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**Auction Date: August 20, 2009 at 9:00 a.m.**  
**Hearing Date (Sale) : August 20, 2009**  
**at 10:01 a.m.**  
**Objection Date (Sale) : August 17, 2009**  
**at 3:00 p.m.**

*Special Litigation, Real Estate and Intellectual  
Property Counsel to Robert L. Geltzer as Chapter 7  
Trustee of Doubledown Media LLC*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re: : Chapter 7  
: :  
**DOUBLEDOWN MEDIA LLC,** : Case No. 09-10857 (SMB)  
: :  
Debtor. : :  
: :  
-----X

**NOTICE OF AUCTION AND SALE HEARING**

PLEASE TAKE NOTICE THAT:

1. The Sale Procedures Order.<sup>1</sup> Pursuant to the Sale Procedures Order,<sup>2</sup> entered by the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy

<sup>1</sup> All capitalized terms not otherwise defined herein shall have the respective meanings ascribed to these terms in the Motion for Orders Pursuant to 11 U.S.C. §§ 105(a) and 363 and Fed. R. Bankr. P. 2002, 6004, and 9014 (I) (A) Approving form of Sale Agreement with Private Air Media, LLC and Knight Images, Inc., for Sale of Private Air Magazine Assets (B) Scheduling an Auction for (I) Higher or Better Offers for Private Air Magazine Assets and (2) offers for the Debtor’s Remaining Magazine Assets (C) Approving Sale Procedures (D) Scheduling a Final Sale Hearing, and, (E) Approving manner and Form of Notices; and (II) Authorizing and Approving Sale and Related Relief (the “Motion”).

<sup>2</sup> This Notice is qualified in its entirety by the Sale Procedures Order. All persons and entities are urged to read the Sale Procedures Order and the provisions thereof carefully. To the extent this Notice is inconsistent with the Sale Procedures Order, the terms of the Sale Procedures Order shall govern.

Court”) on July 23, 2009, Robert L. Geltzer, as Chapter 7 Trustee (the “Trustee”) of the above-captioned debtor (the “Debtor”), will conduct an auction (the “Auction”) of all of the right, title and interest of the Debtor’s estate in the Magazine Assets, pertaining to the magazines *Private Air, Corporate Leader, Trader, Dealmaker and Cigar Report* . The Trustee will sell the Magazine Assets, individually or in bulk as detailed in the Sale Procedures set forth below, whichever combination yields the highest and best bid(s) in aggregate, to the party(ies) making such bid(s) at the Auction.

2. The Sale: In accordance with the terms and conditions contained in the proposed form of Sale Agreement and the proposed form of Sale Order, and in accordance with the Sale Procedures set forth below, which shall govern the solicitation of bids and overbids for the purchase of the Magazine Assets, the Trustee will sell the Magazine Assets to the bidder(s) making the highest and/or best bid(s) at the Auction, provided however, that any such bid for the Private Air Assets is higher and better than (i) that contained in the PAM Sale Agreement between the Trustee and purchaser Private Air Media, LLC and Knight Images, Inc. and in accordance Sale Procedures for the Private Air Assets as set forth below.

3. Auction: The Auction of the Magazine Assets will be conducted by the Trustee at the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, Courtroom 723, New York, New York 10004, on August 20, 2009. The Auction will commence at 9:00 a.m. The Auction will be open to all bidders who comply with the Sales Procedures.

4. Sale Procedures: The Trustee seeks approval of the following proposed Sale Procedures as the procedures most likely to maximize the realizable value of the Magazine Assets for the benefit of the Debtor’s estate and creditors:

Auction; Alternate other Methods to Garner Highest and Best Offer(s): The Trustee intends to first offer the Magazine Assets for sale in the following order: (i) first, the respective Magazine Assets pertaining to the respective magazines individually, i.e., separately (a) the Private Air Assets, (b) the Corporate Leader Assets, (c) the Trader Assets, (d) the Dealmaker Assets and (e) the Cigar Report Assets; and (ii) second, all the Magazine Assets together as a single, bulk package; and will sell the Magazine Assets in whichever combination yields the highest and/or best bid or combination of bids, subject only to approval by this Court at the Sale Hearing. Notwithstanding the foregoing, the Trustee reserves the right to alter the order of the Auction and/or to offer the Magazine Assets for Sale in any other combination that yields the highest and best offer or offers, at his discretion, subject only to approval by this Court at the Sale Hearing.

Minimum Bids: The Minimum Bids for the Magazine Assets shall be as follows:

- (i) *Private Air:* The Minimum Bid for only the Private Air Assets will be \$55,000. Successive bids must be in increments of at least \$5,000 more than the previous bid.
- (ii) *Corporate Leader:* The Minimum Bid for only the Corporate Leader Assets will be \$50,000. Successive bids must be in increments of at least \$5,000 more than the previous bid.
- (3) *Trader:* The Minimum Bid for only the Trader Assets will be \$50,000. Successive bids must be in increments of at least \$5,000 more than the previous bid.
- (4) *Dealmaker:* The Minimum Bid for only the Dealmaker Assets will be \$100,000. Successive bids must be in increments of at least \$10,000 more than the previous bid.
- (5) *Cigar Report:* The Minimum Bid for only the Cigar Report Assets will be \$25,000. Successive bids must be in increments of at least \$2,500 more than the previous bid.
- (6) All the Magazine Assets Together: The Minimum Bid for all the Magazine Assets together will be \$20,000 more than the aggregate amount of the highest bids for the respective Magazine Assets for *Private Air, Corporate Leader, Trader, Dealmaker and Cigar Report* individually, but in no event shall the minimum bid for all the Magazine Assets together be less than \$300,000. Successive bids must be in increments of at least \$10,000 more than the previous bid.

The Trustee reserves the right to decrease the requisite amount of any minimum bid and/or the requisite amount of any successive bid.

Deposit: Any initial bid to purchase any of the Magazine Assets must be accompanied by bank check payable to “Robert L. Geltzer as Chapter 7 Trustee” from a bank acceptable to the Trustee located in New York State, in an amount equal to twenty percent (20%) of any such bid (the “Deposit”).

Financial Capacity of Bidder: At the time of its initial bid, each bidder must provide to the Trustee documents, in form and substance satisfactory to the Trustee in his discretion, demonstrating such bidder’s financial capacity to consummate its proposed bid.

Bid: Each bid must (a) be irrevocable and (b) provide for a transaction that is not subject to any conditions, including, without limitation, the obtaining of financing or completion of any due diligence, subject to the Trustee’s reservation of rights as set forth in the paragraph below labeled “Reservation of Trustee’s Rights”.

No Collusion. By submitting its bid and participating in the Auction, each bidder is confirming that it has not engaged in any collusive behavior with respect to the submission of its bid and its participation in the Auction.

Designation of Successful Bidder(s): At the conclusion of the Auction, the Trustee, in his discretion, and subject to Bankruptcy Court approval, shall (i) identify the highest and/or best bid(s) for the Magazine Assets (the “Successful Bid(s)”) and the second highest and/or best bid(s) for the Magazine Assets (the “Runner Up Bid(s)”); and (ii) notify all bidders participating in the Auction at the conclusion of the Auction of the amounts, and of the name(s) of the makers of the Successful Bid(s) (the “Successful Bidder(s)”) and the Runner up Bid(s) (the “Runner Up Bidder(s)”); and (iii) have the Successful Bidder(s) execute with the Trustee a Purchase and Sale Agreement for the pertinent Magazine Assets (“Sale Agreement”) substantially in the same form as the PAM Sale Agreement.

Presentation of Successful Bid(s) to the Bankruptcy Court: At the Sale Hearing, the Trustee may present the Successful Bid(s) and the Runner Up Bid(s) to the Bankruptcy Court for approval. The Trustee's presentation to the Bankruptcy Court for approval of any Successful Bid(s) does not constitute the Trustee's acceptance of the Bid(s). The Trustee will be deemed to have accepted the Successful Bid(s) only when such bid has been approved by the Bankruptcy Court.

Obligation to Close: If the Successful Bidder(s) fails to close on the Sale in compliance with the Sale Agreement executed by the Successful Bidder(s), then the Trustee on behalf of the Debtor's estate, the Trustee will have the right to close on the Runner Up Bid(s) and retain the Deposit of the Successful Bidder(s), as liquidated damages for all loss, damage and expense suffered by the Trustee (and not as a penalty). If the Runner Up Bidder(s) fails to close on the Sale in compliance with the Sale Agreement executed by the Runner Up Bidder(s), then the Trustee on behalf of the Debtor's estate will have the right not to close on the Runner Up Bid(s) and retain the Deposit of the Runner Up Bidder(s), as liquidated damages for all loss, damage and expense suffered by the Trustee (and not as a penalty). **In the event that both the Successful Bidder(s) and the Runner Up Bidder(s) fail to timely close on the Sale, the Trustee has the right to later seek to sell the Magazine Assets upon further notice and a hearing.**

Return of the Deposit: The Deposits of all bidders except those of the Successful Bidder(s) and the Runner up Bidder(s) shall be returned following the Auction. The Deposits of the Successful Bidder(s) and the Runner up Bidder(s) shall be retained by the Trustee, until the Sale is consummated. In the event that the Successful Bidder(s) consummates the sale, the Deposit of the Runner Up Bid(s) shall be returned by the Trustee following the consummation of the Sale.

Reservation of Trustee's Rights: The Trustee reserves the right to withdraw any one of the Magazine Assets from Auction for any reason, including but not limited to insufficiency of the amount of the final bid(s) obtained at Auction and may withdraw any one of the Magazine Assets at any time prior to accepting the Successful Bid(s), as determined by the Trustee in his sole discretion.

Taxes – The Successful Bidder(s) and/or if applicable, the Runner-Up Bidder(s) will be exclusively responsible for the payment of any New York State taxes, if any, and for the filing of any tax form and other documentation required to be recorded, if any in connection with the transfer of the Magazine Assets.

5. The Sale Hearing: The Sale Hearing to approve the Sale of the Magazine Assets Successful Purchaser(s) or Bidder(s) will be held on August 20, 2009 at 10:01 a.m., at the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, NY 10004-1408, before the Honorable Stuart M. Bernstein, Chief United States Bankruptcy Judge (the "Bankruptcy Court").

6. Objections to the Sale of the Property: Any objection to the entry of the Sale Order must be in writing, conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the United States Bankruptcy Court for the Southern District of New York, and must be (i) filed with the United States Bankruptcy Court for the Southern District of New York in accordance with General Order M-242 (a) electronically, by registered users of the Bankruptcy Court's case filing system, and (b) on a 3.5 inch disk (preferably in Portable Document Format (PDF), WordPerfect or any other Windows-based word processing format), by all other parties in interest; (ii) submitted in hard-copy form directly to the chambers of the Honorable Stuart M. Bernstein, Chief United States Bankruptcy Judge, at the Bankruptcy Court; and (iii) served upon (a) the Special Litigation, Real Estate and Intellectual Property Counsel to Robert L. Geltzer, as Chapter 7 Trustee, Squire, Sanders & Dempsey L.L.P., 1095 Avenue of the Americas, New York, New York 10036, Attn: Andrea K. Fisher, Esq.; and (b) the Office of the United States Trustee, 33 Whitehall Street, New York, New York 10004 in each case so as to be received no later than 3:00 p.m. Eastern Time on August 17, 2009.

7. Copies of the Sale Procedures Order, the PAM Sale Agreement and the Motion are available from Squire, Sanders & Dempsey L.L.P., 1095 Avenue of the Americas, New York, New York 10036, Attn: Andrea K. Fisher, (212) 872-9800.

**BY ORDER OF THE COURT**

**SQUIRE, SANDERS & DEMPSEY L.L.P.**

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Dated: July 23, 2009  
New York, New York

*Special Litigation, Real Estate and Intellectual Property  
Counsel to Robert L. Geltzer, as  
Chapter 7 Trustee of the Debtor*