

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re)	Chapter 7
)	Case No. 00-37405
OUTBOARD MARINE CORPORATION,)	(Substantively Consolidated)
et al.,)	
)	Hon. John H. Squires
Debtors.)	

**TRUSTEE’S NOTICE OF OPPORTUNITY TO
PURCHASE OUTBOARD MARINE CORPORATION’S
REMANING CLAIM AGAINST OMC OUTBOARD MARINE FRANCE**

PLEASE TAKE NOTICE that Alex D. Moglia (the “Trustee”), Chapter 7 Trustee for Outboard Marine Corporation (“OMC”) and its substantively consolidated debtor entities, is now seeking bids for the assignment, pursuant to Article 1960 of the French Civil Code and applicable provisions of the United States Bankruptcy Code, of OMC’s remaining claim against OMC Outboard Marine France (“OMC France”) in the maximum face amount of EUR 4,847,340.91 (the “Remaining Claim”), along with any and all rights of OMC to receive payment from Mr. Pierre Garnier (the “Liquidator”), acting in his capacity as Liquidator of OMC France, pursuant to that certain Settlement Agreement by and among OMC, OMC France and the Liquidator (the “Settlement Agreement”).

This Notice has been prepared for informational purposes only, and upon the express understanding that it will be used only to provide a prospective buyer with preliminary information regarding the Remaining Claim. While the Trustee believes the information contained herein is accurate, he expressly disclaims any and all liability for any expressed or implied representation or warranties contained herein, and for any omissions from this Notice and any other written or oral communications transmitted or made available to a prospective recipient of information. It is solely the burden of the recipient of this Notice to perform its own due diligence regarding any purchase of the Remaining Claim.

BACKGROUND

OMC France is a wholly-owned subsidiary of OMC. OMC France was declared in judicial liquidation pursuant to a judgment rendered by the Cannes Commercial Court on March 22, 2001. Mr. Garnier is the duly appointed judicial liquidator of OMC France. On December 22, 2000, OMC filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the “US Bankruptcy Code”). On August 20, 2001, OMC’s bankruptcy case was converted to a case under Chapter 7 of the US Bankruptcy Code and soon thereafter the Trustee was duly appointed.

On August 11, 2001, OMC filed its claim against OMC France for the amount of FRF 53,617,308.00 in principal, which has corresponding value of EUR 8,173,905.91 (the “Claim”), for the sale of boats under the “Chris Craft”, “Seaswirl”, and “Four Winns” trademarks. By a decision dated December 18, 2006, the bankruptcy judge of the Cannes Commercial Court pronounced the admission for the whole amount of the Claim. OMC France appealed that decision, and the parties thereafter agreed to a settlement, which is set forth in the Settlement Agreement.

Pursuant to the Settlement Agreement, OMC is entitled to receive a distribution in the amount of the available assets on the day of closing of OMC France’s judicial liquidation procedure (the “Closing

Date”), subject to the parties’ mutual understanding that OMC is not entitled to a distribution in excess of the Remaining Claim and the only payments from OMC France’s assets that may occur between the date of the Settlement Agreement and the Closing Date are those concerning (i) contingent claims born regularly after the opening judgment of the judicial liquidation in accordance with former Article L.621-32 of the French Commercial Code, incurred exclusively to the benefit of the judicial liquidation of OMC France; (ii) the Liquidator’s fees for an amount that will be definitively fixed and evaluated at the Closing Date; (iii) the amount of EUR 719,549.07 corresponding to the unsecured claims admitted as OMC France’s liabilities that remained to be paid on the date of the Settlement Agreement, and which have since been paid in full; and (iv) three disputed claims filed by Mr. Sorabella, Cetelem and Rimpex, to the extent such claims are admitted with OMC France’s liabilities pursuant to a final and binding judiciary decision (the “Disputed Claims”).

As of July 11, 2011, the Liquidator reported that the amount of OMC France’s total remaining assets equaled EUR 2,454,395.85 and, excluding the Disputed Claims, OMC France’s remaining liabilities were approximately EUR 397,567.27 for value added taxes (VAT) and EUR 75,000.00 for the Liquidator’s fees. With respect to the Disputed Claims, the Liquidator reported that the reserve amount for the Disputed Claims equaled EUR 1,571,458.23, but such amount does not reflect the result of judicial decisions that are currently on appeal and more fully described below. Based on the Liquidator’s reported assets and liabilities of OMC France as of July 11, 2011, including the full amount of the Disputed Claims, OMC is currently expected to receive on account of the Remaining Claim the approximate amount of EUR 410,000.00 (the “Minimum Estimated Recovery”) on the Closing Date.

Sorabella/Cetelem Disputed Claims

OMC France sold a boat marked as “Chris Craft” (the “Boat”) to Cetelem (the “Sale Agreement”). Cetelem rented the Boat to Mr. Sorabella pursuant to a leasing agreement (the “Leasing Agreement”). In October 1998, the Boat sank in the Carqueiranne port. Due to the judicial liquidation of OMC France, Cetelem filed its proof of claim against OMC France in the amount of EUR 143,205.72 relating to the price paid for the Boat. Mr. Sorabella filed its proof of claim against OMC France in the amount of EUR 1,301,120.50 on the ground of alleged suffered damage due to the sinking of the Boat.

On June 8, 2005, the Toulon Commercial Court (i) acknowledged the annulment of the Purchase Agreement due to latent defects; (ii) acknowledged the termination of the Leasing Agreement; (iii) ordered Cetelem to pay EUR 9,924.42 to Mr. Sorabella in reimbursement of unduly paid rents; (iv) acknowledged Cetelem’s claim against OMC France in the amount of EUR 143,205.72 plus EUR 15,000; (v) ordered Mr. Sorabella to return the Boat to OMC France; (vi) acknowledged Mr. Sorabella’s claim against OMC France in the amount of EUR 5,000 for procedural fees (the “2005 Judgment”).

Mr. Sorabella filed an appeal against the 2005 Judgment before the Aix-en-Provence Court of Appeals (the “Court of Appeals”). On February 17, 2011, after various proceedings before the Court of Appeals and the French Supreme Court, the Court of Appeals rendered a judgment (the “2011 Judgment”):

- (i) rejecting Mr. Sorabella’s claim against OMC France in the amount of EUR 1,301,120.50;
- (ii) acknowledging the annulment of the Sale Agreement;
- (iii) acknowledging Cetelem’s claim against OMC France in the amount of EUR 143,205.72; and
- (iv) acknowledging Mr. Sorabella’s claim against OMC France in the amount of EUR 5,000.00 for procedural fees and expertise fees.

The 2011 Judgment also included other decisions that are not directly relevant to OMC's right to a distribution from OMC France on account of the Remaining Claim. Although the French Supreme Court had previously rejected Mr. Sorabella's petition from an earlier judgment of the Court of Appeals, Mr. Sorabella filed a petition before the French Supreme Court against the 2011 Judgment. As the procedure before the French Supreme Court lasts usually about one year, no judgment is expected before beginning of 2012.

Rimpex Disputed Claim

Rimpex filed a claim against OMC France in the amount of EUR 127,000.00 (the "Rimpex Claim"). Rimpex is an Italian company that is in liquidation in Italy. Despite numerous attempts of the Liquidator to contact the trustee of Rimpex regarding the Rimpex Claim, his efforts have gone unanswered over the years. The Liquidator is accordingly in the process of making one final effort to contact the Italian bankruptcy authorities in writing to formally oppose the Rimpex Claim. The Liquidator does not anticipate that he will receive any response. If after a reasonable amount of time the Italian authorities do not respond to the Liquidator's opposition, the Liquidator will ask the French bankruptcy judge to definitively dismiss the Rimpex Claim.

In addition to the Minimum Estimated Recovery, the Liquidator is also required to provisionally pay to OMC, within eight days after any final and binding judiciary decision dismissing any Disputed Claim, the amount corresponding to the amount of the dismissed Disputed Claim. Thus, with respect to the Rimpex Claim, the Liquidator would pay to OMC the sum of EUR 127,000.00 soon after the dismissal of such claim.

Based on the Liquidator's reported assets and liabilities of OMC France as of July 11, 2011, and assuming the Rimpex claim is dismissed and the judiciary decisions regarding the Disputed Claims of Mr. Sorabella and Cetelem are upheld on appeal, OMC is currently expected to receive on account of the Remaining Claim the approximate amount of EUR 1,824,000.00 on the Closing Date, if not sooner.

BIDDING AND ADDITIONAL INFORMATION

Any party that is interested in submitting a bid to purchase the Remaining Claim may obtain copies of the Settlement Agreement and other information regarding the Remaining Claim by telephonic or e-mail request to the Trustee or one of the Trustee's attorneys as follows:

Trustee:

Alex D. Moglia
Moglia Advisors
1325 Remington Road, Suite H
Schaumburg, Illinois 60173
Email: amoglia@mogliaadvisors.com
Telephone: 847-884-8282

Counsel in the United States:

Mark L. Radtke, Esq.
Shaw Gussis Fishman Glantz
Wolfson & Towbin LLC
321 N. Clark St., Suite 800
Chicago, Illinois 60654
Email: mradtke@shawgussis.com
Telephone: 312-276-1325

Counsel in Europe:

Nathalie Morel
Avocat à la Cour
Mayer Brown
20, avenue Hoche
75008 Paris, France
Email: nmorel@mayerbrown.com
Telephone: 33 (0)1 53 53 43 43

On or before March 30, 2012, or such other time established by the Trustee in his sole discretion, an offer for the purchase and assignment of the Remaining Claim must be delivered in writing to the Trustee, with a copy to each of his above-referenced attorneys. The Trustee reserves the right to reject any or all offers, for any reason or no reason; negotiate with one or more prospective purchasers at any time; enter into a definitive agreement for a sale and assignment of the Remaining Claim without prior notice to other prospective purchasers or potential purchasers, subject only to approval of the bankruptcy court; extend any time periods for negotiations contemplated; and terminate negotiations at any time for any reason or no reason.