

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re)
)
FACTORY 2-U STORES, INC., a/k/a) Chapter 7
FACTORY 2-U, f/a/k/a GENERAL)
TEXTILES, INC., f/a/k/a GENERAL) Case No. 04-10111 (PJW)
TEXTILES, f/a/k/a FAMILY BARGAIN)
CORPORATION, f/a/k/a FAMILY)
BARGAIN CENTER,)
) [Related Docket No. 3484]
Debtor.)
)

**ORDER (Revised) GRANTING THE FIRST OMNIBUS OBJECTION TO CHAPTER 11
ADMINISTRATIVE EXPENSE CLAIMS (SUBSTANTIVE)**

1. The Chapter 7 Trustee filed the First Omnibus Objection to Chapter 11 Administrative Expense Claims (Substantive) (the "Motion").¹

2. The Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§157 and 1334; this Motion is a core proceeding under 28 U.S.C. §157(b)(2).

3. Proper notice of the Motion has been provided by the Trustee. Each holder of a Disputed Claim set forth on Revised Exhibit A, Exhibit B and Revised Exhibit C attached hereto was properly and timely served with a copy of the Objection, the Proposed Order and accompanying Exhibit and the Notice of the response deadline thereto, and no further notice of the Objection or of the entry of this Order need be provided.

4. The Motion is GRANTED. Any objection not made to the Motion is waived. Any objection made to the Motion is overruled with prejudice.

5. The relief requested in the Motion is in the best interests of the Debtor, the Estate,

¹Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Motion.

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its creditors and other parties in interest.

6. Each Incorrectly Classified Claim identified on the attached Revised Exhibit A is hereby reclassified to the priority stated in the column titled "Modified Classification Status."

7. The Insufficient Documentation Claims identified on the attached Exhibit B are hereby disallowed and expunged in their entirety.

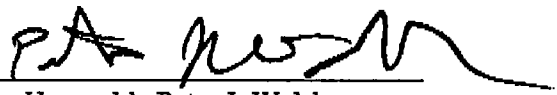
8. The Reduced Claim identified on the attached Revised Exhibit C is hereby reduced to the amount stated in the column titled "Modified Claim Amount."

9. The Trustee's rights to raise other objections to the Remaining Claims on any and all grounds permitted by law and or equity are hereby preserved.

10. Each of the Disputed Claims and the objections by the Trustee as asserted in the Motion and as set forth on Revised Exhibit A, Exhibit B and Revised Exhibit C attached hereto constitutes a separate contested matter as contemplated by Fed. R. Bankr. P. 9014. This Order shall be deemed a separate Order with respect to each Disputed Claim. Any stay of this Order pending appeal by any of the claimants whose claims are subject to this Order shall only apply to the contested matter which involves such claimant and shall not act to stay the applicability and/or finality of this Order with respect to the other contested matters covered hereby.

11. This Court shall retain jurisdiction with respect to any matter related to or arising from the implementation or interpretation of this Order.

Dated: July 12, 2007


The Honorable Peter J. Walsh
United States Bankruptcy Court Judge

Revised Exhibit A: Incorrect Classification
In re Factory 2-J Stores, Inc., Case NO. 04-10111 (PJW)

Name of Claimant	Claim Number	Claim Amount	Claim Classification Status	Modified Classification Status	Reason for Reclassification
Airgas-Southwest, Inc. Attn: Denise Knebel 4312 IH 35 S. New Braunfels, TX 78132	DCA* 37	\$987.81	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim for pre-petition provision of goods and services.
Contact Security, Inc. Attn: Michelle Quesada 3000 E. Birch St, Suite 111 Brea, CA 92821	DCA 146	\$35,080.76	Chapter 11 Administrative Priority	\$18,522.30 - Pre- petition general unsecured non- priority. \$16,558.45 - Chapter 11 Administrative Expense Priority	Letter attached to claim states that \$18,522.30 of the claim is for pre-petition services provided to the Debtor, and thus, not entitled to administrative expense priority.
Cougar International Re: Acct No. 858180 PO Box 550368 Gastonia, NC 28055	DCA 39	\$62,841.50	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim for pre-petition provision of goods.
Culbert, Ericka P. 17100 Rolling Creek Dr., Apt # 174 Houston, TX 77090	DCA 143	\$0.00	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim for pre-petition personal injury, occurred prior to 11-7- 03.
Diaz, Ofelia 15401 Williams St. Spc. #111 Tustin, CA 92780	DCA 91	\$0.00	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim alleges pre-petition injury, arose 9-3-03
Enterprise Fleet Services 17210 S. Main Street Attn: Jodi Sargent Gardena, CA 90248	DCA 92	\$8,259.26	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim for amounts due under pre-petition lease agreements.

Revised Exhibit A: Incorrect Classification

In re Factory 2-U Stores, Inc., Case NO. 04-10111 (PJW)

Name of Claimant	Claim Number	Claim Amount	Claim Classification Status	Modified Classification Status	Reason for Reclassification
Givins, Juliet 8907 E. 4th Avenue, # T-4 Little Rock, CA 93543	DCA 108	\$25,000.00	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim arose between January 97 and January 2001.
Hinds, Alice 20336 Skyline Ranch Dr Apple Valley, CA 92308	DCA 21	\$5,000.00	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim arose 12-3-03, prior to the petition date.
La Rue International Attn: Allan Silvera 20 West 33rd Street New York, NY 10001 212-563-1414	POC 1439	50,151.00	Unsecured	Chapter 11 Administrative Priority	Due to some confusion on the claims register, the asserted claim priority is unclear. Out of an abundance of caution the Trustee seeks to clarify that the claim was filed as a Chapter 11 Administrative Claim.
Leonard A. Feinberg, Inc. Re: Acct No. 221999 1824 Byberry Road Bensalem, PA 19020	DCA 29	\$170,540.50	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim for pre-petition provision of goods.
Metropolitan Agencies, Inc. Re: Acct No. 140544 PO Box 825 McMinnville, OR 97128	DCA 18	\$1,341.84	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim arose 1-12-04, prior to the petition date.
Sherwood Brands LLC Re: Acct No. 97007700 1803 Research Blvd # 201 Rockville, MD 20850	DCA 109	\$114,497.68	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim for pre-petition provision of goods.

Revised Exhibit A: Incorrect Classification
In re Factory 2-U Stores, Inc., Case NO. 04-10111 (PJW)

Name of Claimant	Claim Number	Claim Amount	Claim Classification Status	Modified Classification Status	Reason for Reclassification
Speers Design Associates 338 Via Lido Soud Newport Beach, CA 92663	DCA 36	\$4,146.55	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim for pre-petition provision of services.
Stephens, Ken and Jean 200 So. Dolliver, Space 427 Pismo Beach, CA 93449	DCA 8	\$415.00	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim arose 2-8-2003, prior to the petition date.
Stonich, Marian L. 563 View Point Ave. Oakdale, CA 95361	DCA 33	\$2,500.00	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim arose 11-19-03, prior to the petition date.
West Coast Novelty Re: Acct No. 8586271800 2401 Monarch St. Alameda, CA 94501	DCA 23	\$20,218.58	Chapter 11 Administrative Priority	Pre-petition general unsecured non-priority	Claim for pre-petition provision of goods.

* DCA means the claims filed on the
Delaware Claims Agency claims
register.

Revised Exhibit A: Incorrect Classification
In re Factory 2-U Stores, Inc., Case NO. 04-10111 (PJW)

Name of Claimant	Claim Number	Claim Amount	Claim Classification Status	Modified Classification Status	Reason for Reclassification
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**Exhibit B: Claims Without Sufficient Documentation
In re Factory 2-U Stores, Inc., Case NO. 04-10111 (PJW)**

Name of Claimant	Claim Number	Claim Amount	Reason for Disallowance
Placer County Tax Collector Attn: Ann M. Dondro, Deputy Tax Collector 2976 Richardson Dr. Auburn, CA 95603	DCA* 28	\$1,488.70	Claim does not attach sufficient supporting documentation, only a request for notice and a certificate of service.
Placer County Tax Collector Attn: Ann M. Dondro, Deputy Tax Collector 2976 Richardson Dr. Auburn, CA 95603	POC 1491	\$1,488.70	Claim does not attach sufficient supporting documentation, only a request for notice and a certificate of service.
* DCA means the claims filed on the Delaware Claims Agency claims register. POC means the claims filed on the Bankruptcy Court claims register.			

Revised Exhibit C: Claims to be Reduced
In re Factory 2-U Stores, Inc., Case NO. 04-10111 (PJW)

Name of Claimant	Claim Number	Claim Amount	Modified Claim Amount	Reason for Modification
Contact Security, Inc. 3000 E. Birch St, Suite 111 Brea, CA 92821	DCA* 146	\$35,080.76	\$18,522.3 Unsecured Pre- petition nonpriority \$11,350.84 Ch. 11 Administrative Priority	The Trustee and Contact Security have agreed to reduce Contact Security's asserted Ch. 11 Administrative Priority claim from \$16,558.45 to the amount of \$11,350.84.