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Attorneys for the Debtors  
1136 Route 9  
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Andrea B. Malin, Esq. (AM4424)  
Michelle L. Trier, Esq. (MT1212)

**DATE: MARCH 7, 2023**  
**TIME: 9:00 A.M.**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK  
POUGHKEEPSIE DIVISION

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IN RE:

**CHAPTER 11**

ULTRA SEAL CORPORATION and  
ULTRA-TAB LABORATORIES, INC.,

**CASE NO.: 22-35630 (CGM)**

Debtors.

**(Jointly Administered)**

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**NOTICE OF MOTION FOR AN ORDER, PURSUANT TO  
11 U.S.C. §§ 363(b) AND 363(f)(3), (A) AUTHORIZING THE  
DEBTOR’S SALE OF PROPERTY IN ACCORDANCE WITH  
AUCTION TERMS AND CONDITIONS AND  
(B) APPROVING THE FORM AND MANNER OF SALE**

**PLEASE TAKE NOTICE** that upon the annexed Motion of the debtor, ULTRA-TAB LABORATORIES, INC., (the "Debtor" or "UTL"), by its attorneys, GENOVA, MALIN & TRIER, LLP, the undersigned will move this Court, before the Honorable Cecelia G. Morris, United States Bankruptcy Judge, at the United States Courthouse, located at 355 Main Street, Poughkeepsie, New York, on March 7, 2023, at 9:00 a.m. of that day, or as soon thereafter as counsel can be heard for an Order, pursuant to 11 U.S.C. §§363(b)(1) and 363(f)(3), authorizing the Debtor’s sale of substantially all of the Debtor’s assets at auction in accordance with UNION STANDARD EQUIPMENT’s (“UNION”) terms and conditions of said sale and approving the form and manner of the sale, and granting the Debtor such other and further relief as to the Court may seem just and proper.

**PLEASE TAKE FURTHER NOTICE** that opposing affidavits or objections to the proposed sale, if any, shall be served upon the undersigned at least seven (7) days prior to the return date of this Motion.

Dated: Wappingers Falls, New York  
February 3, 2023

GENOVA, MALIN & TRIER, LLP  
Attorneys for Debtor

By: /s/ Michelle L. Trier  
MICHELLE L. TRIER (1212)  
Hampton Business Center  
1136 Route 9  
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IN RE:

**CHAPTER 11**

ULTRA SEAL CORPORATION and  
ULTRA-TAB LABORATORIES, INC.,

**CASE NO.: 22-35630 (CGM)**

Debtors.

**(Jointly Administered)**

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**APPLICATION FOR AN ORDER , PURSUANT TO  
11 U.S.C. §§ 363(b) AND 363(f)(3), (A) AUTHORIZING THE DEBTOR’S  
SALE AND AUCTION OF PROPERTY IN ACCORDANCE WITH UNION STANDARD  
EQUIPMENT’S TERMS AND CONDITIONS AND (B) APPROVING  
THE FORM AND MANNER OF SALE**

MICHELLE L. TRIER, being duly sworn, deposes and says upon information and belief:

1. I am an attorney duly admitted to practice in this Court, and I am a member of the firm of GENOVA, MALIN & TRIER, LLP, attorneys for ULTRA-TAB LABORATORIES, INC. (the "Debtor" or "UTL").

2. I am making this Affirmation in support of the Debtor's motion for an Order, under 11 U.S.C. §§ 363 (b) and (f)(3), authorizing the Debtor to sell substantially all of its property in accordance with the terms and conditions of UNION STANDARD EQUIPMENT, a division of National Equipment Corporation, ("UNION") and approving the form and manner of the sale, and granting to the Debtor such other and further relief as to the Court may seem just and proper. The information contained herein is based upon my review of documents and records furnished by the Debtor.

3. On October 6, 2022 (the "Petition Date"), the Debtor commenced voluntary cases under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in this Court. The Debtor continues to manage its property as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On October 7, 2022, this Court entered an Order pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) consolidating the chapter 11 cases of the Debtor and Ultra Seal Corporation for procedural purposes only and jointly administering said cases.

5. This Court has jurisdiction over this case, and the parties and properties affected hereby, pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of the motion constitutes a core proceeding, as defined in 28 U.S.C. § 157(b)(2)(N).

**APPLICATION TO SELL DEBTOR’S PROPERTY**

6. Prior to the filing of the Chapter 11 petition, UTL was a bulk manufacturer of pharmaceutical products, nutritional supplements and personal care products. In or about October, 2021, UTL ceased production and placed all finished goods inventory into quarantine. Since that time, it has become clear that compliance with the United States Food and Drug Administration (the “FDA”) by UTL is impossible.

7. The liquidation of substantially all of the Debtor’s assets is essential to fund its Chapter 11 Plan.

8. At the time of the filing of the petition, the Debtor owned miscellaneous equipment, furniture, shelving, computers, printers, and other items used in its operations (collectively, the “Assets”). (Annexed hereto is a spreadsheet prepared by UNION of the Debtor’s assets.) Upon information and belief, based upon the expert opinion of John Greenberg of UNION, the Assets have a fair market value in the range of FOUR HUNDRED FIFTY THOUSAND DOLLARS to FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$450,000.00 to \$550,000.00). Due to the variability of the market and the uncertainty of the buyers/bidders at auction, it is difficult to ascertain the exact value of the Assets since the value is dependent upon how much an individual is willing to pay. However, Mr. Greenberg, in his expertise, believes that the Assets, at auction, will attract at least these numbers.

9. Prior to the filing of the Chapter 11 petition, the Debtor pledged its Assets as security for loans from M&T Bank (“M&T”). The total amount due to M&T is approximately \$465,000.00.

10. As such, it is anticipated that there is sufficient equity to be realized from the proceeds of the sale to satisfy the obligations due to M&T and provide a dividend to the Debtor's general unsecured creditors.

11. On January 4, 2023, the Order Approving the Application to Retain UNION, as Auctioneer to the Debtor, was entered by this Court. The Debtor, by this Application, seeks approval to sell its Assets in accordance with the terms and conditions set forth by UNION, at an online auction to be held as soon as practicable, upon approval of this Application by the Court. (Annexed hereto as Exhibit "B" is a copy of UNION's general terms and conditions.)

12. The Debtor believes that an auction of the Assets would realize the best return on the Assets, result in a satisfaction of M&T's claim in full, and provide a surplus to the Debtor which will aid in funding the Debtor's Chapter 11 Plan.

#### **TERMS AND CONDITIONS OF THE SALE**

13. Annexed hereto as Exhibit "B" are the terms and conditions generally implemented by UNION in its auctions. Said terms and conditions will enable the Debtor to conduct its proposed sale in accordance with the requirements of the applicable Bankruptcy Code and Rules and maximize the amount realized for the Debtor's estate and creditor body.

14. Upon approval of the instant Application and entry of the Order by this Court, UNION will schedule the online auction forthwith and the Debtor will file, serve and publish (in the *Times Herald Record*) the Notice of Auction Sale. Said Notice of Sale shall provide all creditors and interested parties with sufficient notice to participate in the auction and advise the parties of the procedures to do so.

#### **NOTICE PROVISION**

15. The Debtor is not seeking reduction in time of the notice period required by Rule 2002. Said rule, at F.R.B.P. 2002(a)(2) requires a twenty-one (21) day notice period for the proposed sale of property of the estate.

**WHEREFORE**, the Debtor requests entry of an Order authorizing it to sell its Assets in accordance with the terms and conditions of UNION and approving the form and manner of the

sale; and for such other and further relief as to the Court may seem just and proper.

Dated: Wappingers Falls, New York  
February 3, 2023

GENOVA, MALIN & TRIER, LLP  
Attorneys for the Debtor

By: /s/ Michelle L. Trier  
MICHELLE L. TRIER (MT1212)  
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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK  
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ULTRA-TAB LABORATORIES, INC.,

**CASE NO.: 22-35630 (CGM)**

Debtors.

**(Jointly Administered)**

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**ORDER PURSUANT TO 11 U.S.C. §§ 363(b) AND  
363(f)(3) (A) AUTHORIZING THE DEBTOR'S SALE OF PROPERTY IN  
ACCORDANCE WITH THE TERMS AND CONDITIONS OF UNION STANDARD  
EQUIPMENT AND (B) APPROVING THE FORM AND MANNER OF THE SALE**

The Debtor, ULTRA-TAB LABORATORIES, INC., having moved this Court by Notice of Motion dated February 3, 2023, for an Order, pursuant to 11 U.S.C. §§ 363(b) and (f)(3), authorizing the Debtor to sell substantially all of its assets in accordance with the terms and conditions of UNION STANDARD EQUIPMENT ("UNION"), as set forth in the Application of the Debtor, dated February 3, 2023, (the "Motion"); and due notice of the Motion having been given to the United States Trustee and all creditors and parties in interest; and after hearing MICHELLE L. TRIER, ESQ., in support of the motion; and upon the record made at the hearing held on March 7, 2023; and due deliberation having been had thereon, it is

**HEREBY FOUND AND DETERMINED**, that:

A. Proper, timely, adequate and sufficient notice of the Motion and the Hearing on the relief requested in the Motion has been provided in accordance with § 102(1) of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure 2002, 6004, 9006 and 9014 upon all creditors and parties in interest, and no other or further notice of the Motion on the Hearing is necessary.

B. A reasonable opportunity to object or be heard regarding the requested relief has been afforded to all interested parties, and all parties who have liens or other interests in the property to be sold.

C. The Debtor has advanced sound business reasons to sell the assets outside of the Plan of Reorganization, and it is a reasonable exercise of the Debtor's business judgment, to sell all of the Debtor's right, title and interest in the assets defined in the Debtor's Application (the

“Assets”), dated February 3, 2023, at a auction upon the terms and conditions of UNION.

D. The Debtor has the authority to sell its property, and transfer the assets at an auction to be conducted by UNION, pursuant to the terms and conditions thereof.

E. The total approximate consideration to be realized by the Debtor's estate pursuant to the auction is fair and reasonable, and the auction contemplated is in the best interests of the Debtor's estate.

**IT IS THEREFORE ORDERED**, that:

1. The Motion is hereby approved in all respects.
2. Pursuant to §§ 102 and 363 of the Bankruptcy Code, and Federal Rules of Bankruptcy Procedure 2002, 6004, 9006 and 9014, the Debtor is hereby authorized to sell substantially all of its assets, as set forth in Exhibit “A” annexed to the Motion, (the “Assets”) and transfer the Assets to the buyers at auction upon the terms and subject to the conditions set forth in this Order.
3. The Assets are hereby authorized to and shall be sold at auction pursuant to §§363(b) and 363(f)(3) of the Bankruptcy Code, free and clear of any all claims, liens and encumbrances, with any claim, liens, and encumbrances attaching to the net proceeds, which shall be paid and delivered in accordance with the terms of the Debtor’s Application.
4. All persons and entities holding liens or other interests in the property being sold be and hereby are barred from asserting such liens or claims against any Purchaser, its successors or assigns, or the property being sold.
5. This Order shall be binding upon, and shall inure to the benefit of the Debtor and its estate, and to any Purchaser, and to their respective assigns, including, without limitation, any trustee hereinafter appointed for the Debtor's estate under Chapter 11 or 7 of the Bankruptcy Code.
6. After auction of said Assets, UNION is hereby authorized to pay ordinary costs of sale, including the auction house fees. The remaining proceeds of sale shall be held by UNION in escrow pending the filing of the Report of Sale with this Court and the Debtor’s subsequent

proposed Notice of Distribution of Proceeds. UNION's commission from the auction shall be paid upon application and approval by this Court pursuant to 11 U.S.C. §330.