

ASSET PURCHASE AND SALE AGREEMENT

THIS ASSET PURCHASE AND SALE AGREEMENT (“Agreement”) is made and entered into this 18th day of February, 2014, by and between Bowery Opportunity Fund, L.P., a Delaware limited partnership (“Purchaser”), and BETSEY JOHNSON LLC (including any trustee, liquidating trustee or other fiduciary, the “Debtor” or “Seller”), a Delaware limited liability company. Purchaser and Seller are sometimes collectively referred to in this Agreement as “Parties” or individually as “Party.”

RECITALS

- A. On April 26, 2012 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”). The Debtor is continuing to manage its assets as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.
- B. On May 10, 2012, the Bankruptcy Court entered the *Order Approving Agency Agreement, Store Closing Sales and Related Relief* [D.I. 105], which authorized the Debtor to enter into an Agency Agreement (the “Agency Agreement”) with Hilco Merchant Resources, LLC and Gordon Brothers Retail Partners, LLC (together, the “Liquidators”) to permit the Liquidators to conduct store closing sales at all of the Debtor’s retail store locations (the “Store Closing Sales”). The Store Closing Sales commenced on May 11, 2012 and have concluded. Accordingly, the Debtor has ceased its operations and is in the process of orderly winding down its estate.
- C. Purchaser has requested that Seller seek Bankruptcy Court approval of this Agreement. Consequently, this Agreement remains subject to Bankruptcy Court approval through entry of an order approving this Agreement and finding that Purchaser is a “Purchaser in Good Faith” pursuant to section 363(m) of the Bankruptcy Code (the “Sale Order”).
- D. The class action case against Visa U.S.A. Inc. (“Visa”) and MasterCard International Incorporated (“MasterCard” and, together with Visa, the “Defendants”), styled *In re: Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation*, Case No. 1:05-md-01720-JG-JO (the “Interchange Litigation”) was initiated in the United States District Court for the Eastern District of New York (“EDNY”).
- E. On December 13, 2013, the EDNY approved a settlement agreement in the Interchange Litigation (the “Settlement”), which established, *inter alia*, a \$6.05 billion settlement fund, reduced by 25% to account for merchants who excluded themselves from the settlement (the “Settlement Fund”). Merchants who paid interchange fees to the Defendants between January 1, 2004 and November 28, 2012, which includes the Debtor, may be eligible to receive a payment from this Settlement Fund. As a result of the Settlement, assuming it is not successfully appealed, no class will be certified in the Interchange Litigation.

- F. Seller may have a right to a share of the Settlement Fund or any other recovery it may obtain in the Interchange Litigation on account of interchange fees paid to the Defendants between January 1, 2004 and November 28, 2012 (Debtor's right, title and interest in and to any recovery in the Interchange Litigation, including, without limitation, any share of the Settlement Fund is hereinafter referred to as the "Asset").
- G. Purchaser is not affiliated with any counsel involved in the Interchange Litigation.
- H. All terms used herein and not defined herein shall have the meanings given such terms in the Interchange Litigation filings.
- I. The Parties intend to transfer from Seller to Purchaser any and all of the Debtor's rights, title and interests in and or associated with, or connected in any manner to, the Asset.
- J. Purchaser is in the business of purchasing claims from entities entitled to recover funds from both existing class action lawsuit settlements and from pending class action litigation that may or may not result in a settlement.
- K. Purchaser desires to purchase the Asset from Seller, and Seller desires to sell the Asset to Purchaser as provided for in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations and warranties contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

SECTION 1 – RECITALS INCORPORATED IN AGREEMENT

- 1.1 The above recitals are hereby incorporated herein by reference.

SECTION 2 – TERMS OF PURCHASE AND SALE

- 2.1 Sale and Purchase of Asset. On the terms and subject to the conditions and other provisions set forth in this Agreement, Purchaser agrees to purchase all right, title and interest in the Asset from Seller, and Seller agrees to sell, transfer and assign all right, title and interest in the Asset to Purchaser as is and without representations or warranties except as specifically set forth herein, subject to approval of the Bankruptcy Court, for the sum of EIGHTY FIVE THOUSAND AND 00/100 DOLLARS \$85,000.00 ("Purchase Price").
- 2.2 Fair Consideration. The Seller and Purchaser agree that the Purchase Price represents fair consideration and/or reasonably equivalent value in exchange for the Asset.
- 2.3 Closing. The transactions contemplated by this Agreement will be consummated at a closing as follows:

- (a) The closing of the purchase and sale of the Asset ("Closing") will take place via facsimile, electronic mail and/or mail on or before five (5) business days after entry of the Sale Order by the Bankruptcy Court, which Sale Order shall not have been stayed by a court of competent jurisdiction. The Closing will be effective as of 12:01 a.m. (Eastern Standard Time) on the date the Closing actually occurs (the "Closing Date").
- (b) On the Closing Date, Seller shall execute and deliver to Purchaser (i) the Notice of Assignment, attached hereto as Exhibit A ("Assignment Notice"), and (ii) the Authorization to Obtain Transactional Data, attached hereto as Exhibit B (the "Authorization").
- (c) Provided that Seller has fully performed its obligations under Section 2.3(b), Purchaser shall on the Closing Date pay to Seller at the Closing an amount equal to the Purchase Price in immediately available funds by confirmed wire transfer to a bank account to be designated by Seller.

2.4 Cooperation of Seller. Seller understands and acknowledges that in order for Purchaser to verify and/or collect the Asset, Purchaser may require Seller's reasonable assistance. Provided that the Debtor still exists and has at least one employee or independent contractor that is readily available to respond, Seller agrees to provide such reasonable assistance to Purchaser, at Purchaser's cost as set forth below, in the event that a claims administrator appointed in the Interchange Litigation ("CA"), the lead counsel to the Interchange Litigation ("Lead Counsel") or the EDNY audits and/or withholds payment on the Asset pending verification of data within Seller's reasonable possession and/or control. Under no circumstance should Seller be obligated to assist if, in its sole discretion, it determines that such assistance would be burdensome to Seller. This Agreement shall neither require the Debtor to maintain any records, nor prohibit, prevent, or in any way affect the Debtor's ability to either destroy any records in its possession or dissolve. The term "at Purchaser's cost" shall mean reimbursement by Purchaser within five (5) business days of an invoice of the following costs incurred by Seller: (i) \$100 per hour for any of Seller's employees or independent contractors, and (ii) out-of-pocket costs incurred by Seller.

2.5 Limited Power of Attorney. Solely with respect to the Asset, Seller hereby appoints Purchaser with full power of substitution as its true and lawful attorney and authorizes Purchaser to act in Seller's name, place, and stead to demand, sue for, compromise, recover, and transfer to Purchaser all such sums of money and securities which now are, or may hereafter become, due and payable for or on account of the Asset herein assigned. Seller agrees that the powers granted by this Section 2.5 of the Agreement are discretionary in nature and exercisable at the sole option of Purchaser, who shall have no obligation, at Purchaser's own risk, to take any action to prove, defend, demand or take any action with respect to the Asset. Subject to Section 2.4 hereof, Seller agrees to execute, acknowledge, and deliver any documents, and to take any further action, as may be reasonably necessary to effect assignment of the Asset.

- 2.6 Actions by Purchaser. Purchaser expressly reserves the right to take any steps it deems reasonable and necessary in order to maximize Purchaser's recovery in respect of the Asset. Purchaser may sell, transfer or assign the Asset, together with all right, title and interest of Purchaser with respect thereto (any such purchaser or transferee of the Asset from the Purchaser being the "Beneficial Owner"); provided that, any Beneficial Owner shall, as a condition to and contemporaneously with the transfer or assignment of the Asset, take assignment of this Agreement as "Purchaser" and shall expressly agree to be bound by all of the obligations of Purchaser and limited to, vis-à-vis Seller, all of the rights conferred upon Purchaser hereunder.
- 2.7 No Assumption of Obligations or Liabilities. At closing, Purchaser shall assume all obligations and liabilities relating to the Asset but shall not assume or in any way become liable for any other obligation or liability of the Seller independent of the Asset.
- 2.8 Purchaser's Assumption of Risk. Aside from representations and warranties herein, in the event that the Settlement is successfully appealed, Purchaser does not obtain a monetary recovery on account of the Asset, the Seller's claims in the Interchange Litigation are reduced or not allowed, found eligible for payment or otherwise approved, or Purchaser obtains a monetary recovery that is less than Purchaser expected, Purchaser shall have no recourse against the Seller as Purchaser is expressly assuming any and all risks relating to the Interchange Litigation and the Asset.

SECTION 3 - REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Purchaser as follows:

- 3.1 Organization. Seller is a Delaware limited liability company and is a debtor-in-possession before the Bankruptcy Court for the Southern District of New York administered under case number 12-11732. The Debtor's proposed plan of liquidation (the "Proposed Plan"), together with the Debtor's motion to approve the disclosure statement (the "DS") filed in connection therewith, was filed on December 20, 2013. The hearing on the approval of the DS has been set for January 30, 2014. The Proposed Plan has not yet been confirmed.
- 3.2 Authorization. Subject to the entry of the Sale Order, the Seller has the requisite power and authority to execute and deliver this Agreement, the Assignment Notice and the Authorization and to perform the transactions contemplated hereby or thereby, and that such performance does not constitute a violation of any valid instrument to which the Debtor is bound.
- 3.3 Due Execution; Validly Binding Agreement. Subject to the entry of the Sale Order, this Agreement has been duly authorized, executed and delivered and constitutes a legal, valid and binding obligation of the Seller, enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights in general and subject to general principles of equity.

- 3.4 No Litigation. There is no known suit, action, litigation or other proceeding or governmental or administrative investigation or inquiry, pending or threatened against the Debtor or concerning the Asset that could prevent or prohibit Seller from selling the Asset or from otherwise complying in full with the provisions of this Agreement except for the requirement of Bankruptcy Court approval for the sale of the Asset. Subject to Bankruptcy Court approval, the transfer of the Asset pursuant to this Agreement will not breach, violate or otherwise contravene any applicable law, statute, regulation or contractual term.
- 3.5 Title to Asset; No Liens. To the best of Seller's knowledge, Seller has good, valid and marketable title to the Asset and can sell the Asset free and clear of any mortgage, pledge, lien, security interest, claim or encumbrance pursuant to section 363(f) of the Bankruptcy Code. To the best of Seller's knowledge, the Seller has not transferred the Asset or any interest therein except to Purchaser hereunder.
- 3.6 Disclaimers. Aside from representations and warranties contained herein, Seller expressly disclaims and does not make any warranties, guarantees, promises, or representations of any kind whatsoever regarding: (i) the value of the Asset; (ii) the allowance, validity, or amount of any claims in the Interchange Litigation; and (iii) the anticipated recovery or timing of recovery on the Asset. Seller has advised Purchaser that Purchaser should consult with an attorney and/or other relevant professional advisors prior to the execution of this Agreement.
- 3.7 Information Provided to Purchaser. To the best of Seller's knowledge, all information provided to Purchaser by Seller in connection with the sale of the Asset is true, correct and complete in all material respects. Seller has made the following Representations or Warranties to Purchaser:
- i. Seller warrants that, if asked by the EDNY, Lead Counsel, the CA or any other entity affiliated with the Settlement, Seller, to the extent the Debtor still exists with at least one authorized officer or independent contractor who is readily available, will at Purchaser's cost state (including in a sworn declaration or affidavit) that (1) Seller did not and never intended to opt-out of the Settlement or Interchange Litigation; (2) Seller never gave any entity any indication of an intent to opt-out of the Settlement or Interchange Litigation; and (3) Seller never authorized any entity to opt-out of the Settlement or Interchange Litigation on Seller's behalf.
 - ii. Seller warrants that it will never take any position inconsistent with the representations and warranties contained herein.
- 3.8 Information. Seller and Purchaser each acknowledges that the value of the Asset and the final recovery on the Asset may not be determined with certainty by Seller or Purchaser as of the time of execution of this Agreement. Seller further acknowledges that Purchaser may possess material information not known to Seller, and Seller agrees that Purchaser shall have no liability with respect to the non-disclosure of any such information. Purchaser further acknowledges that Seller may possess material

information not known to Purchaser, and Purchaser agrees that Seller shall have no liability with respect to the non-disclosure of any such information.

- 3.9 Expectation of Return. Seller acknowledges that Purchaser's sole intention and expectation in entering into this Agreement is to earn a positive financial return on the Asset. As such, Seller understands that Purchaser's recovery on the Asset may exceed the Purchase Price.
- 3.10 Own Advisors. Seller acknowledges that it has had an opportunity to consult with an attorney and/or other relevant professional advisors prior to the execution of this Agreement. Seller acknowledges that Purchaser has advised it that it should seek such counsel.
- 3.11 No Fiduciary or Confidential Relationship. Seller acknowledges that Seller and Purchaser are not in a fiduciary, confidential, agency or otherwise special relationship, including one of trust, confidence or privity, and that Seller and Purchaser are each acting for their own self-interest.

SECTION 4 – REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to Seller as follows:

- 4.1 Organization. Purchaser is a limited partnership, validly existing and in good standing under the laws of the State of Delaware.
- 4.2 Authorization. Purchaser has the requisite power and authority to purchase the Asset from Seller, execute and deliver this Agreement, and to perform the transactions contemplated hereby or thereby. and that such performance does not constitute a violation of its operating agreement or any other valid instrument to which Purchaser is a party or by which the Purchaser may be bound.
- 4.3 Due Execution; Validly Binding Agreement. This Agreement has been duly authorized, executed and delivered and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights in general and subject to general principles of equity.
- 4.4 No Litigation. There is no suit, action, litigation or other proceeding or governmental or administrative investigation or inquiry, pending or threatened, against Purchaser that could prevent or prohibit Purchaser from purchasing the Asset or from otherwise complying in full with the provisions of this Agreement. Transfer of the Asset pursuant to this Agreement will not breach, violate or otherwise contravene any applicable law, statute, regulation or contractual term.
- 4.5 Purchaser Solvent. Purchaser is solvent and has the funds available to pay the Purchase Price as provided in Section 2.2 hereof.

- 4.6 Disclaimers: No Representations or Warranties. Purchaser expressly disclaims and does not make any warranties, guarantees, promises, or representations of any kind whatsoever regarding the Asset, including, but not limited to: (i) the value of the Asset; and (ii) the anticipated recovery or timing of recovery on the Asset. Purchaser has advised Seller that Seller should consult with an attorney and/or other relevant professional advisors prior to the execution of this Agreement.
- 4.7 Independent Investigation. Purchaser acknowledges that it has conducted its own independent evaluation of the transactions contemplated under this Agreement. Purchaser further acknowledges that it has had an opportunity to conduct its own independent investigation regarding the Interchange Litigation, the Settlement, and the Asset. Purchaser has had an opportunity to review the documents and information available through publicly available sources of information.
- 4.8 No Reliance. Purchaser has conducted an independent evaluation of the transactions contemplated under this Agreement. Purchaser has decided to enter into this Agreement and undertake the transactions contemplated hereunder solely in reliance on its own evaluation of the transactions. With the exception of any representations and warranties set forth in Section 3 of this Agreement, Purchaser is not relying on (i) any information provided to Purchaser or written or oral representations, whether express or implied, by Seller or its agents or affiliates, or (ii) any information provided to Purchaser by Seller or its agents or affiliates. Aside from Representations or Warranties contained herein, Purchaser acknowledges that Seller expressly disclaims, and has not made any warranties, guarantees, promises, or representations of any kind whatsoever regarding the Asset, including, but not limited to: (i) the value of the Asset, or the allowance, validity or amount of any claims of Seller in the Interchange Litigation, and (ii) the anticipated recovery and/or timing of recovery on the Asset.
- 4.9 Information. Purchaser acknowledges that the value of the Asset and the final recovery on the Asset may not be determined with certainty by Seller or Purchaser as of the time of execution of this Agreement. Purchaser further acknowledges that Seller may possess material information not known to Purchaser. Aside from Representations and Warranties contained herein, Purchaser agrees that Seller shall have no liability with respect to the non-disclosure of any such information.
- 4.10 Expectation of Return. Purchaser understands that Purchaser's recovery on the Asset may not exceed the Purchase Price.
- 4.11 Own Advisors. Purchaser acknowledges that it has had an opportunity to consult with an attorney and/or other relevant professional advisors prior to the execution of this Agreement. Purchaser acknowledges that Seller has advised it that it should seek such counsel.
- 4.12 No Fiduciary or Confidential Relationship. Purchaser acknowledges that Seller and Purchaser are not in a fiduciary, confidential, agency or otherwise special relationship, including one of trust, confidence or privity, and that Seller and Purchaser are each acting for their own self-interest.

SECTION 5 - COVENANTS OF SELLER AND PURCHASER

Seller and Purchaser covenant to each other as follows:

- 5.1 Waiver of Claims. Aside from Representations or Warranties contained herein and to the maximum extent permitted by law, Seller and Purchaser will not assert and hereby waive any and all claims against one another or any of their members, officers, directors, employees, agents or affiliates with respect to this Agreement, the Assignment Notice, the Authorization or the transactions contemplated hereby or thereby based on any claim that Seller or Purchaser had superior or additional information material to a decision to sell or buy the Asset.
- 5.2 Covenant Not To Sue. Aside from the representations and warranties contained herein and subject to Section 6.3 hereof, Seller and Purchaser will not commence or maintain any suit thereon against one another or any of their shareholders, officers, directors, employees, agents or affiliates with respect to this Agreement, or the transactions contemplated hereby, whether at law or in equity, based on any claim that Seller or Purchaser had superior or additional information material to a decision to sell or buy the Asset.
- 5.3 Payment Delivery. If a CA mistakenly sends total or partial payment directly to Seller, Seller, to the extent the Debtor is still in existence with at least one authorized officer or independent contractor is readily available, will immediately endorse such payment to Purchaser and deliver the payment to Purchaser by personal delivery or by first-class mail, certified, return receipt requested, postage prepaid, to the address for Purchaser set forth in Section 6.12 below.

SECTION 6 - GENERAL

- 6.1 Severability. In the event that any provision herein becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision.
- 6.2 Costs. The Parties shall each pay their own costs and expenses (including attorney's fees and accountants' fees, but not including, reimbursement obligations that are "at Purchaser's Cost") incurred or to be incurred in negotiating, preparing and executing this Agreement and Closing the transactions contemplated herein.
- 6.3 Survival of Representations and Warranties. All representations and warranties of the Parties set forth herein, except for Seller's agreement to cooperate at Purchaser's cost, shall not survive the Closing hereof and shall only bind the Parties hereto and their heirs, successors in interest, legal representatives and assigns through the Closing Date.
- 6.4 Entire Agreement. This Agreement represents the entire agreement and understanding between the Parties regarding the sale and purchase of the Asset and supersedes any and

all prior representations, warranties agreements and understandings, whether written or oral, concerning the sale and/or purchase of the Asset.

- 6.5 No Oral Modification. This Agreement may only be amended in writing signed by both Parties.
- 6.6 Failure to Obtain Bankruptcy Court Approval. In the event this Agreement is not approved by the Bankruptcy Court, this Agreement and any Assignment Notice and Authorization shall be deemed null and void and the Parties hereby agree that they shall not be liable to each other for any damages.
- 6.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of law rules, principles or provisions of such state or of any other state.
- 6.8 Choice of Venue. The Bankruptcy Court for the Southern District of New York shall be the exclusive venue that may hear any and all issues arising out of or relating to this Agreement.
- 6.9 Headings. Section headings are for convenient reference only and will not affect the meaning or have any bearing on the interpretation of any provision of this Agreement.
- 6.10 Counterparts. This Agreement may be executed in counterparts, and each counterpart shall have the same force and effect as an original and shall constitute an effective, binding agreement. If so signed, the Agreement becomes effective when both signature pages are attached.
- 6.11 Voluntary Execution of Agreement. This Agreement is executed voluntarily and without any duress or undue influence on the part or on behalf of the Parties hereto.
- 6.12 Notices. All notices, requests, demands or any other communication made under, pursuant to, or in accordance with this Agreement, except for normal day-to-day business communications, which may be made orally or in a writing, shall be in writing and shall either be delivered personally or deposited in the United States mail and sent by first-class mail, certified, return receipt requested, postage prepaid and properly addressed as follows:

<p>If to Purchaser:</p> <p>Bowery Opportunity Fund, L.P. c/o Bowery Investment Management, LLC 1325 Avenue of the Americas, 28th Floor New York, NY 10019 Attn: Vladimir Jelisavcic</p>	<p>If to Seller:</p> <p>Goulston & Storrs P.C. 400 Atlantic Avenue Boston, Massachusetts 02110 Attn: Douglas B. Rosner, Esq.</p> <p>- and -</p> <p>Hahn & Hessen LLP 488 Madison Avenue New York, NY 10022 Attn: Mark S. Indelicato, Esq.</p>
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or to such other address(es) as a Party hereto may indicate to the other Party in the manner provided for herein. Notices given by mail shall be deemed effective and complete forty-eight (48) hours following the time of posting and mailing, and notices delivered personally shall be deemed effective and complete at the time of delivery and the obtaining of a signed receipt.

IN WITNESS WHEREOF, the Agreement has been executed by the Parties as of the date and year provided above.

BOWERY OPPORTUNITY FUND, L.P.

BETSEY JOHNSON LLC



By: _____
Name: Vladimir Jelisavcic
Title: Authorized Signatory

By: _____
Name: Aron Arias
Title: Chief Financial Officer

<p>If to Purchaser:</p> <p>Bowery Opportunity Fund, L.P. c/o Bowery Investment Management, LLC 1325 Avenue of the Americas, 28th Floor New York, NY 10019 Attn: Vladimir Jelisavcic</p>	<p>If to Seller:</p> <p>Goulston & Storrs P.C. 400 Atlantic Avenue Boston, Massachusetts 02110 Attn: Douglas B. Rosner, Esq.</p> <p>- and -</p> <p>Hahn & Hessen LLP 488 Madison Avenue New York, NY 10022 Attn: Mark S. Indelicato, Esq.</p>
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IN WITNESS WHEREOF, the Agreement has been executed by the Parties as of the date and year provided above.

BOWERY OPPORTUNITY FUND, L.P.

BETSEY JOHNSON LLC

By: _____
Name: Vladimir Jelisavcic
Title: Authorized Signatory

By: 
Name: Aron Arias
Title: Chief Financial Officer

Exhibit A
to
Asset Purchase and Sale Agreement

Form of Notice of Assignment

To: Claims Administrator of Settlement Arising from *IN RE: PAYMENT CARD INTERCHANGE FEE AND MERCHANT-DISCOUNT ANTITRUST LITIGATION* (Case No. 1:05-md-01720-JG-JO)

This Notice of Assignment transfers and assigns to Bowery Opportunity Fund, L.P. (“Purchaser”), pursuant to a Bankruptcy Court Order dated _____, 2014, attached hereto as Exhibit A, all of Betsey Johnson LLC’s (the “Company”) right, title and interest in and to or associated with, or connected in any manner to, any recovery or settlement arising from the litigation of In re: Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation (Case No 1:05-md-01720-JG-JO) (the “Interchange Litigation”), including the settlement approved by the Court on December 13, 2013 (or any other settlement or recovery in the Interchange Litigation), for the following entity:

Filing Entity Name	United States Bankruptcy Court for the Southern District of New York Case Number
Betsey Johnson LLC	12-11732

The rights assigned to Purchaser include, but are not limited to, the Company’s right to file a claim and to challenge any and all estimates for payment of that claim.

Purchaser is now the legal and equitable owner of all rights associated with the Interchange Litigation. You should deal directly with Purchaser or its duly appointed agents on all matters pertaining to the Company’s rights in the Interchange Litigation. Further, in accordance with the Assignment, any and all payments relating to the Interchange Litigation should be made payable to Purchaser and sent to the following address:

Bowery Opportunity Fund, L.P.
c/o Bower Investment Management, LLC
1325 Avenue of the Americas, 28th Floor
New York, NY 10019
Attn: Vladimir Jelisavcic

Moreover, any and all correspondence, documents or any other communications pertaining to the Interchange Litigation should be directed to the Purchaser at the above address.

Date: _____, 2014

BETSEY JOHNSON LLC

By: _____
Name: Aron Arias
Title: Chief Financial Officer

Exhibit B
to
Asset Purchase and Sale Agreement

Authorization to Obtain Transactional Data

AUTHORIZATION TO OBTAIN TRANSACTIONAL DATA

This Authorization to Obtain Transactional Data (“Authorization”) is made on _____, 2014 between Betsey Johnson LLC (“Client”), a Delaware limited liability company and Bowery Investment Management, LLC (“Bowery”), a Delaware limited liability company.

Client has assigned to Bowery all rights to any settlement arising from In re: Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation (Case Number 1:05-md-01720-JG-JO), the (“Claim”).

As used in this Authorization, (a) the term “Transactional Data” means data from or related to credit card or debit card transactions in which Client received payment for goods sold or services provided, and (b) the term “Processors” mean Client’s acquiring banks, credit card processors, any other entity involved in processing or recording credit card or debit card transactions, and any third party holding or possessing any or all of Client’s Transactional Data.

Client hereby directs and authorizes all Processors to release and provide to Bowery any and all Transactional Data. Client hereby authorizes Bowery to request, demand, obtain and receive from any source all of Client’s Transactional Data, including, but not limited to, the merchant identification information relating to the Claim.

The undersigned has executed this Authorization as of the date set forth above.

Betsey Johnson LLC

By: _____
Name: Aron Arias
Title: Chief Financial Officer

Bowery Investment Management, LLC

By: _____
Name: Vladimir Jelisavcic
Title: Manager