

STATE OF MINNESOTA
COUNTY OF HENNEPIN

DISTRICT COURT
FOURTH JUDICIAL DISTRICT
CASE TYPE: MISC

In Re: Wayzata Home Products, LLC
and cliqstudios.com LLC

Court File No.: 27-CV-20-4326

**ORDER AUTHORIZING
ASSIGNEE'S SECOND MOTION TO
EXTEND THE STAY**

The above-entitled matter came before the undersigned, on the Assignee's Second Motion to Extend the Stay. Based upon the Motion, accompanying Memorandum, the Declaration of Samuel J.H. Sigelman, and upon all of the records and proceedings herein:

FINDINGS OF FACT

A. By an Assignment for the Benefit of Creditors, dated March 13, 2020 ("Assignment for the Benefit of Creditors"), Wayzata Home Products, LLC and cliqstudios.com LLC (together and along with the other subsidiaries of Wayzata Home Products, LLC, collectively, the "Assignment Entities"), assigned to Lighthouse Management Group, Inc. ("Assignee") all of the Assignment Entities' property including, but not limited to, all real property, fixtures, goods, stock, inventory, equipment, furniture, furnishings, accounts receivable, general intangibles, bank deposits, cash, promissory notes, cash value and proceeds of insurance policies, claims, and demands belonging to the assignor, wherever the property may be located (hereinafter, collectively the "Assignment Property").

B. Under Minnesota Statute § 577.18, the Assignment for the Benefit of Creditors is governed by sections 576.21 to 576.53, including but not limited to an automatic stay of 30 days from the filing of the Assignment for the Benefit of Creditors.

C. By court order, dated April 28, 2020, the stay had been extended through and including July 11, 2020.

D. By filing a motion for a request to extend the existing stay the Assignee triggered an automatic extension of the stay pending the outcome of this motion.

E. The Court has approved a claims process that allows the approximately 1,400 creditors to review and potentially submit a revise claim, which will result in the creation of a preliminary claim summary. The approved claims process concludes with the Assignee potentially filing objections within a time-period that is about 90 days from the date of service of the Notice of Claim and Proof of Claim form. The Notice of Claim and Proof of Claim form were served on June 29, 2020; therefore, the Assignee anticipates that this process should conclude by the end of September 2020.

F. The Assignee represents to the Court that there are sources of the Assignment Entities' accounts receivable that are either contingent or cannot be liquidated within the next few months due to certain circumstances.

G. Given the above, it may be several months before the Assignee expects a distribution to the creditors. Consequently, the Assignee maintains, and the Court agrees, the Assignee will need additional time to finish the creditor claims process, collect the accounts receivable, and file a proposed distribution schedule with the Court.

H. The Assignee contends that it will need at least through January 7, 2021 to complete these tasks.

I. An extension of the stay provided by Minnesota Statutes § 576.42, subd. 4 would assist in protecting the Assignment Property and facilitating the administration of this case.

ORDER

1. The Assignee's Motion to Extend Stay is **GRANTED**.
2. The additional stay provided by Minnesota Statutes § 576.42, subd. 4 is hereby extended through January 7, 2021.

Dated:

BY THE COURT:

The Honorable David L. Piper
Judge of District Court