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November 3, 2005

VIA MESSENGER

Honorable Ronald E. Bookbinder
Burlington County Superior Court
49 Rancocas Road
Mount Holly, New Jersey 08060

Re: Fleer/Collectible, LLC – Assignment for the Benefit of Creditors


Your Honor:

Enclosed please find a courtesy copy of Major League Baseball Properties, Inc.'s Objection to the Assignees' First Verified Omnibus Exceptions To Claims of Creditors, which was filed with the court today.

A copy of the Objection is being served on Warren J. Martin Jr., Esq., via New Jersey Lawyer Service and via e-mail.

Thank you.

Respectfully submitted,
PELLETTIERI, RABSTEIN AND ALTMAN


Neal S. Solomon, Esq.

NSS:jg
Enclosure

cc: Surrogate's Office (via messenger)
Warren J. Martin, Jr. (via New Jersey Lawyer's Service and via e-mail)
All parties on the service list (via regular mail)

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NOV 3 2005

Attorneys for Major League Baseball Properties, Inc.

In the Matter of the General Assignment
for the Benefit of Creditors of
FLEER/SKYBOX INTERNATIONAL LP

Assignor,

to

WARREN J. MARTIN JR.,

Assignee.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION
PROBATE PART
BURLINGTON COUNTY

DOCKET NO: P-2005-1394

**OBJECTION OF MAJOR LEAGUE BASEBALL PROPERTIES, INC.
TO ASSIGNEE'S FIRST VERIFIED OMNIBUS EXCEPTIONS TO CLAIMS OF
CREDITORS**

Major League Baseball Properties, Inc. ("MLBP") hereby submits this Objection to the Assignees' First Verified Omnibus Exceptions To Claims of Creditors. In support of this objection, MLBP states as follows:

PRELIMINARY STATEMENT

On or about September 1, 2005, MLBP filed a Proof of Claim form in the sum of \$2,609,941.35 with supporting documentation appended thereto. No part of the debt has been paid and there are no offsets.

The Assignee filed an objection pursuant to *N.J.S.A. 2A: 19-29* to the claim of, among others, MLB. The Assignee's request, as to MLB, should be denied, and this court should declare that MLB is properly owed \$2,609,941.35.

BACKGROUND

1. Fleer and MLB entered into the MLB Licenses (copies of which have been provided to the Court previously) granting Fleer a non-exclusive license to use certain identified Major League Baseball Marks.

2. On May 24, 2005, pursuant to the terms of the MLB Licenses, MLB terminated Fleer's license agreements. *See* termination letter dated May 24, 2005 (a copy of which has been provided to the Court previously); *see also* MLB Licenses at ¶¶ 16(B)(i), 16(B)(ii).

3. On or about September 1, 2005, MLB filed a Proof of Claim in the sum of \$2,609,941.35 with supporting documentation appended thereto.

4. On October 25, 2005, in the Assignee's First Verified Omnibus Exceptions To Claims of Creditors, the Assignee asks this Court to expunge part of MLB's Claim from Fleer/Skybox's claims register for lack of verification or documentation.

DISCUSSION

In the Assignee's Notice of Exceptions, he asserts that MLB is only owed \$479,560.22 according to the accounts payable records of Fleer, and that "the remainder of the royalties claimed are for a period post-termination of contract." The Assignee does not claim that part of the debt has been paid or that there are offsets owed. The Assignee bases this conclusion on a review of the accounts receivable – alone. This analysis fails to address the guaranteed payments provided for in the License Agreement.

Pursuant to Paragraph 16(C) of the contracts at issue, all future monies due under the contracts are accelerated and become due immediately. The pertinent language of the contracts is as follows:

... In the event of any of these defaults occurs and Licensor desires to exercise its rights of termination under the terms of Paragraph 16, Licensor shall give notice of termination in writing to Licensee. Any and all payments then or later due from Licensee hereunder (including Advance Compensation) shall then become promptly due and payable in full to Licensor and without off set of any kind ...

Fleer agreed to these terms by signing the contracts and/or by performing pursuant to the terms thereof.

Finally, MLBP's Claims under the Fleer/Skybox International include, but are not limited to, Die-Cast Advances. This claim, in the amount of \$71,089.68, may actually be a claim against Fleer Collectibles, LLC, and not Fleer/Skybox. Based on the papers submitted by the Assignee, creditors for Fleer Collectibles, LLC are receiving 100 cents on the dollar for their claims. Accordingly, MLBP may be entitled to receive 100% of this claim from Fleer Collectibles, LLC.

CONCLUSION

For the foregoing reasons, the Assignee's request to expunge part of MLBP's Claim from Fleeer's claim register should be denied, and this Court should declare that MLBP is properly owed \$2,609,941.35.

Respectfully submitted,

PELETTIERI, RABSTEIN AND ALTMAN



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**Attorneys for Major League Baseball Properties,
Inc.**

Dated: November 3, 2005

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Attorneys for Major League Baseball Properties, Inc.

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the Benefit of Creditors of
FLEER/SKYBOX INTERNATIONAL LP

Assignor,

to

WARREN J. MARTIN JR.,

Assignee.

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, PROBATE
PART, BURLINGTON COUNTY

DOCKET NO: P-2005-1394

ORDER DENYING ASSIGNEE'S
REQUEST TO EXPUNGE THE CLAIM
OF MAJOR LEAGUE BASEBALL
PROPERTIES, INC.

This matter having been opened to the Court upon the Assignee's First Verified Omnibus Exceptions to Claims of Creditors, and the Court having reviewed the pleadings submitted in support of the Exception, and the Court having further reviewed Major League Baseball's Objection and Proof of Claim with supporting documentation, and the Court having found that good and sufficient notice has been give to all appropriate parties, and the Court having further found that Major League Properties, Inc. has sufficiently documented its Claim, and for good causes shown;

It is on the _____ day of _____, 2005, Ordered that:

1. The Assignee's request to expunge part of Major League Baseball's Claim from Fleer/Skybox's claims register is denied.
2. Major League Baseball Properties, Inc., has properly stated a Claim in the amount of \$2,609,941.35.

3. Major League Baseball Properties, Inc., shall receive its pro rata share of any distribution to creditors to be made by the Fleer Collectible estate based on its claim amount of \$71,089.68.

4. The Assignee is authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this order.

5. A copy of this Order shall be served on all parties within seven days of receipt of this Order.

Ronald E. Bookbinder, J.S.C.

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Attorneys for Major League Baseball Properties, Inc.

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SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, PROBATE
PART, BURLINGTON COUNTY

DOCKET NO: P-2005-1394

CERTIFICATION OF SERVICE

April Bogucki of full age, hereby certifies as follows:

1. I am a paralegal with the law firm of Pellettieri, Rabstein and Altman, counsel for plaintiffs in the above captioned matter.
2. On this day, I forwarded for filing, via messenger, an original and two copies of Major League Baseball's Objection to Assignee's First Verified Omnibus Exceptions To Claims of Creditors to the Surrogate's Office, Burlington County Superior Court, Chancery Division, 49 Rancocas Road, Mt. Holly, New Jersey, 08060.
3. On this day, I sent, via New Jersey Lawyers Service, Major League Baseball's Objection to Assignee's First Verified Omnibus Exceptions To Claims of Creditors to Warren J. Martin, Jr., Assignee for the Benefit of Creditors of Fleer/Skybox International LP and Fleer

Collectible, LLC, Porzio, Bromberg, and Newman, 100 Southgate Parkway, P.O. Box 1997, Morristown, New Jersey 07962-1997.

4. On this day, I also sent, via e-mail, Major League Baseball's Objection to Assignee's First Verified Omnibus Exceptions To Claims of Creditors to Warren J. Martin, Jr., at WJMartin@pbnlaw.com.

5. On this day, I also served, via regular mail, a copy of the foregoing Objection to the following:

ALL PARTIES ON THE ATTACHED SERVICE LIST

6. I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: November 3, 2005


APRIL BOGUCKI