

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

FILED
MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

_____))
In re) Chapter 11 Case
))
MIRANT CORPORATION, et al.,) Case No. 03-46590(DML)11
) Jointly Administered
Debtors.)

ORDER GRANTING MOTION PURSUANT TO 11 U.S.C. §§ 105, 363(b), (f), AND 554 FOR APPROVAL (I) TO SELL CERTAIN ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS; (II) OF PROCEDURES TO SELL CERTAIN MISCELLANEOUS ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS; AND (III) OF PROCEDURES TO ABANDON AND DISPOSE OF ESTATE ASSETS THAT ARE BURDENSOME OR OF INCONSEQUENTIAL VALUE

Upon the Motion Pursuant to 11 U.S.C. §§ 105, 363(b), (f), and 554 for Approval (i) to Sell Certain Assets Free and Clear of Liens, Claims, Encumbrances, and Interests; (ii) of Procedures to Sell Certain Miscellaneous Assets Free and Clear of Liens, Claims, Encumbrances, and Interests; and (iii) of Procedures to Abandon and Dispose of Estate Assets that are Burdensome or of Inconsequential Value” (the “Motion”)¹ dated September 10, 2003 filed by Mirant Corporation (“Mirant”) and its affiliated debtors (collectively, the “Debtors”); and this Court, pursuant to a separate order entered on or about September 19, 2003, having granted certain relief requested in the Motion on an expedited basis in regard to the sale of excess furniture owned by Mirant, as described in the Motion; and it appearing that the Court has jurisdiction over this matter; and it appearing that due notice of the Motion has been provided, and that no other or further notice need be provided; upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

¹ Unless otherwise defined herein, capitalized terms have the same meaning ascribed to them in the Motion.

It is hereby:

ORDERED, that the Motion is GRANTED;

Mirant Portrero Asset Sale.

ORDERED, that pursuant to Bankruptcy Code section 363(b), Mirant Portrero, LLC is authorized to sell the scrap metal from disassembly of obsolete electric generating units (the “Assets”) to Utility Investment Recovery, Inc. (the “Purchaser”) for \$111,200 as requested in the Motion;

ORDERED, that pursuant to Bankruptcy Code section 363(f), the Assets shall be sold to the Purchaser free and clear of all liens, claims, encumbrances, and interests (collectively, the “Interests”), with any such Interests attaching to the sale proceeds;

ORDERED, that the Purchaser has purchased the Assets in good faith within the meaning of Bankruptcy Code section 363(m), and is entitled to the protections contained therein;

ORDERED, that the ten-day stay contained in rule 6004(g) of the Federal Rules of Bankruptcy Procedure is waived, and this Order shall therefore be immediately effective;

Miscellaneous Asset Sale Procedures

ORDERED, that the Sale Notice Procedures for the sale of Miscellaneous Assets described on Exhibit A attached hereto are hereby approved;


ORDERED, that the Sale Notice attached as Exhibit “B” to the Motion is hereby approved, provided that such Sale Notice shall also include information regarding the location of the miscellaneous assets to be sold pursuant to such notice;

ORDERED, that the Abandonment Procedures for the abandonment of assets that are burdensome or of inconsequential value described on Exhibit B attached hereto are hereby approved;

ORDERED, that the Abandonment Notice attached as Exhibit "C" to the Motion is hereby approved, provided that such Abandonment Notice shall also include information regarding the location of the burdensome or inconsequential assets to be abandoned pursuant to such notice;

ORDERED that, notwithstanding anything herein to the contrary, the Debtors are not authorized hereby to sell, transfer, or deliver in any form any products or software ("Software") licensed by Microsoft Corporation or its affiliate, MSLI, GP (collectively "Microsoft"), embedded in or loaded on computer hardware, equipment or any other electronic device ("Hardware") or stored by any other means, without the consent of Microsoft; provided, however, the Debtors may deliver Hardware which contains Software to Computer Asset Liquidators ("CAL"), or a company in substantially the same business as CAL, who shall cause such Software to be deleted from the Hardware prior to any sale by CAL. The entry of this Order is without prejudice to the rights, remedies, and claims of Microsoft against Debtors or any purchasers or recipients of the Debtors' equipment relating to the transfer of Microsoft licensed products and software without Microsoft's consent or in compliance with the terms and conditions of Microsoft's licenses for such products and software.

Dated: October 1, 2003



D. Michael Lynn,
United States Bankruptcy Judge

EXHIBIT A

Sale Notice Procedures

1. The following are procedures to sell Miscellaneous Assets less than \$150,000, as requested in the Motion.
2. The Debtors will give written notice, by facsimile or overnight mail, of any proposed sale of Miscellaneous Assets (the "Sale Notice") to (i) the Office of the United States Trustee, (ii) counsel for the Committees (including the Equity Committee), (iii) any entity that provides (or has provided) financing authorized by the Bankruptcy Court pursuant to, and authorized by, Bankruptcy Code section 364, (iv) any known holder of a lien, claim, encumbrance or interest against the specific Miscellaneous Assets to be sold, and (v) any party that has requested special notice (collectively, the "Notice Parties").
3. The Sale Notice will specify (i) the asset or assets to be sold and the selling Debtor thereof, (ii) the identity of the proposed purchaser, which shall not be an employee or insider (as defined in 11 U.S.C. § 101) of any Debtor, (iii) the value as reflected on the Debtors' books, or if no value is available, an estimated value, (iv) the proposed sale price (which will not exceed \$150,000), and (v) the location of the asset or assets to be sold. The Sale Notice will also have attached a copy of any of the sale agreements (to the extent such agreements are reasonably available).
4. If none of the Notice Parties serves the Debtors with a written objection to the proposed transaction in a manner so that it is actually received by the Debtors within seven (7) business days after the date the Debtors send the Sale Notice (the "Notice Period") or any such objection is resolved, counsel for the Debtors will submit to the Court a form of order, which contains (among other things) findings that (i) the Notice Procedures have been satisfied, (ii) no objection to the Miscellaneous Assets sale was timely made or such objection has been resolved, and (iii) the Debtors may proceed with the proposed sale free and clear of all security interests, liens, claims, encumbrances, and interests.
5. If the Debtors receive a written objection prior to the expiration of the Notice Period, and the Debtors are unable to resolve such objection, the Debtors will not take any additional steps to consummate the sale of the particular asset which is the subject of the objection (but may proceed to sell any other assets set forth in the Sale Notice to which no objection was timely served in accordance herewith) without first obtaining the Court's approval for the sale of that specific asset with respect to which an objection was timely served.
6. Upon Court approval of the order authorizing the Miscellaneous Assets sale, the Debtors may consummate the proposed sale transaction and take such actions as are necessary to close the sale and obtain the sale proceeds without further notice or Court order.

EXHIBIT B

Abandonment Procedures

1. The following are procedures to abandon assets that are burdensome or of inconsequential value, in either case not to exceed \$50,000, as requested in the Motion.
2. The Debtors will give written notice, by facsimile or overnight mail, of any proposed abandonment of assets (the "Abandonment Notice") to (i) the Office of the United States Trustee, (ii) counsel for the Committees (including the Equity Committee), (iii) any entity that provides financing authorized by the Bankruptcy Court pursuant to, and authorized by, Bankruptcy Code section 364, (iv) any known holder of a lien, claim, encumbrance or interest against the specific assets to be abandoned, (v) any party that has requested special notice, and (vi) any appropriate environmental entity if any environmental issues are raised by the abandonment (collectively, the "Notice Parties").
3. The Abandonment Notice will specify (i) the asset or assets to be abandoned and the abandoning Debtor thereof, (ii) the value of the abandoned assets as reflected on the Debtors' books, or if no such value is available, an estimated value (which value in either case, will not exceed \$50,000), (iii) the cost of removal and disposal of the assets to be abandoned, (iv) the location of such assets, and (v) the reasonable efforts made by the Debtors to locate a purchaser of such assets and the inability to locate any such purchaser.
4. If none of the Notice Parties serves the Debtors with a written objection to the proposed transaction in a manner so that it is actually received by the Debtors within twenty (20) days after the date the Debtors send the Abandonment Notice (the "Notice Period") or any such objection is resolved, counsel for the Debtors will submit to the Court a form of order which contains (among other things) findings that (i) the Abandonment Notice Procedures have been satisfied, (ii) no objection to the proposed abandonment was timely made or such objection has been resolved, and (iii) the Debtors may take all reasonable and necessary steps to abandon and dispose of the assets described in the Abandonment Notice, and pay costs associated therewith.
5. Upon Court approval of the order authorizing the abandonment, the Debtors may take such actions as are necessary to abandon the assets and dispose of them without further notice or Court order.
6. If the Debtors receive a written objection prior to the expiration of the Notice Period, and the Debtors are unable to resolve such objection, the Debtors will not take any additional steps to abandon the assets which are the subject of the objection (but may proceed to abandon any other assets set forth in the Abandonment Notice to which no objection was timely served in accordance herewith) without first obtaining the Court's approval for the abandonment of that specific asset with respect to which an objection was timely served.