



Entered on Docket
November 08, 2010

Hon. Gregg W. Zive
United States Bankruptcy Judge

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(Pro Hac Admission Pending)

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General Bankruptcy and Restructuring Attorneys
for Debtors and Debtors-in-Possession

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA
RENO DIVISION**

In re:

HI-FIVE ENTERPRISES, LLC, a
California limited liability company;
**ONE SOUTH LAKE STREET,
LLC**, a Nevada limited liability
company; and **WILD GAME NG,
LLC**, a Nevada limited liability
company d/b/a The Siena Hotel Spa &
Casino,

Debtors and Debtors-
In-Possession.

Case No.: 10-bk-54013-GWZ

[Jointly Administered]

Chapter 11

**ORDER APPROVING AUCTION
PROCEDURES IN CONNECTION WITH
THE PROPOSED SALE OF THE
DEBTORS' REAL AND PERSONAL
PROPERTY**

Hearing:

Date: November 2, 2010
Time: 9:00 a.m.
Place: 300 Booth Street,
Courtroom 3
Reno, NV 89509

- Affects all Debtors
- Applies only to Hi-Five Enterprises, LLC
- Applies only to One South Lake Street, LLC
- Applies only to Wild Game Ng, LLC

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**IN THIS DISTRICT, AT RENO, NEVADA, ON THE DATE INDICATED
BELOW:**

On November 2, 2010 at 9:00 a.m., a hearing was held before the Honorable Gregg W. Zive, United States Bankruptcy Judge, to consider the *Emergency Motion for an Order: (1) Establishing Auction Procedures with Respect to the Sale of the Debtors’ Real and Personal Property; (2) Approving and Authorizing the Sale by Auction of the Debtors’ Real and Personal Property Free and Clear of Liens, Claims, and Encumbrances, Subject to Higher and Better Offers; (3) Approving Assumption and Assignment of Certain Unexpired Leases and Executory Contracts and Determining Cure Amounts, or, in the Alternative, Approving the Rejection of Unexpired Leases and Executory Contracts; (4) Approving the Form and Manner of Notice; and (5) Approving the Addendum to Innovation Capital LLC’s Engagement Letter Dated October 28, 2010* (the “Motion”) filed by One South Lake Street, LLC (“One South”) and Wild Game Ng, LLC (“Wild Game”), debtors and debtors-in-possession (the “Debtors”) in the above-captioned cases.¹ The Debtors appeared through their counsel of record, Aram Ordubegian of Arent Fox LLP. All other appearances are as set forth on the record at the hearing on the Motion.

The Court having read the pleadings, listened to testimony and the arguments of the parties, having reviewed its previous notes and findings from previous hearings and having put its findings of fact and conclusions of law on the record in open court, including the incorporation of earlier findings and conclusions from earlier hearings, pursuant to Federal Rule of Civil Procedure 52 made applicable by Federal Rule of Bankruptcy Procedure 7052, and good cause appearing,

¹ All capitalized terms used herein shall have the meaning ascribed to them in the Motion unless otherwise defined.

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THE COURT HEREBY FINDS AS FOLLOWS:

1. Notice of the Motion was adequate and appropriate under the circumstances and no other notice need be given;
2. A reasonable opportunity to object or to be heard regarding the relief requested in the Motion has been afforded to all interested parties;
3. The auction procedures (the “Auction Procedures”), as provided in the Motion, carefully balances the Debtors’ interests in (i) inducing a buyer to commit to purchase the Property; (ii) preserving the opportunity to attract higher and better offers, and (iii) expediting the auction sale process;
4. Based on the record presented to the Court at the above-captioned hearing, including the Declarations of Matthew J. Sodl and Aram Ordubegian, the Auction Procedures are fair and reasonable; and
5. Other good and sufficient cause exists for granting the Motion.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Auction Procedures, as provided in the Motion, are approved and the Debtors may proceed by conducting the Auction in accordance with the Auction Procedures provided in the Motion, as modified herein. The following Auction Procedures shall apply:
 - (a) Bids to purchase the Debtors’ real property and personal property assets, excluding litigation assets (the “Assets”) must be received electronically by the Debtors no later than 12:00 p.m. PST on November 8, 2010 (the “Bid Date”). A list of the personal property Assets will be provided to all bidders. The Debtors in consultation with their financial advisor Innovation Capital LLC (“Innovation”) shall then identify all

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parties who timely submitted bids. Only those parties who submit timely bids and are deemed to be a qualified bidder by the Debtors will be entitled to bid at the Auction. Innovation Capital LLC on behalf of the Debtors will contact the qualified bidders to arrange a one-on-one meeting to occur at the Debtors' real property on November 9, 2010. The formal Auction for only the qualified bidders will be held on November 10, 2010 at 1:00 p.m. PST at the United States Bankruptcy Court, District of Nevada, Reno Division, 300 Booth Street, Courtroom 3, Reno, Nevada, 89509.

(b) All bids to purchase the Assets must be accompanied by a deposit of \$250,000 (the "Deposit") by the Bid Date. The Deposit shall be by wire transfer to the account of the escrow agent selected by the Debtors which will be made available by Innovation. The Deposit is a nonrefundable deposit and will be forfeited in the event that the Successful Buyer at the Auction fails to close the transaction within forty-eight (48) hours following entry of an order approving the winning buyer as the Successful Buyer. The Deposit shall be held by the escrow agent in an escrow pursuant to the terms of an escrow agreement to be provided to all bidders. The Deposit of any bidder whose bid is not accepted by the Debtors shall be held by the Debtors until the second (2nd) business day after an order approving the sale is entered, after which time the Deposit, other than those of any party or parties designated by the Debtors as the back-up bidder(s) (the "Back-Up Bidder(s)"), shall be returned.

(c) In order for a prospective buyer to become a qualified bidder ("Qualified Bidder"), the party must submit the following by the Bid Date: 1) timely wire of the Deposit; 2) written evidence of a commitment for financing or other evidence of ability to support initial bid and any subsequent over-bid to timely consummate the proposed transaction satisfactory to the Debtors, the Official Committee of Unsecured

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Creditors for the Debtors (the “Committee”) and R.E. Reno, LLC; and 3) a mark-up of the proposed changes to the Purchase Agreement, including proposed allocation of purchase price between the real property asset and the personal property assets.

(d) The Auction shall contain no minimum opening bid and overbidding will be in increments of \$100,000.

(e) The Auction shall be conducted in open court on the date and time noted above for qualified bidders and in a manner that the Debtors and their professionals, in consultation with the Committee and R.E. Reno LLC, determine will result in the highest, best or otherwise financially superior offer(s) for the Assets, provided that such manner is not inconsistent with the provisions hereof, the Motion, the Bankruptcy Code, or any orders of the Bankruptcy Court.

(f) All Qualified Bidders must appear in person at the Auction, or through a duly authorized representative. All Qualified Bidders shall have the right to continue to improve their bid at the Auction.

(g) At the Auction, the Court shall determine which Qualified Bidder has submitted the highest and best bid(s) for the Assets, and such Qualified Bidder shall be deemed the Successful Buyer. Such Successful Buyer shall complete and sign all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which such bid(s) were made.

(h) The Debtors may designate a second party or parties as the Back-Up Bidder(s) whose bid(s) shall remain binding and in effect, until such time as the sale to the Successful Buyer is closed. In the event that the Successful Buyer is unable to consummate the purchase of the Assets, the Debtors may sell such Assets to the Back-Up Bidder(s).

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(i) RE Reno LLC will be allowed to credit bid at the Auction to the extent allowed by the Court.

2. The sale of the Assets will be free and clear of all liens, encumbrances, and interests consistent with 11 U.S.C. § 363(f). Other than necessary closing costs, the proceeds of the Auction of the Assets will be set aside until further order of the Court.

3. This Order shall become effective immediately upon its entry.

4. The rights of all parties to executory contracts and unexpired leases regarding the amount of any cure rights are specifically reserved until further order of the Court.

5. The purchaser of any property that is the subject to any licensing obligations must obtain the necessary license from the applicable licensing agency.

6. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

PRESENTED BY:

ARENT FOX LLP

/s/ Aram Ordubegian
ARAM ORDUBEGIAN
General Bankruptcy and Restructuring Counsel for
Debtors and Debtors-in-Possession

[signatures continue on following page]

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APPROVED AS TO FORM:

STUTMAN TREISTER & GLATT

By: /s/ Eve H. Karasik [submitted with permission]
EVE H. KARASIK
Counsel for R.E. RENO, LLC

DUANE MORRIS LLP

By: /s/ Ron Oliner [submitted with permission]
RON OLINER
Counsel for Committee

OFFICE OF THE UNITED STATES TRUSTEE

By: /s/ Bill Cossitt [submitted with permission]
BILL COSSITT

In accordance with Local Rule 9021, counsel submitting this document certifies as follows (check one):

The court has waived the requirement of approval under LR 9021.

No parties appeared or filed written objections, and there is no trustee appointed in this case.

I have delivered a copy of this proposed order to all counsel who appeared at the hearing, any unrepresented parties who appeared at the hearing, and any trustee appointed in this case, and each has approved or disapproved the order, or failed to respond, as indicated below [list each party and whether the party has approved, disapproved, or failed to respond to the document]:

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In re: Hi-Five Enterprises, LLC	CHAPTER 11
Debtor(s).	CASE NUMBER 10-bk-54013-GWZ

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: Arent Fox LLP, Gas Company Tower, 555 West Fifth Street, 48th Floor, Los Angeles, CA 90013.

A true and correct copy of the foregoing document described **[PROPOSED] ORDER APPROVING AUCTION PROCEDURES IN CONNECTION WITH THE PROPOSED SALE OF THE DEBTORS' REAL AND PERSONAL 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 _____ 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 November 8, 2010 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 US MAIL

Honorable Gregg W. Zive
C. Clifton Young Federal Building
U.S. Bankruptcy Court
300 Booth Street
Reno, NV 89509

U.S. TRUSTEE - RN - 11
300 BOOTH STREET
SUITE 2129
RENO, NV 89509

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 November 8, 2010 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.

November 8, 2010
Date

SIMONA FILIP
Type Name

/s/ Simona Filip
Signature

In re: Hi-Five Enterprises, LLC	CHAPTER 11
Debtor(s).	CASE NUMBER 10-bk-54013-GWZ

ADDITIONAL SERVICE INFORMATION

III. SERVED BY EMAIL:

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JENNIFER A. SMITH on behalf of Creditor INTERNATIONAL GAME TECHNOLOGY
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MICHAEL EDWARD WILSON on behalf of Interested Party STATE GAMING CONTROL BOARD NV
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mwilson@ag.nv.gov

In re: Hi-Five Enterprises, LLC	CHAPTER 11
Debtor(s).	CASE NUMBER 10-bk-54013-GWZ

Shawn M. Christianson on behalf of Creditor Oracle America, Inc.
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Eric D. Goldberg on behalf of Creditor RE Reno, LLC
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Geoffrey A. Heaton on behalf of Creditor Committee Official Committee of General Unsecured Creditors for
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Daniel A. McDaniel on behalf of Creditor General Produce Co., Ltd.
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Aron M. Oliner on behalf of Creditor Committee Official Committee of General Unsecured Creditors for Hi-
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