

1 SANDRA W. LAVIGNA (CA State Bar No. 117965)  
2 JASMINE M. STARR (CA State Bar No. 259473)

3 Attorneys for:  
4 U. S. SECURITIES & EXCHANGE COMMISSION  
5 Michele Wein Layne, Regional Director  
6 444 South Flower Street, Suite 900  
7 Los Angeles, California 90071  
8 Telephone: (323) 965-3998  
9 Facsimile: (213) 443-1904  
10 E-mail: [lavignas@sec.gov](mailto:lavignas@sec.gov)  
11 E-mail: [starrja@sec.gov](mailto:starrja@sec.gov)

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**UNITED STATES BANKRUPTCY COURT**  
**DISTRICT OF ARIZONA**

12 In re:

13 SKYMALL, LLC,

14 Debtor.

15 Jointly Administered with:

16 XHIBIT CORP.,  
17 XHIBIT INTERACTIVE, LLC,  
18 FLYREPLY CORP.,  
19 SHC PARENT CORP.,  
20 SPYFIRE INTERACTIVE, LLC,  
21 STACKED DIGITAL, LLC, and  
22 SKYMALL INTEREST, LLC.

In Proceedings Under Chapter 11

Case No.: 2: 15-bk-00679-BKM

Chapter 11

Jointly Administered with Case Nos.

2: 15-bk-00680-BKM  
2: 15-bk-00682-BKM  
2: 15-bk-00684-BKM  
2: 15-bk-00685-BKM  
2: 15-bk-00686-BKM  
2: 15-bk-00687-BKM  
2: 15-bk-00688-BKM

**U.S. SECURITIES AND EXCHANGE  
COMMISSION'S LIMITED OBJECTION  
TO SALE OF ASSETS**

22 This pleading applies to:

23  All Debtors

24  Specified Debtors

DATE: March 27, 2015  
TIME: 10:00 a.m.

1 The U. S. Securities and Exchange Commission (“Commission”), objects to the sale of  
2 assets as described in the Motion for Orders (I) Authorizing Bidding Procedures and Auction,  
3 (II) Scheduling Sale Hearing and Approving Notice Thereof, (III) Authorizing Sale of Assets,  
4 and (IV) Granting Related Relief (“Sale Motion,” Docket No. 22) and the Amended Stipulated  
5 Order Establishing Bidding Procedures for Auction Sale, Scheduling Hearing on Sale Motion,  
6 and Granting Related Relief (“Amended Stipulation,” Docket No. 131) on the grounds and to the  
7 extent that certain items to be sold are subject to an outstanding subpoena issued by the  
8 Commission and, alternatively, that the moving papers do not identify with the necessary  
9 specificity what is proposed to be sold. In fact, only *categories* of items to be sold are mentioned  
10 in the Sale Motion; no detailed list has been provided.

11 The Commission has issued an investigative subpoena to Xhibit Corp. (“Xhibit”)  
12 requiring it to produce documents and records of Xhibit and its affiliates and subsidiaries  
13 (including SkyMall LLC) in connection with the Commission’s non-public investigation *In the*  
14 *Matter of Xhibit Corp.* (Internal File No. LA-4416). Through its counsel, Xhibit has indicated  
15 that it will comply with the subpoena, but that its production of responsive documents may not  
16 be completed prior to the Sale. Accordingly, the Commission objects to the Sale to the extent  
17 that the Debtors seek to sell any items, such as files, computers, or other materials, that contain  
18 documents or records that are subject to the Commission’s subpoena.

19 In the alternative, the Commission objects to the Sale on the basis that the moving papers  
20 do not sufficiently identify what is being sold, such that the Commission cannot determine if  
21 responsive records are being preserved. Although SkyMall LLC, whose assets are the subject of  
22 the Sale Motion, has filed its Schedules of Assets and Liabilities, the Schedules are so heavily  
23 qualified by the Global Notes and Statement of Limitations, Methods and Disclaimer that  
24 precedes SkyMall LLC’s Schedules that it is plain that the Schedules may not be accurate, and  
25 that the signatory, Scott Wiley, is not vouching for their validity. For example, “Mr. Wiley has  
26 not (nor could have) personally verified the accuracy of each such statement and representation;”  
27 “the Debtors are unable to warrant or represent that the Schedules and Statements are without  
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1 inadvertent errors, omissions, or inaccuracies, some of which may be material;" "the Debtors . . .  
2 may have incorrectly characterized, classified, categorized, or designated certain items." Docket  
3 No. 117, pp. 2-3.

4 Therefore, the Commission objects to the Sale unless and until the subpoenaed items are  
5 turned over to the Commission, or the Debtors have made assurances acceptable to the  
6 Commission that the records are being preserved.

7  
8 Dated: March 3, 2015

Respectfully submitted,

9  
10 /s/ Sandra W. Lavigna  
11 Sandra W. Lavigna  
12 Senior Bankruptcy Counsel  
13 U.S. SECURITIES AND EXCHANGE  
14 COMMISSION  
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1 **PROOF OF SERVICE OF DOCUMENT**

2 I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business  
3 address is: 444 South Flower Street, Suite 900, Los Angeles, CA 90071-9591.

4 A true and correct copy of the foregoing document entitled (*specify*): **U.S. SECURITIES AND**  
5 **EXCHANGE COMMISSION'S LIMITED OBJECTION TO SALE OF ASSETS** will be served  
6 or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and  
(b) in the manner stated below:

7 **1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):**  
8 Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court  
9 via NEF and hyperlink to the document. On March 3, 2015, the attorney of record checked the  
10 CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following  
persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses  
stated below:

11  Service information continued on attached page

12 **2. TO BE SERVED BY UNITED STATES MAIL:** On March 3, 2015, I served the following  
13 persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by  
14 placing a true and correct copy thereof in a sealed envelope in the United States mail, first class,  
postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that  
mailing to the judge will be completed no later than 24 hours after the document is filed.

15  Service information continued on attached page

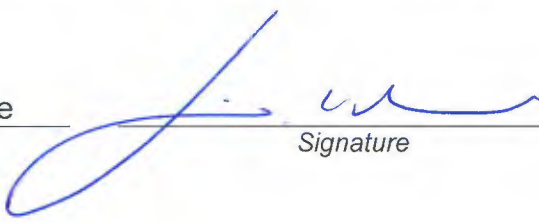
17 **3. SERVED BY OVERNIGHT DELIVERY:** Pursuant to F.R.Civ.P. 5 and/or controlling LBR,  
18 on March 3, 2015, I served the following persons and/or entities by personal delivery, overnight mail  
19 service, or (for those who consented in writing to such service method), by facsimile transmission  
and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or  
20 overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

21 HONORABLE BRENDA K. MARTIN  
22 US Bankruptcy Court, District of Arizona  
23 230 North 1st Avenue, Courtroom 701  
Phoenix, AZ 85003

24 I declare under penalty of perjury under the laws of the United States that the foregoing is true and  
25 correct.

26 March 3, 2015  
27 *Date*

Louie M. Adame  
27 *Printed Name*

  
28 *Signature*

## Mailing Information for Case 2:15-bk-00679-BKM

### Electronic Mail Notice List

The following is the list of **parties** who are currently on the list to receive email notice/service for this case.

- **JASON D. CURRY** jason.curry@quarles.com, sybil.aytch@quarles.com
- **S. CARY FORRESTER** scf@forresterandworth.com, mdb@forresterandworth.com
- **JONATHAN B. FRUTKIN** jfrutkin@frutkinlaw.com, hennessey@frutkinlaw.com;traffic@frutkinlaw.com;millier@frutkinlaw.com
- **STEVEN A. GINTHER** azecf@dor.mo.gov
- **JOHN A. HARRIS** john.harris@quarles.com, sybil.aytch@quarles.com;kelly.webster@quarles.com
- **CHRISTOPHER L. HERING** chering@gblaw.com
- **STEVEN D. JEROME** sjerome@swlaw.com, docket@swlaw.com;mminnick@swlaw.com
- **CAROLYN J. JOHNSEN** cjjohnsen@dickinsonwright.com, landrisani@dickinsonwright.com
- **SANDRA W. LAVIGNA** lavignas@sec.gov
- **TAMALYN E. LEWIS** tel@eblawyers.com, kac@eblawyers.com
- **M. REED MERCADO** rmercado@sheppardmullin.com
- **JOANNA F NEWDECK** jnewdeck@akingump.com
- **ERIC S. PEZOLD** epezold@swlaw.com, docket@swlaw.com
- **WESLEY DENTON RAY** wray@polsinelli.com, PhoenixBankruptcyECF@Polsinelli.com
- **STEPHEN SMITH ROACH** stephen.roach@troutmansanders.com, harris.winsberg@troutmansanders.com
- **THOMAS J. SALERNO** tsalerno@gordonsilver.com, PHXBKnotices@gordonsilver.com;pbaker@gordonsilver.com
- **DEAN C WALDT** waltd@ballardspahr.com, hessm@ballardspahr.com;PHXDocketingbkr@ballardspahr.com
- **KIMBERLY A. WALSH** bk-kwalsh@texasattorneygeneral.gov, sherri.simpson@texasattorneygeneral.gov
- **LARRY L. WATSON** larry.watson@usdoj.gov
- **LORI L. WINKELMAN** lori.winkelman@quarles.com, sybil.aytch@quarles.com
- **STEVEN R. WIRTH** steven.wirth@akerman.com

### Manual Notice List

The following is the list of **parties** who are **not** on the list to receive email notice/service for this case (who therefore require manual noticing/service). You may wish to use your mouse to select and copy this list into your word processing program in order to create notices or labels for these recipients.

**American Express Travel Related Services Co Inc**  
c/o Becket and Lee LLP  
POB 3001  
Malvern, PA 19355-0701

**American Express Travel Related Services Company Inc**  
c/o Becket and Lee LLP  
POB 3001

Malvern, PA 19355-0701

**Argo Partners**

12 W 37th Street, 9th Floor  
New York, NY 10018

**Arizona Public Service Company**

c/o Law Office of James Kneller  
4800 N. Scottsdale Rd., #2900  
Scottsdale, AZ 85251

**DAVID A CORBIN**

,

**DAVID F GUILLOT**

53 CENTER STREET  
GENESEO, NY 14454

**CHAD ROBERSON HONNE II, LP**

375 PARK AVENUE  
SUITE 2607  
NEW YORK, NY 10152

**COLTON KNITTIG**

HOLTON PRODUCTS LLC dba GRILLIGHT  
5509 SOUTH 93RD CIRCLE  
FORT SMITH, AR 72903

**Massachusetts Department of Revenue**

P.O. Box 9564  
Boston, MA 02114

**CHAIM PIEKARSKI**

C & A MARKETING INC  
2 BERGEN TURNPIKE  
RIDGEFIELD PARK, NJ 07660

**STEVEN REICHER**

3665 N DANA DRIVE  
LAPORTE, ID 46350

**PAUL M. WEISER**

BUCHALTER NEMER  
16435 North Scottsdale Road, Suite 440  
Scottsdale, AZ 85254

**GENE WOODLE**

STRIDER SPORTS INTERNATIONAL INC

2221 N PLAZA DRIVE  
RAPID CITY, SD 57702

### Creditor List

Click the link above to produce a complete list of **creditors** only.

### List of Creditors

Click on the link above to produce a list of **all** creditors and **all** parties in the case. User may sort in columns or raw data format.