

**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,	)	
	)	
Debtor.	)	Re: Docket Nos. 3657, 3690

**REVISED ORDER GRANTING THE THIRD OMNIBUS OBJECTION  
TO CHAPTER 11 ADMINISTRATIVE EXPENSE CLAIMS (SUBSTANTIVE)**

1. The Chapter 7 Trustee filed the Third Omnibus Objection to Chapter 11 Administrative Expense Claims (Substantive) (the "Motion").<sup>1</sup>
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 Exhibits A through C attached hereto was properly and timely served with a copy of the Objection, the Proposed Order and accompanying Exhibits 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.

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

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*11/30/07*

5. The relief requested in the Motion is in the best interests of the Estates and its creditors.
6. The Incorrectly Classified Claims identified on the attached Revised Exhibit A are hereby reclassified to the classification stated in the column titled "Modified Classification Status."
7. The Disputed Claims Amounts identified on the attached Revised Exhibit B are hereby reduced to the amount stated in the column titled "Modified Claim Amount."
8. The No Liability Claims identified on the attached Revised Exhibit C are disallowed and expunged in their entirety.
9. The hearing on the objections to the proofs of claim of One Step Up, Ltd (DCA 103), USA Detergents Corp./Revenue Management (DCA 49) and Pacific Gas and Electric Company (DCA 89) is hereby adjourned until December 13, 2007 at 2:30 p.m.
10. The Trustee's rights to raise other objections to the Remaining Claims on any and all grounds permitted by law and or equity are preserved.
11. Each of the Disputed Claims and the objections by the Trustee as asserted in the Motion and as set forth on Revised Exhibits A through C attached hereto constitutes a separate contested matter as contemplated by Fed. R. Bankr. P. 9014. This Revised Order shall be deemed a separate Order with respect to each Disputed Claim. Any stay of this Revised 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 Revised Order with respect to the other contested matters covered hereby.

*[Remainder of this page intentionally left blank].*

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

Dated: Nov. 29, 2007

  
THE HONORABLE PETER J. WALSH  
United States Bankruptcy Court Judge

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
Canby Utility PO Box 1070 Canby, OR 97013	DCA 19	\$1,121.65	Chapter 11 Administrative Priority	Chapter 11 Administrative Priority: \$275.65  Unsecured Non-Priority: \$846.00	\$846.00 of claim entitled to unsecured non-priority status for utility services provided pre-petition and billed post-petition. Remainder of claim entitled to Chapter 11 Administrative Priority.
Gabbay, Manige c/o Law Offices of Burg & Brock, P.C. 15269 Ventura Boulevard, Suite 1000 Sherman Oaks, CA 91403	DCA 113	unliquidated	Chapter 11 Administrative Priority	Unsecured Non-Petition Non-Priority	Claim is for unliquidated personal injury incurred prior to the petition date.
Givins, Juliet 8907 E. 4th Avenue, # T-4 Little Rock, CA 93543	DCA 95	\$25,000.00	Chapter 11 Administrative Priority	Unsecured Non-Petition Non-Priority	Claim for employee overtime wages and workers compensation incurred between January 1997 and January 2001. Not entitled to any priority basis.
Markwims International Corp. 22067 Ferrero Parkway City of Industry, CA 91789	DCA 17	\$32,529.65	Chapter 11 Administrative Priority	Unsecured Non-Petition Non-Priority	Claim for goods ordered and delivered to Debtor prior to the petition date.
One Step Up, Ltd. Attn: Victor Abramo 1407 Broadway, Suite 3200 New York, NY 10018  Attn: Kevin J. Mangan Monzack and Monaco, P.A. 1201 N. Orange St., Suite 400 Wilmington, DE 19801  and Harlan M. Lazarus Lazarus & Lazarus, P.C. 240 Madison Avenue New York, NY 10016 Phone: 212-889-7400	DCA 103	\$378,122.40	Chapter 11 Administrative Priority	Continued to 12/13/2007 at 2:30 p.m. hearing date.	

**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
Sanchez, Henrietta 1086 Lura Pl. SW Albuquerque, NM 87102	DCA 22	\$300.00	Chapter 11 Administrative Priority	Unsecured Prepetition Non- Priority	Employee wage claim incurred during period 1999 and not entitled to priority.
Verdugo (Martin), Norma 7750 Newport Ct. Fontana, CA 92336	DCA 38	\$3,500.00	Chapter 11 Administrative Priority	Unsecured Prepetition Non- Priority	Employee wage claim incurred during period 5/97 to 6/99. Not entitled to priority.
Wallis, Rhonda 8797 Sidewinder Ln. Apple Valley, CA 92308	DCA 6	\$30.00	Chapter 11 Administrative Priority	Unsecured Prepetition Non- Priority	Employee wage claim incurred during period 7/1/03 not entitled to priority.

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

**Revised Exhibit B: Claims with Disputed Claim Amounts  
In re Factory 2-U Stores, Inc., Case NO. 04-10111 (PJM)**

Name of Claimant	Claim Number	Claim Amount	Modified Claim Amount	Reason for Modification
Celtic International, Inc. 14535 John Humphrey Drive Suite 200 Orland Park, IL 60462	*DCA 98	\$1,000.00	\$550.00	The Debtor's records indicate that only \$550.00 remained unpaid as of the Chapter 7 conversion date.
Chiro Spectrum c/o Ernie Zachary Park Bewley, Lasseben & Miller 13215 E. Penn Street, Suite 510 Whittier, CA 90602	*POC 227	\$282,922.65	\$248,362.36	Post-petition portion of POC 227, in the amount of \$34,560.29, is duplicative of DCA claim no. 50. Thus, POC 227 must be reduced by such amount. The remaining amount of POC 227 is a general unsecured non-priority claim.
Revenue Management One University Plaza Suite 312 Hackensack, NJ 07601  USA Detergents Corp. c/o Robert S. Underhill Greenbaum, Rowe, Smith and Davis LLP Metro Corporate Campus One Woodbridge, NJ 07095	DCA 49	\$28,980.00	Continued to 12/13/2007 at 2:30 p.m. hearing date.	

\* POC means the proof of claim filed on the Court Register. DCA means the claims filed on the Delaware Claims Agency claims register.

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

Name of Claimant	Claim/ Docket Number	Claim Amount	Reason for Disallowance
Cobbs, Kassia Address Unknown	*DCA 97	\$0.00	Claimant does not assert a claim against the Debtor's estate, nor did the claimant provide an address or other contact information on the claim.
Oak Tree Three Investment, LLC Attn: Sean P. O'Brien Gust Rosenfeld 201 E. Washington, Suite 800 Phoenix, AZ 85004	DCA 55 and Docket No. 1836	\$34,470.51	Claim is for CAM and Additional Rent pursuant to lease for Store No. 480, which lease was assumed and assigned to Dollar Tree Stores. Pursuant to Contract for Assignment and Assumption of Leasehold Interest attached to claimant's Request for Payment at DCA 55 and Docket No. 1832, Debtor had no liability for amounts due under the lease for the pre-assignment period.
Pacific Bell Telephone Co. P.O. Box 981268 West Sacramento, CA 95798	DCA 111	\$1,569.15	Claim incurred post-Chapter 7 Conversion date, for properties no longer under the Debtor's control. Thus, the Chapter 7 estate has no liability for such claim.
Pacific Gas and Electric Company Attn: Patrick Hazen PG&E P.O. Box 8329 Stockton, CA 95208 Williams, Mitchell 57 Hermosa Avenue, Apt. 238 Pittsburg, CA, 94565	DCA 89	Continued to 12/13/2007 at 2:30 p.m. hearing date. \$8,659.60	
	DCA 112		Claim does not state a basis for liability against the Debtor or the Chapter 7 estate.

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