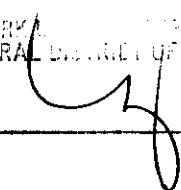




ORIGINAL RECEIVED

1 LATHAM & WATKINS  
Michael S. Lurey, CA State Bar No. 048235  
2 Gregory O. Lunt, CA State Bar No. 173297  
Shira Roth, CA State Bar No. 217463  
3 633 West Fifth Street, Suite 4000  
Los Angeles, California 90071-2007  
4 Telephone: (213) 485-1234  
Facsimile: (213) 891-8763

02 NOV 27 PM 12: 53  
CLERK OF COURT  
CENTRAL DISTRICT OF CALIFORNIA  
BY:  DEPUTY

U.S. BANKRUPTCY COURT  
FILED  
NOV 27 2002  
Jon D. C. [unclear] Clerk of Court  
CENTRAL DISTRICT OF CALIFORNIA  
BY:  Deputy Clerk

U.S. BANKRUPTCY COURT  
ENTERED  
NOV 27 2002  
Jon D. C. [unclear] Clerk of Court  
CENTRAL DISTRICT OF CALIFORNIA  
BY:  Deputy Clerk

5 Counsel for  
6 Debtors and Debtors-in-Possession

7  
8 UNITED STATES BANKRUPTCY COURT  
9 CENTRAL DISTRICT OF CALIFORNIA  
10 RIVERSIDE DIVISION  
11

12 In re  
13 CONSOLIDATED FREIGHTWAYS  
CORPORATION OF DELAWARE, et al.  
14 Debtors.  
15 Fed. Tax I.D. No. 94-1444797  
16

Case No.: RS-02-24284-MG  
Chapter 11  
(Jointly Administered with Case Nos.  
RS-02-24289-MG; RS-02-24287-MG;  
RS-02-24293-MG; RS-02-24294-MG; and  
RS-02-24295-MG)  
**Hearing**  
Date: November 26, 2002  
Time: 11:00 a.m.  
Place: Courtroom 301  
3420 Twelfth Street  
Riverside, California 92501  
Judge: Hon. Mitchel R. Goldberg

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22 **ORDER APPROVING SALE OF PROPERTY OF THE DEBTORS' ESTATE  
PURSUANT TO 11 U.S.C. § 363 BY EMPLOYING BLACKMON AUCTIONS, INC.**

23  
24 The Motion for Order Approving Sale of Property of the Debtors' Estate Pursuant  
25 to 11 U.S.C. § 363 by Employing Blackmon Auctions, Inc. (the "Motion") filed by Consolidated  
26 Freightways Corporation, Consolidated Freightways Corporation of Delaware, Redwood  
27 Systems, Inc., Leland James Service Corporation, CF Airfreight Corporation and CF  
28 MovesU.com Incorporated, debtors and debtors-in-possession herein (collectively, the

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1 “Debtors”), came on for hearing on November 26, 2002, at 11:00 a.m. in the Courtroom of the  
2 undersigned United States Bankruptcy Judge. The Motion seeks entry of an order approving the  
3 sale of the Debtors’ Rolling Stock (as defined in the Motion), Office Equipment (as defined in  
4 the Motion) and Shop Equipment (as defined in the Motion, and collectively, the “Property”)  
5 through auctions to be conducted by Blackmon Auctions, Inc. (“Blackmon”).

6 The Court, having considered the Motion, the arguments and evidence proffered  
7 at the hearing on the Motion, and the record in these cases, and the Court finding that adequate  
8 notice of the Motion was give, and that Blackmon represents no interest adverse to the Debtors’  
9 estates and is “disinterested” pursuant to section 327(a) of title 11 of the United States Code (the  
10 “Bankruptcy Code”), and that there is good cause to grant the Motion, it is hereby

11 **ORDERED THAT** the Motion is granted as modified herein, and the Debtors are  
12 authorized to sell the Property through public auctions conducted by Blackmon from time to time  
13 at locations selected by the Debtors; and it is further

14 **ORDERED THAT** the Property will be sold at each auction free and clear of any  
15 and all liens, claims, encumbrances or interests; provided, however, that if, and to the extent,  
16 there are valid liens upon, or security interests in, any of the Property sold at the auctions, such  
17 liens and security interests shall attach to any and all proceeds of the auctions; and it is further

18 **ORDERED THAT** any net proceeds from any sale of the Property shall be  
19 applied in accordance with the documents governing the Debtors’ post-petition secured financing  
20 (the “DIP Financing”) from General Electric Capital Corporation (“GE Capital”) subject to any  
21 and all defenses, claims and/or other rights of any party relating thereto; and it is further

22 **ORDERED THAT**, pursuant to section 363(k) of the Bankruptcy Code, so long  
23 as the Debtors have any actual indebtedness outstanding under the DIP Financing, (i) GE Capital  
24 may bid at any auction in which the Property is being sold and may offset its claims under the  
25 DIP Financing against the purchase price of the Property and (ii) the Debtors shall provide GE  
26 Capital with prior notice of the date, time and place of each auction of the Property and shall  
27 reasonably describe the items of Property intended to be included in each such auction; and it is  
28 further


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**ORDERED THAT** the Debtors will not sell any leased Property without prior written consent of the applicable lessor; and it is further

**ORDERED THAT** Blackmon shall post an auctioneer's bond in form, substance and amount acceptable to GE Capital and the United States Trustee naming GE Capital and the estates as beneficiaries, and the cost of posting the bond may be borne by the Debtors' estates; and it is further

**ORDERED THAT** the Debtors are authorized to employ and compensate Blackmon in accordance with the terms contained in the Motion and the Auction Listing Agreement which is attached to the Motion as Exhibit A.

Dated: November 27, 2002

  
\_\_\_\_\_  
Hon. Mitchel R. Goldberg,  
United States Bankruptcy Judge

///  
///

1 Submitted by:  
LATHAM & WATKINS  
2 Michael S. Lurey  
Gregory O. Lunt  
3 Shira Roth

4  
5 By Michael S. Lurey  
Michael S. Lurey  
6 Counsel for the Debtors  
and Debtors-in-Possession

7  
8  
9 Approved as to form only:  
OFFICE OF THE UNITED STATES TRUSTEE

10  
11  
12 By \_\_\_\_\_  
13 Timothy J. Farris  
Senior Trial Attorney

14  
15 Approved as to form only:  
KILPATRICK STOCKTON LLP

16  
17  
18 By \_\_\_\_\_  
19 Todd C. Meyers  
Counsel for General Electric  
20 Capital Corporation

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1 Submitted by:  
 LATHAM & WATKINS  
 2 Michael S. Lurey  
 Gregory O. Lunt  
 3 Shira Roth  
 4

5 By \_\_\_\_\_  
 Michael S. Lurey  
 6 Counsel for the Debtors  
 and Debtors-in-Possession  
 7  
 8

9 Approved as to form only:  
 OFFICE OF THE UNITED STATES TRUSTEE  
 10  
 11

12 By \_\_\_\_\_  
 13 Timothy J. Farris  
 Senior Trial Attorney  
 14

15 Approved as to form only:  
 16 KILPATRICK STOCKTON LLP  
 17

18 By   
 19 Todd C. Meyers  
 Counsel for General Electric  
 20 Capital Corporation  
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<p>In re</p> <p>CONSOLIDATED FREIGHTWAYS CORPORATION OF DELAWARE, a Delaware corporation, et al.,</p> <p style="text-align: right;">Debtor.</p> <p>Fed. Tax I.D. No. 94-1444797</p>	<p>Case No. RS 02-24284- MG</p> <p>Chapter 11</p> <p>(Jointly administered with the following cases: 02-24287; 02-24289; 02-24293; 02-24294; and 02-24295)</p>
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**NOTICE OF ENTRY OF JUDGMENT OR ORDER  
AND CERTIFICATE OF MAILING**

TO ALL PARTIES IN INTEREST:

1. You are hereby notified, pursuant to Local Bankruptcy Rule 9021, that a judgment or order entitled,  
  
**“ORDER APPROVING SALE OF PROPERTY OF THE DEBTORS’ ESTATE PURSUANT TO 11  
U.S.C. § 363 BY EMPLOYING BLACKMON AUCTIONS, INC.,”**

was entered on NOV 27 2002.

2. I hereby certify that I mailed a copy of this Notice of Entry and a true copy of the order or judgment to the  
noticing agent for service to the persons and entities on the attached service list on NOV 27 2002.

Dated: NOV 27 2002

**JON D. CERETTO**  
Clerk of the Bankruptcy Court

By:   
Deputy Clerk

**Limited Notice Service List**

Kim M. Mingo  
Consolidated Freightways Corporation  
16400 S. E. CF Way  
Vancouver, WA 98683  
Fax: 360.448.4329  
Email: [brincko.john@cfwy.com](mailto:brincko.john@cfwy.com)

Michael S. Lurey  
Latham & Watkins  
633 West Fifth Avenue  
Los Angeles, CA 90071  
Fax: 213.891.8763  
[Michael.Lurey@lw.com](mailto:Michael.Lurey@lw.com)

Alice Whitfield  
Poorman-Douglas Corporation  
Legal Services, Bankruptcy Division  
10300 S. W. Allen Boulevard  
Beaverton, OR 97005  
Fax: 503.350.5320  
Email: [alice.whitfield@poorman-douglas.com](mailto:alice.whitfield@poorman-douglas.com)

Timothy J. Farris  
Office of US Trustee  
Senior Staff Attorney  
3685 Main Street, Suite 300  
Riverside, CA 92501  
Fax: 909.276.6973  
Email: [Timothy.Farris@usdoj.gov](mailto:Timothy.Farris@usdoj.gov)

Bruce S. Schildkraut  
Office of the US Trustee  
Senior Trial Attorney  
725 S. Figueroa Street, 26<sup>th</sup> Floor  
Los Angeles, CA 90017  
Fax: 213.894.2603  
Email: [Bruce.Schildkraut@usdoj.gov](mailto:Bruce.Schildkraut@usdoj.gov)

Richard M. Neiter  
Stutman, Treister & Glatt  
3699 Wilshire Boulevard, Suite 900  
Los Angeles, CA 90010  
Email: [RNeiter@Stutman.com](mailto:RNeiter@Stutman.com)  
Fax: 213.251.5288

Eric Sagerman  
Murphy, Sheneman, Julian & Rogers  
2049 Century Park East, Suite 2100  
Los Angeles, CA 90067  
Email: [esagerman@MSJR.com](mailto:esagerman@MSJR.com)  
Fax: 310.788.3777

Todd C. Meyers  
Kilpatrick Stockton LLP  
1100 Peachtree Street, Suite 2800  
Atlanta, GA 30309-4530  
Email: [tmeyers@kilpatrickstockton.com](mailto:tmeyers@kilpatrickstockton.com)  
Fax: 404.815.6555