

Attorney or Party Name, Address, Telephone & FAX Numbers, and California State Bar Number Laura Davis Jones (DE Bar No. 2436) (<i>admitted pro hac vice</i>) Jeffrey W. Dulberg (CA Bar No. 181200) Victoria A. Newmark (CA SBN 183581) PACHULSKI STANG ZIEHL & JONES LLP 10100 Santa Monica Blvd., 13th Floor Los Angeles, CA 90067 Telephone: 310/277-6910 Facsimile: 310/201-0760 E-mail: ljones@pszjlaw.com; jdulberg@pszjlaw.com; vnewmark@pszjlaw.com	FOR COURT USE ONLY
Attorneys for Debtor and Debtor in Possession	
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA NORTHERN DIVISION	
In re: CHANNEL TECHNOLOGIES GROUP, LLC, ¹ <div style="text-align: right;">Debtor(s).</div>	Case No.: 9:16-bk-11912-PC Chapter 11 Hearing: Date: February 15, 2017 Time: 10:00 a.m. Place: Courtroom "201" 1415 State Street Santa Barbara, CA 93101 Judge: Hon. Peter H. Carroll
NOTICE OF SALE OF ESTATE PROPERTY	
Motion Hearing Date: February 15, 2017	Time: 10:00 a.m.
Location: Courtroom "201", 1415 State Street, Santa Barbara, CA 93101	
Type of Sale: <input type="checkbox"/> Public <input checked="" type="checkbox"/> Private	
Description of Property to be Sold:	Inventory, supplies, work in process, documentation, tooling and equipment and other personal property, files, drawings, and other intellectual property specifically described on Exhibits A and B attached to the Asset Purchase Agreement ("APA") and related to the Buyer's customer program with the Debtor.
Terms and Conditions of Sale:	The Property will be sold to BAE Systems Information and Electronic Systems Integration, Inc. ("Buyer") for \$800,000.00 to be paid in the following installments: (i) a \$100,000 deposit upon execution of the APA; (ii) \$500,000 upon satisfaction of closing conditions under the APA; and (iii) \$200,000 upon the delivery of certain assets to be delivered after the closing.
As further set forth in the Motion and APA and subject to the terms and conditions of the APA which is controlling: The Property shall be sold "as is" and free and clear of all liens, claims, rights, encumbrances (other than the lien of current taxes not yet payable with respect to the Property), and other interests to Buyer.	
Proposed Sale Price:	See above.

¹ The last four digits of the Debtor's Tax Identification Number are: 0460. The Debtor's mailing address is: 879 Ward Drive, Santa Barbara, CA 93111.

Overbid Procedure (if any):	None
If property is to be sold free and clear of liens or other interests, list date, time and location of hearing: See above	
Contact Person for Potential Bidders (include name, address, telephone, fax and/or e:mail address): N/A	

Date: January 31, 2017