

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

DELTA FINANCIAL CORPORATION, et al.,¹

Debtors.

Chapter 11

Case No. 07-11880 (CSS)

(Jointly Administered)

Re: D.I. 499

**ORDER (A) APPROVING THE SALE OF CERTAIN ASSETS,
(B) APPROVING THE ASSUMPTION AND ASSIGNMENT OF
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN
CONNECTION THEREWITH AND (C) GRANTING RELATED RELIEF**

This matter coming before the Court on the Motion of the Debtors and Debtors in Possession Pursuant to Sections 105(a), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9014 for an Order (A) Authorizing the Sale (the "Sale") of Certain Assets (the "Assets") free and clear of Liens, Claims, Encumbrances, and Other Interests, (B) Authorizing and Approving Sale Agreement (the "Sale Agreement") and (C) Granting Related Relief (the "Motion"); the Court finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. sections 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. section 157(b)(2), and (c) notice of this Motion having been provided to, inter alia, the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee"), counsel to the Official Committee of General Unsecured Creditors (the "Committee"), all non-debtor counterparties to executory contracts and unexpired leases proposed to be assumed and assigned by the Debtors, and all parties who have timely filed requests for notice under Bankruptcy Rule 2002; the Committee, together with its financial advisors, having conducted due diligence with

¹ The Debtors are: Delta Financial Corporation; Delta Funding Corporation; Renaissance Mortgage Acceptance Corp. and Renaissance REIT Investment Corp.

respect to the Sale; the Committee having recommended the Sale to the Debtor; the Debtors having informed the Court that prior to the making of the Motion that the Assets were sufficiently marketed to potential purchasers, however no material interests in the Asset ensued, but for the bid of the Purchaser (as that term is defined in the Motion); the Debtors, after consultation with the Committee, having decided in their business judgment to sell the Assets pursuant to the Motion and the Sale Agreement (as that term is defined in the Motion); the Motion having been filed on August 25, 2008 and served upon the parties referenced therein; pursuant to the Motion, the Sale having been subject to higher and better offers, if any, to be received by the Debtors and Committee on or before September 10, 2008; no such higher and better offers having been received; the Sale Agreement having provided for total cash consideration to the Debtors' estates of approximately \$65,000.00, plus the assumption of any cure costs associated with the assumption and assignment of any executory contracts or licenses which Purchaser elected to assume, as set forth in the Sale Agreement; a hearing having been held before this Court on September 15, 2008 (the "Hearing") to consider approval of the sale of the Assets to Purchaser pursuant to the terms and conditions of the Sale Agreement; the Court having reviewed the Motion and there having been no objections thereto, and having heard the statements in support of the relief requested therein at the Hearing; and it appearing that entry of this Order is in the best interests of the Debtors, their estates, and all parties in interest; and upon the Motion and the record of the Hearing and all other proceedings had before the Court; it appearing that good and sufficient cause exists; and after due deliberation and good cause appearing therefor,

IT IS HEREBY FOUND THAT:

A. The findings and conclusions set forth herein constitute the Court's findings of

fact and conclusions of law pursuant to Fed. R. Bankr. P. 7052, made applicable to this proceeding pursuant to Fed. R. Bankr. P. 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. The Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. sections 157 and 1334, and this matter is a core proceeding pursuant to 28 U.S.C. section 157(b)(2). Venue of these chapter 11 cases and the Motion in this district is proper pursuant to 28 U.S.C. sections 1408 and 1409.

C. The statutory predicates for the relief sought in the Motion are sections 105(a), 363 and 365 of the Bankruptcy Code. In addition, the relief requested in the Motion is appropriate under Bankruptcy Rules 2002, 6004, 6006 and 9014.

D. Reasonable notice of the Motion, reasonable opportunity to object to the relief sought in the Motion, reasonable opportunity to object to any cure amounts in connection with the Assumed Contracts (as that term is defined below), reasonable opportunity to be heard with respect to the Motion as it pertains to the sale of the Assets, and reasonable opportunity to submit higher and better offers, all having been afforded to all interested persons and entities, including, but not limited to: (i) any counterparties to executory contracts and license agreements set forth in the Sale Agreement; and (ii) all other parties entitled to notice under Local Rule 2002-1(b) and Bankruptcy Rule 2002.

E. Notice, as specified in the preceding paragraphs and as evidenced by the affidavits of service filed with the Bankruptcy Court, has been in the form and manner specified in the Motion, and such notice is reasonable and adequate.

F. The Debtors are authorized to consummate and implement the transactions that are the subject of the Motion. No further consents or approvals are required for the Debtors to consummate the sale of the Assets other than the consent and approval of this Court set forth herein and in the Motion. Neither the execution of the Asset Agreement nor the consummation of the sale of the Assets in accordance with its terms and this Order will constitute a violation of any provision of the organizational documents of any Debtor or any other instrument, law, regulation or ordinance by which any Debtor is bound.

G. The terms of the Sale Agreement are fair and reasonable and provide fair value for the Assets and the sale of the Assets to Purchaser under the terms set forth in the Sale Agreement is in the best interest of the Debtors, their creditors and their estates.

H. The Debtors' support for the relief requested in the Motion reflects the exercise of sound business judgment, and approval of the Motion is in the interests of the Debtors' creditors, stakeholders and other parties in interest. The Debtors have demonstrated both sound business purpose and compelling business circumstances in support of the transaction contemplated in the Motion and within the timeframe requested by Debtors. There can be no assurance that the value of the Assets would be maintained if any undue delay in consummation of the transactions contemplated by the Motion were to occur. There can be no assurance that the Purchaser would be willing to complete the transactions if delay in consummation of the transactions were to occur.

I. Purchaser has at all times acted in good faith in connection with the sale of the Assets and the Sale Agreement is the result of arms-length negotiations.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.

2. Pursuant to sections 363 and 365 of the Bankruptcy Code, the sale, conveyance and assignment of the Assets of and by the Debtors, including the assumption and assignment of the executory contracts and unexpired leases of the Debtors listed on Schedule 1.2(a) of the Sale Agreement (the "Assumed Contracts"), pursuant to the Sale Agreement, is approved, and each Debtor is authorized to execute any and all documents, instruments and papers and to take all actions necessary and appropriate to effectuate, implement and consummate the transactions contemplated by the Sale Agreement in consideration of the purchase price specified therein. Without limiting the foregoing, each of the Debtors is authorized to close and consummate the Sale Agreement and all other agreements and documents related to and contemplated thereby (collectively, the "Disposition Documents"), which agreements and documents hereby are authorized and approved in all respects.

3. The Debtors are authorized to assume and assign the Assumed Contracts to Purchaser, pursuant to section 365 of the Bankruptcy Code; provided, however, that Purchaser is not required to assume any of the Assumed Contracts. The assumption and assignment of the Assumed Contracts shall be effective upon Closing and the payment by Purchaser of any cure costs associated with the assumption and assignment of the Assumed Contracts in the amounts set forth in Schedule 1.2(a) of the Sale Agreement.

4. Adequate assurance of future performance has been demonstrated by or on behalf of Purchaser with respect to all Assumed Contracts.

5. The transfers of the Assets of and by the Debtors are legal, valid and effective transfers and shall vest Purchaser with all right, title and interest of the Debtors in and to the Assets pursuant to section 363(f) of the Bankruptcy Code free and clear of any and all liens, security interests, pledges, hypothecations, encumbrances and other interests and claims

(including but not limited to any and all "claims" as defined in section 101(5) of the Bankruptcy Code, including any and all warranty claims and any and any and all rights and claims under any bulk transfer statutes and similar laws, whether arising by agreement, by statute or otherwise and whether arising before, on or after the date on which these chapter 11 cases were commenced, whether known or unknown, including liens of any of the creditors, vendors, suppliers, employees, or lessors of any of the Debtors or any other third party. Any and all such liens shall attach to the proceeds of the Sale, with the same priority, validity, force and effect as they now have against the Assets.

6. The Sale pursuant to this Order and the Disposition Documents shall be binding upon the Debtors, all creditors, members, and owners of the Debtors, all persons having or asserting a claim or lien against, or an interest in, the Debtors or the Assets of the Debtors, and all parties to any actions or proceedings that directly or indirectly contest the power or authority of the Debtors to sell, assign and convey the any of the Assets or that seek to enjoin any such sale, assignment or conveyance.

7. Any party having the right to consent to the assumption or assignment of the Assumed Contracts that failed to object to such assumption or assignment is deemed to have consented to such assumption and assignment as required by section 365(c) of the Bankruptcy Code. Any and all objections to the Debtors' assumption or assignment of the Assumed Contracts, to the extent not withdrawn prior to or at the Hearing, are hereby overruled.

8. If a contract with a party having the right to consent to the assumption or assignment under the Bankruptcy Code §365(c) or applicable non-bankruptcy law is not assumed as part of the Sale, such party shall retain all of its rights under the contract status quo ante.

9. All defaults (if any) of the Debtors under the Assumed Contracts shall be

deemed cured upon occurrence of assumption and assignment at Closing (as that term is defined in the Sale Agreement). Purchaser shall be responsible for paying all cure costs, if any, associated with the assumption and assignment of the Assumed Contracts. The Debtors shall have no liability with respect to any Assumed Contract, including cure costs associated with such Assumed Contract.

10. The contemplated transactions have been undertaken by Purchaser, the Debtor and the Committee, at arm's-length, without collusion, and Purchaser will acquire the Asscts pursuant to the Sale Agreement and the Disposition Documents, in good faith, within the meaning of section 363(m) of the Bankruptcy Code and is, and shall be, entitled to all of the protections in accordance therewith.

11. The consideration provided by Purchaser for the Assets under the Sale Agreement is fair and reasonable, and the Sale may not be avoided under section 363(n) of the Bankruptcy Code.

12. The provisions of this Sale Order are nonseverable and mutually dependent.

13. This Sale Order and all provisions of the Disposition Documents shall be binding upon any successors and assigns of the Debtors, including without limitation, any trustee appointed for any of the Debtors in these chapter 11 cases or in any superseding proceedings under chapter 7 of the Bankruptcy Code.

14. Nothing contained in any chapter 11 plan confirmed in the chapter 11 case of any Debtor or any order of this Court confirming such plan or any other order entered in these chapter 11 cases shall conflict with or derogate from the provisions of the Sale Agreement, except to the extent modified by this Sale Order.

15. The Sale Agreement, the Disposition Documents, and other instruments relating thereto may be modified, amended or supplemented by the parties thereto, in a writing signed by such parties, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors or their estates.

16. The failure specifically to include any particular provisions of the Sale Agreement or the Disposition Documents in this Order shall not diminish or impair the effectiveness of such provisions, it being the intent of the Court that the Sale Agreement and the Disposition Documents be authorized and approved in their entirety.

17. To the extent of any inconsistency between the provisions of the Sale Agreement, any documents executed in connection therewith, and this Order, the provisions contained herein shall govern.

18. All objections, if any, to the entry of this Order, to the extent not waived or resolved, are overruled.

19. Without limiting in any manner the effect of the other provisions of this Order, any person or entity that has filed financing statements, mortgages, mechanic's liens, liens, or other documents or agreements evidencing or otherwise asserting a lien in, to, or against the Assets shall be, and hereby is, directed to deliver to the Debtors prior to Closing, in proper form for filing after Closing and executed by the appropriate parties, termination statements, instruments of satisfaction, mortgage or deed of trust releases, or similar instruments as appropriate to cause the release of any such lien as of record, and, in the event that any such person or entity fails to comply with the direction set forth in this Paragraph, then, at the option of Purchaser either may seek to have such person or entity held in contempt of this Court or shall

be hereby authorized without the requirement of any further action (including any further Order of this Court) either to execute and file or record such statements, instruments, releases, and other documents on behalf of such person or entity releasing such asserted Lien in, to, or against the Assets or to file, register, or otherwise record a certified copy of this Order, which shall constitute conclusive evidence of the termination or release of any such Lien in, to, or against the Assets.

20. Consistent with, but not in limitation of, the foregoing, each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated with Sale Agreement and the Disposition Agreements.

21. All persons or entities who or that are in possession of some or all of the Assets of the Debtors on the Closing are hereby directed to surrender possession of those Assets to Purchaser at the Closing.

22. Without limiting the generality of the other provisions of this Sale Order, the Purchaser, under no circumstances shall be deemed to be a successor of the Debtors. Accordingly, Purchaser shall not have successor or vicarious liabilities of any kind or character with respect to the Assets and all persons and entities shall be hereby enjoined from asserting any such claims against them.

23. The automatic stay of Section 362(a) of the Bankruptcy Code shall not apply to and otherwise shall not prevent the exercise or performance by any party of its rights or obligations under the Sale Agreement or Disposition Agreements.

24. The ten (10) day stay under Bankruptcy Rules 6004(h) and 6006(d) are hereby waived, and this Order shall be effective immediately.

25. The Debtors and their affiliates, their officers, employees and agents, are authorized to take or refrain from taking such acts as are necessary and appropriate to implement and effectuate the relief granted herein.

26. The Bankruptcy Court shall retain exclusive jurisdiction to interpret, construe and enforce the provisions of the Sale Agreement, the Disposition Documents, and this Order in all respects and, further, to hear and determine any and all disputes between any Debtor and/or Purchaser and any non-seller party to, among other things, any Assumed Contracts, concerning inter alia, assignment thereof by the pertinent Debtor to Purchaser under the Sale Agreement, and any claims against any Debtor or any creditor or other third party arising in connection with any dispute between the Purchaser and any Debtor as to their respective obligations with respect to any asset or liability of or claim against any Debtor or otherwise arising hereunder.

Dated: 10/3, 2008
Wilmington, Delaware



HONORABLE CHRISTOPHER S. SONTCHI
UNITED STATES BANKRUPTCY JUDGE