



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

In re:

BLUEFLY HOLDINGS, INC.,
a Delaware corporation,

BLUEFLY, INC., a Delaware
corporation,

Assignors,

To:

DSI ASSIGNMENTS, LLC,
A Delaware LLC acting solely in its
capacity as Assignee for the Benefit of
Creditors

Assignee.

C.A. NO. 2017-0041-AGB

**ORDER APPROVING THE SALE AND PURCHASE
AGREEMENT WITH THE BUYER**

Upon consideration of the Motion (the “**Motion**”)¹ of DSI Assignments, LLC, in its sole and limited capacity as the assignee for the benefit of creditors (in such capacity, and together with any successor or replacement assignee, “**Assignee**”) of Bluefly Holdings, Inc. and Bluefly, Inc. (the “**Assignors**”) for an order approving the sale of the Assets to Total Fashion, Inc. (the “**Buyer**”); and the Court having reviewed the Motion; and the Court having determined that (i) it has

¹ Capitalized terms that are not defined in this Order shall have the meanings ascribed to them in the Motion.

jurisdiction over the above-captioned matter and the Motion pursuant to 10 Del. C. § 7381, (ii) adequate and proper service of the Motion was made, and (iii) there is just cause for the relief requested in the Motion and the relief requested is in the best interest of Assignors, their creditors, and other parties-in-interest; and all objections to entry of this Order having been withdrawn or overruled on the merits; and the Court having determined, based upon any arguments of counsel and evidence presented in connection with the Motion, including any evidence offered in the form of affidavit or proffer, which without objection the Court accepts as if it were adduced by testimony, and the record before the Court of which the Court may take notice, that there is just cause for the relief granted herein, accordingly, it is hereby ORDERED that: ²

1. The Motion is granted.
2. The Assignee is authorized to enter into the Agreement.
3. The Agreement, attached as Exhibit A is approved in its entirety and shall become effective and binding in accordance with the terms of the Agreement immediately upon entry of this Order.³

² All findings of fact and conclusions of law made in connection with the Court's consideration of the Motion are incorporated herein by reference. Findings of fact that constitute conclusions of law shall be considered as such and vice versa.

³ To the extent that any terms of this Order may conflict with the Motion or the Agreement, this Order shall control.

4. The Assets were property of the Assignors and were assigned to Assignee pursuant to the Assignment Agreement.

5. Only the Assumed Liabilities in the Agreement shall transfer to the Buyer.

6. Assignee has articulated reasonable business judgment and demonstrated good faith for seeking approval of the Agreement. The consideration provided by the Buyer constitutes reasonably equivalent value, fair consideration, and fair value. Consummation of the Agreement will result in the maximization of the value of the Assignors' Estate. Approval of the Agreement is in the best interests of the Assignors, the Assignors' creditors, and all parties-in-interest.

7. The Buyer has acted in good faith in connection with the Agreement and is a good faith purchaser for value and entitled to all protections thereof. The negotiations between the Buyer and Assignee over the Agreement were at arms' length and in good faith.

8. The Agreement, and the transactions contemplated thereby, are approved in full. The Assignee is authorized to and shall sell, assign, transfer, and deliver to the Buyer, and the Buyer shall purchase, acquire, and take assignment and delivery, of the Assets in accordance with the Agreement and this Order. The Assignee is authorized and directed to comply with and perform the Agreement together with any and all additional actions, instruments, and documents that may

be reasonably necessary or desirable to implement and effectuate the Agreement and this Order, and to take all further actions as may reasonably be requested by the Buyer for the purpose of consummating the sale, without any further corporate action or orders of this Court.

9. All persons or entities, presently or on or after the closing date for the sale, in possession of the Assets are directed to surrender possession of such Assets to the Buyer on the closing date or at such time thereafter as the Buyer may request.

10. This Order and the Agreement shall be enforceable against and binding upon the Assignee, the Assignors, the Assignors' creditors and other parties-in-interest, the Buyer, and the parties' respective successors and assigns, including, but not limited to, any other person or entity on behalf of the Assignors. The provisions of this Order shall inure to the benefit of each of the parties and their respective permitted successors and assigns, including, but not limited to, any other person or entity on behalf of the Assignors.

11. The provisions of this Order are non-severable and mutually dependent. The Agreement may be modified, amended or supplemented by the parties thereto in accordance with the terms thereof without further order of the Court, provided that any such modification, amendment or supplement is not material.

12. This Order shall be effective immediately upon entry. The Court shall retain jurisdiction to enforce the Agreement and this Order, to determine any disputes arising therefrom or otherwise relating to the treatment of the Assets in the Agreement and this Order, and to protect the Buyer or the Assets from and against any Liens, Claims, Encumbrances and other interests.

Dated: _____, 2017

Chancellor