

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address

☐ Individual appearing without attorney
☒ Attorney for: Chapter 7 Trustee, Jeffrey I. Golden

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - SANTA ANA DIVISION**

In re:

CASE NO.: 8:16-bk-10738-SC

CHAPTER: 7

NOTICE OF SALE OF ESTATE PROPERTY

Debtor(s).

Sale Date: 07/18/2018

Time: 11:00 am

Location: Courtroom 5C, 411 West Fourth Street, Santa Ana, California 92701

Last date to file objections: 07/04/2018

The Estate's right, title and interest in the remaining property of the Estate, if any, consisting of known and unknown assets or claims, which have not previously been sold, assigned or transferred.

The Remnant Assets are being sold on an as-is, where-is basis, without representation or warranty of any kind, expressed or implied, by the Trustee, subject to overbid, free and clear of any liens, claims, or encumbrances pursuant to 11 U.S.C. § 363(f), provided, however, that the sale of the Remnant Assets shall be subject only to any valid, superior, perfected and enforceable liens of PNC, GemCap, and Vintage.

This form is mandatory. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

Overbid procedure (if any): See Modified Overbid Procedures attached.

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

July 18, 2018 @ 11:00 a.m.
Courtroom 5C
411 West Fourth Street
Santa Ana, CA 92701

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

Beth E. Gaschen
Weiland Golden Goodrich LLP
650 Town Center Drive, Suite 950
Costa Mesa, CA 92626
Telephone: (714) 966-1000
Facsimile: (714) 966-1002
Email: bgaschen@wgllp.com

Date: 06/14/2018

Modified Overbid Procedures

The Trustee proposes the following procedure to allow for overbids prior to the Court's approval of the Sale of the Remnant Assets:

1. Qualifying bidders ("Qualifying Bidder") shall:
 - a. Bid at least \$6,250 in cash for the Remnant Assets;
 - b. Set forth in writing the terms and conditions of the offer that are at least as favorable to the Trustee as those set forth herein;
 - c. Be financially qualified, in the Trustee's exercise of his sound business judgment, to close the Sale;
 - d. Submit an offer that does not contain any contingencies to closing the Sale, including, but not limited to, financing contingencies;
 - e. The written offer, a cashier's check in the amount of the initial overbid (the "Overbid Deposit"), and evidence of financial qualification must be delivered to the Trustee's counsel: Weiland Golden Goodrich LLP, Attn: Beth E. Gaschen, 650 Town Center Drive, Suite 950, Costa Mesa, California 92626 no later than 5:00 p.m. the day before the hearing on the Motion currently set for July 18, 2018, at 11:00 a.m.
2. At the hearing on the Motion, only the Buyer and any party who is deemed a Qualifying Bidder shall be entitled to bid.
3. Any incremental bid in the bidding process shall be at least \$100.00 higher than the prior bid.
4. At the conclusion of the Auction, the highest bid shall be deemed the successful bid (the "Successful Bid") and the entity or individual making the Successful Bid will be the "Successful Bidder" and must pay the Successful Bid to the Trustee within three (3) business days after the order approving the Agreement becomes a Final Order. Upon the conclusion of the Auction, the bidder making the second highest bid may elect to have its bid be a back-up bid (the "Back-Up Bid") and will be the "Back-Up Bidder." Should the Successful Bidder fail to consummate the Sale, the Trustee may sell the Property to the Back-Up Bidder without further Court order.

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:

**650 Town Center Drive, Suite 950
Costa Mesa, California 92626**

A true and correct copy of the foregoing document entitled (*specify*): 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 stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) June 14, 2018, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) June 14, 2018, I served the following persons and/or entities at the last known addresses 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 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.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) June 14, 2018, I served the following persons and/or entities by personal delivery, overnight mail service, 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, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Served by Personal Delivery

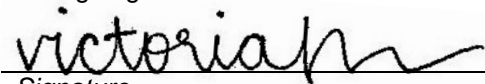
Honorable Scott C. Clarkson
United States Bankruptcy Court
Central District of California
Ronald Reagan Federal Building and Courthouse
411 West Fourth Street, Suite 5130 / Courtroom 5C
Santa Ana, CA 92701-4593

☐ Service information continued on attached page

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

6/14/2018
Date

Victoria Rosales
Printed Name


Signature

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

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Beth E. Gaschen, State Bar No. 245894
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Telephone 714-966-1000

Facsimile 714-966-1002

Attorneys for Chapter 7 Trustee
Jeffrey I. Golden

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

SANTA ANA DIVISION

In re

PCA AEROSTRUCTURES COMPANY,

Debtor.

Case No. 8:16-bk-10738-SC

Chapter 7

**NOTICE OF HEARING ON CHAPTER 7
TRUSTEE'S AMENDED MOTION FOR
ORDER: (1) APPROVING ASSET
PURCHASE AGREEMENT AND
AUTHORIZING SALE OF PERSONAL
PROPERTY FREE AND CLEAR OF LIENS,
CLAIMS AND INTERESTS PURSUANT TO
11 U.S.C. §§ 363(b) AND (f); (2)
APPROVING OVERBID PROCEDURES;
(3) APPROVING BUYER AS GOOD-FAITH
PURCHASER PURSUANT TO 11 U.S.C. §
363(m)**

DATE: July 18, 2018

TIME: 11:00 a.m.

PLACE: Courtroom 5C

411 West Fourth Street

Santa Ana, California 92701

TO ALL INTERESTED PARTIES:

Jeffrey I. Golden, the chapter 7 trustee (the "Trustee")¹ for the bankruptcy estate of
PCA Aerostructures Company (the "Debtor"), has filed the *Amended Motion for Order*: (1)

¹ Any and all capitalized terms not expressly defined herein shall have the meaning ascribed to them in
the Motion.

1 *Authorizing Sale of Personal Property Free and Clear of Liens, Claims and Interests*
2 *Pursuant to 11 U.S.C. §§ 363(b) and (f); (2) Approving Overbid Procedures; and (3)*
3 *Approving Buyer as Good-Faith Purchaser Pursuant to 11 U.S.C. § 363(m) (the "Motion").*
4 A hearing on the Motion will take place at the United States Bankruptcy Court located at
411 West Fourth Street, Santa Ana, California, courtroom 5C, on **July 18, 2018 at 11:00**
5 **a.m.**

6 By the Motion, the Trustee seeks the Court's approval of a sale, pursuant to 11
7 U.S.C. §§ 105, 363(b), (f) and (m), as well as Rule 6004 of the Federal Rules of
8 Bankruptcy Procedure, of the Estate's right, title and interest in the remaining property of
9 the Estate, if any, consisting of known and unknown assets or claims, which have not
10 previously been sold, assigned or transferred, for a purchase price of \$5,000, subject to
11 overbid. The Trustee believes the proposed sale is in the best interest of the Estate and
is supported by a valid business purpose. There are currently no known remaining
12 assets. Therefore, in the absence of the current purchase offer, the Estate likely would
13 have derived no economic benefit from any remaining assets that may exist. The buyer's
14 offer is the only offer the Trustee has received for any remaining assets. The proposed
15 sale will provide the Estate with an immediate cash payment of \$5,000 and will allow the
16 Trustee to move towards finalizing his administration of the Estate.

17 **BACKGROUND**

18 The Debtor's business involved the manufacturing and machining of complex
19 components for commercial and military aerospace programs, and the Debtor's four
20 facilities manufactured a variety of custom, made-to-order aluminum and exotic alloy
21 structures. On February 25, 2016, the Debtor filed a voluntary petition for relief under
22 chapter 7 of title 11 of the United States Code. The Debtor filed schedules and a
23 statement of financial affairs on March 10, 2016. On or about February 25, 2016, the
24 Trustee was appointed as the Trustee. Since being appointed, the Trustee has
administered the Estate for the benefit of its creditors in accordance with his power and
25 duties. The Trustee is now in the process of winding down the administration of the
26 Debtor's bankruptcy case. To that end, the Trustee is engaged in efforts to ensure that
27 the maximum value of the Estate's remaining assets is realized, which efforts include
28 pursuing the sale of any remaining assets. The Trustee has determined that there may
exist property of the Debtor's Estate, consisting of known or unknown assets or claims,
which have not been previously sold, assigned, or transferred (collectively, the "Remnant
Assets"). The Remnant Assets specifically exclude: (a) cash held by the Trustee on
behalf of the Estate at the time of the Purchase Agreement in bank accounts earmarked
for distribution to creditors and/or payment of professional fees, and (b) any and all Goods
(e.g. office furniture) of the Debtor, and (c) the Purchase Price.

According to the Debtor's schedules, the Debtor's Scheduled Property is valued at
\$4,183,754.23, and is encumbered by the Liens in the total amount of \$16,905,026. The
Liens are held by: (1) PNC Bank, which has a scheduled claim in the amount of
\$5,938,748.58 secured by the Debtor's accounts receivable and inventory; (2) GemCap
Lending LLC, which has a scheduled claim in the amount of \$3,003,857.16 secured by the
Debtor's machinery, tooling, and supplies; and (3) Vintage Funding LLC, which has a
scheduled claim in the amount of \$7,962,420.64 secured by all of the personal property

1 and subordinated to PNC and GemCap. The Secured Creditors each assert that their
2 liens are properly perfected and fully encumber all of the Debtor's personal property.

3 **PROPOSED SALE**

4 The Trustee seeks to sell the Remnant Assets for the benefit of the Estate, and
5 Oak Point Partners, LLC, a Delaware limited liability company (the "Buyer," and together
6 with the Trustee, the "Parties"), whose address is 5215 Old Orchard Road, Suite 965,
7 Skokie, Illinois 60077, desires to purchase the Remnant Assets free and clear of all liens,
8 claims or encumbrances, provided, however that the sale of the Remnant Assets shall be
9 subject only to any valid, superior, perfected, and enforceable liens of the Secured
10 Creditors. The Parties have entered into the Asset Purchase Agreement (the
11 "Agreement"), a copy of which is attached to the Motion as Exhibit "1." The salient terms
12 of the Agreement and the proposed sale (the "Sale") are as follows:

13 1. Bankruptcy Court Approval. The Sale is subject to approval of the Court.
14 The order approving the Sale shall become final fifteen days after it is entered unless an
15 appeal is timely-filed and a stay pending appeal is obtained (the "Final Order").

16 2. Purchase Price. The Buyer agrees to purchase the Remnant Assets for
17 \$5,000 in good funds payable within 3 business days of (a) receipt by the Buyer of the
18 executed Agreement, and (b) an order of the Court approving the Agreement becoming a
19 Final Order, on which date the Buyer shall own all of the Estate's interest in the Remnant
20 Assets and the Trustee shall thereafter execute any and all documents needed to properly
21 transfer title. The Buyer shall prepare any document which it believes is necessary to
22 transfer the Estate's interest in the Remnant Assets.

23 3. Assignment of the Property. The Trustee irrevocably and unconditionally
24 sells, assigns, transfers and conveys to the Buyer all of the Estate's right, title and interest
25 under, in and to the Remnant Assets, as well as any and all claims and rights related to
26 the Remnant Assets, including, without limitation, all cash, securities, instruments and
27 other property that may be paid or issued in conjunction with the Remnant Assets and all
28 amounts, interest and costs due under the Remnant Assets.

4. Authority to Sell. Subject to Court approval, the Trustee's Sale of the
Remnant Assets is made pursuant to the authority vested in the Trustee. The Trustee
represents and warrants to the Buyer that the Trustee has full lawful right, title, power and
authority to enter into the Agreement and to convey the Estate's interest in the Remnant
Assets to the Buyer as set forth in the Agreement.

5. No Representations or Warranties. The Remnant Assets are being sold to
the Buyer on an as-is, where-is basis, without representation or warranty of any kind,
expressed or implied, by the Trustee.

6. Free and Clear Sale. The sale of the Remnant Assets shall be free and
clear of any liens, claims, or encumbrances pursuant to 11 U.S.C. § 363(f), provided,
however, that the sale of the Remnant Assets shall be subject only to any valid, superior,
perfected and enforceable liens of PNC, GemCap, and Vintage, existing as of the date of
the Agreement.

7. No Assumption of Liabilities. The Parties agree that the Buyer is acquiring only the Remnant Assets and rights and interests related thereto, and that the Buyer is not acquiring or assuming, nor shall it be deemed to have acquired or assumed, any liabilities or obligations of the Trustee or the Estate of any kind or nature, whatsoever, whether arising out of, or in connection with, the Remnant Assets, except as may otherwise expressly be provided under the Agreement.

8. Overbid. The Sale of the Estate's interest in the Remnant Assets is subject to overbid.

PROPOSED MODIFIED OVERBID PROCEDURES

The Trustee proposes the following procedure to allow for overbids prior to the Court's approval of the Sale of the Remnant Assets:

1. Qualifying bidders shall:

- a. Bid at least \$6,250 in cash for the Remnant Assets;
- b. Set forth in writing the terms and conditions of the offer that are at least as favorable to the Trustee as those set forth herein;
- c. Be financially qualified, in the Trustee's exercise of his sound business judgment, to close the Sale;
- d. Submit an offer that does not contain any contingencies to closing the Sale, including, but not limited to, financing contingencies;
- e. The written offer, a cashier's check in the amount of the initial overbid, and evidence of financial qualification must be delivered to the Trustee's counsel: Weiland Golden Goodrich LLP, Attn: Beth E. Gaschen, 650 Town Center Drive, Suite 950, Costa Mesa, California 92626 no later than 5:00 p.m. the day before the hearing on the Motion currently set for July 18, 2018, at 11:00 a.m.

2. At the hearing on the Motion, only the Buyer and any party who is deemed a Qualifying Bidder shall be entitled to bid.

3. Any incremental bid in the bidding process shall be at least \$100.00 higher than the prior bid.

4. At the conclusion of the Auction, the highest bid shall be deemed the Successful Bid and the entity or individual making the Successful Bid will be the "Successful Bidder" and must pay the Successful Bid to the Trustee within 3 business days after the order approving the Agreement becomes a Final Order. Upon the conclusion of the Auction, the bidder making the second highest bid may elect to have its bid be the Back-Up Bid and will be the "Back-Up Bidder." Should the Successful Bidder fail to consummate the Sale, the Trustee may sell the Property to the Back-Up Bidder without further Court order.

A complete copy of the Motion is on file with the Bankruptcy Court.

1 **Your Rights May be Affected.** You should read these papers carefully and
2 discuss them with your attorney, if you have one. If you do not have an attorney, you may
3 wish to consult one.

4 **Deadline for Opposition Papers.** The Motion is being heard on regular notice
5 pursuant to LBR 9013-1. If you wish to oppose the Motion, you must file a written
6 response with the Court and serve a copy of it upon the Movant or Movant's attorney at
7 the address set forth above no less than **14 days** prior to the above hearing date. If you
8 fail to file a written response to the Motion within such time period, the Court may treat
9 such failure as a waiver of your right to oppose the Motion and may grant the requested
10 relief.

11 **Hearing Date Obtained Pursuant to Judge's Self-Calendaring Procedure.** The
12 undersigned hereby verifies that the above hearing date and time were available for this
13 type of Motion according to the judge's self-calendaring procedures.

14 Dated: June 14, 2018

WEILAND GOLDEN GOODRICH LLP

15 By: /s/ Beth E. Gaschen

BETH E. GASCHEN

Counsel for Jeffrey I. Golden,
Chapter 7 Trustee

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:
650 Town Center Drive, Suite 950
Costa Mesa, California 92626

A true and correct copy of the foregoing document entitled (*specify*): Notice of Hearing on Chapter 7 Trustee's Amended Motion for Order: (1) Approving Asset Purchase Agreement and Authorizing Sale of Personal Property Free and Clear of Liens, Claims and Interests Pursuant to 11 U.S.C. §§ 363(b) and (f); (2) Approving Overbid Procedures; (3) Approving Buyer as Goodfaith Purchaser Pursuant to 11 U.S.C. § 363(m)

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 stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) June 14, 2018, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) June 14, 2018, I served the following persons and/or entities at the last known addresses 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 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.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) June 14, 2018, I served the following persons and/or entities by personal delivery, overnight mail service, 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, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Served by Personal Delivery

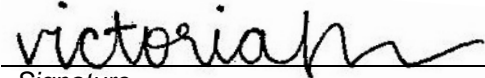
Honorable Scott C. Clarkson
United States Bankruptcy Court
Central District of California
Ronald Reagan Federal Building and Courthouse
411 West Fourth Street, Suite 5130 / Courtroom 5C
Santa Ana, CA 92701-4593

☐ Service information continued on attached page

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

6/14/2018
Date

Victoria Rosales
Printed Name


Signature

TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

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