectively referred to as the "**Property**" and are listed in Exhibit "A" to this Agreement). The
6 Buyer will pay the purchase price (the "**Purchase Price**") of \$100,000. Hereinafter, the Debtors'
7 estates interests in the Sales Agency Agreement, as well as the Debtors' estates interests in the
8 Movie, if any, are collectively referred to as the "**Property**". The terms of the proposed sale are
9 embodied in the **Asset Purchase and Sale Agreement** (the "**Agreement**") made and entered into
10 by and between the Trustee (the "**Trustee**" or "**Seller**") for the Debtors bankruptcy estates, and
11 Prophet Entertainment Inc., or its assignee ("**Buyer**"). The Buyer has offered to pay \$100,000,
12 subject to overbid for the Property.

13 The estate's interest in the Property will be sold subject to all liens, claims, and interests
14 on the Property pursuant to Sections 363 of the Bankruptcy Code. The sale will be noticed to
15 creditors and interested parties. The Trustee believes that all burdens of establishing a sound
16 business justification for the sale of the Property have been met. The Trustee believes that the
17 Purchase Price maximizes the value of the Property to the estate. In addition, the terms of the sale
18 with the Buyer has been negotiated at arms-length and the consideration for purchase of the
19 Property is fair and reasonable, and represents the fair market value for the Property. Moreover,
20 the Trustee believes that the sale embodied in the Agreement is in the best interests of all parties
21 and should be approved by the Court. Consequently, the Court should defer to the business
22 judgment of the Trustee and approve the proposed sale. Therefore, the Motion should be
23 approved..

24 The Trustee believes that all burdens of establishing a sound business justification for the
25 sale of the Property have been met:

26 1. The Trustee believes that the Purchase Price maximizes the value of the Property to
27 the estate.

28 2. The terms of the sale with the Buyer has been negotiated at arms-length and the

**NOTICE OF HEARING ON MOTION OF CHAPTER 7 TRUSTEE FOR APPROVAL OF ASSET
PURCHASE AND SALE AGREEMENT**

1 consideration for purchase of the Property is fair and reasonable, and represents the
2 fair market value for the Property.

3 3. Additionally, the Trustee has satisfied all procedural requisites of notice of the
4 motion to obtain Court approval of this sale.

5 4. The terms of the proposed sale are embodied in the Agreement (the "Agreement"),
6 attached as Exhibit "A" to the Motion and incorporated herein by this reference.

7 The Purchase Price is the highest and best offer that the Trustee has received and expects
8 to receive for the Property. Furthermore, to maximize the greatest value for this estate and its
9 creditors, parties offering to purchase the Property, shall have the opportunity to overbid
10 ("Overbid") for the purchase of the Property at the hearing on the Motion, on substantially the
11 same or better terms as set forth in the Agreement. Any initial overbid for the Property shall be in
12 an amount not less than one hundred twenty thousand dollars (\$120,000.00).

13 Any party that wishes to Overbid must bring to the hearing on the Motion, cash, a money
14 order or a cashier's check made payable to "Wesley H. Avery, Chapter 7 Trustee" in the amount
15 of \$120,000, which amount shall be paid by any successful Overbidder as a nonrefundable deposit
16 and held by the Trustee in a trust account pending closing of the sale transaction. Additionally, at
17 the time of the Sale, any Overbidder must demonstrate the ability to pay the remaining portion of
18 the purchase price (the "Remainder Amount") and to successfully consummate the sale
19 transaction. Buyer shall have the right to participate in any Overbid proceeding. In the event of
20 an Overbid proceeding, the Remainder Amount shall be paid within seven (7) business days of the
21 Sale.

22 Moreover, the Trustee believes that the sale embodied in the Agreement is in the best
23 interests of all parties and should be approved by the Court. Consequently, the Court should defer
24 to the business judgment of the Trustee and approve the proposed sale.

25 The Motion is based upon the Notice of Motion, the accompanying Memorandum of
26 Points and Authorities, the Declaration of Wesley H. Avery, and other admissible evidence
27 properly brought before the Court. Any party desiring a copy of the Motion, Memorandum of

28 **Points and Authorities, the Agreement, and Declaration of Wesley H. Avery may review the**
NOTICE OF HEARING ON MOTION OF CHAPTER 7 TRUSTEE FOR APPROVAL OF ASSET
PURCHASE AND SALE AGREEMENT

1 **file at the Court or contact the attorneys for the Trustee for a copy.**

2 **Anyone who wishes to oppose the Motion must do so in a writing that complies with the**
3 **rules of practice and procedure before the United States Bankruptcy Court for the Central District**
4 **of California, and pursuant to Local Bankruptcy Rule 9013-1(1), and must ensure that such**
5 **opposition is filed with the Court no later than fourteen (14) days before the hearing on the**
6 **Motion. Any such opposition must also be served on counsel to the Trustee at the following**
7 **address:**

8 **Michael S. Kogan**
9 **Kogan Law Firm, APC**
10 **1901 Avenue of the Stars**
11 **Suite 1050**
12 **Los Angeles, California 90067**

13 **and on the United States Trustee. Any opposition not so filed and served may be deemed**
14 **to constitute consent to the relief requested in the Motion and a waiver of the right to be heard at**
15 **the hearing on the Motion.**

16 **DATED: August 2, 2013**

KOGAN LAW FIRM, APC

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By: /s/ Michael S. Kogan
Michael S. Kogan
Attorneys for Trustee

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Inferno Distribution, LLC & Inferno International, LLC

Sales Agency Agreement Dates by Film

<u>Title</u>	<u>Agreement Date</u>
Banshee	10/05/11
Entitled	04/08/10
Racing Dreams	03/27/09
Main Street	03/07/11
Happy Tears	04/15/09
Tomorrow When the War Began	05/01/10
The Experiment	06/29/09
Cogan's Trade (Killing Them Softly)	12/13/10
Freelancers	03/31/11
Killer Elite	01/20/10
Monogamy	05/03/10
The Heaven Project	03/12/07
The Kids are Alright	07/17/09
Hachiko	12/01/07
The Grey	11/08/10
The Women	02/01/07
South of the Border	None on file
King of Fighters	10/27/08
Tenure	04/04/08
Operation Endgame (Rogues Gallery)	02/24/09
Peaceful Warrior	None on file
Smother	11/01/06 (amended 02/08/07)
10 Questions for the Dalai Lama	09/20/07
Year of Getting to Know Us/Rockett	02/08/07

Just Friends	12/14/04
Broken City	06/03/11
Cane Toad	08/10/10
Bella	10/24/07
Ride Rise Roar	03/25/10
The Good Night	03/09/07
TV Set	None on file
What's Wrong with Virginia	09/25/09
Arabian Nights	09/25/09 (titled "Deal Memo")
Climate of Change	None on file
Middle of Nowhere	05/01/07
The Air I Breathe	10/11/05 (amended 08/01/07)
Wrecked	09/15/09

In re: Inferno Distribution, LLC./Inferno International, LLC Debtor(s).	CHAPTER: 7 CASE NUMBER 2:12-bk-39145-BR (Jointly administered with 2:12-bk-39146-BR)
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NOTE: When using this form to indicate service of a proposed order, **DO NOT** list any person or entity in Category I. Proposed orders do not generate an NEF because only orders that have been entered are placed on the CM/ECF docket.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 1901 Avenue of the Stars, Suite 1050, Los Angeles, CA 90067

A true and correct copy of the foregoing document described as **NOTICE OF SALE OF ESTATE PROPERTY**

will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner indicated below:

I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (“NEF”) – Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s) (“LBR”), the foregoing document will be served by the court via NEF and hyperlink to the document. On August 2, 2013, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following person(s) are on the Electronic Mail Notice List to receive NEF transmission at the email address(es) indicated below:

Service information continued on attached page

II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL (indicate method for each person or entity served):

On August 2, 2013 I served the following person(s) and/or entity(ies) at the last known address(es) in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States Mail, first class, postage prepaid, and/or with an overnight mail service addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed. **VIA U.S. MAIL**

Service information continued on attached page

III. SERVED BY PERSONAL DELIVERY, FACSIMILE TRANSMISSION OR EMAIL (indicate method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on _____ I served the following person(s) and/or entity(ies) by personal delivery, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

August 2, 2013
Date

Tammy Nguyen
Type Name

/s/Tammy Nguyen
Signature

In re: Inferno Distribution, LLC./Inferno International, LLC Debtor(s).	CHAPTER: 7 CASE NUMBER 2:12-bk-39145-BR (Jointly administered with 2:12-bk-39146-BR)
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ADDITIONAL SERVICE INFORMATION (if needed):

I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING ("NEF")

- David E Ahdoot dahdoot@bushgottlieb.com, jpalmer@bushgottlieb.com
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- Pamela Kohlman Webster pwebster@buchalter.com

- Howard J Weg hweg@peitzmanweg.com
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Lei Lei Wang Ekvall on behalf of Alberta Stahl, chapter 7 trustee for The Grey Film
Holdings LLC, lekvall@wgllp.com

Paul R. Glassman on behalf of Interested Party Nemesis Finance, LLC
pglassman@sycr.com

II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL - VIA U.S. MAIL

Presiding Judge

Honorable Barry Russell
U.S. Bankruptcy Court
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Debtors

Inferno

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