

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

In re:

CD LIQUIDATION CO., LLC, f/ka
CYNERGY DATA, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 09-13038 (KG)

Jointly Administered

Objection Deadline: 4:00 p.m. (EST) on the date that is seven (7) business days from the date of this Cure Resolution Notice

Related Docket Nos. 106, 121, 223, 258 and 389

NOTICE OF CURE RESOLUTION

PLEASE TAKE NOTICE THAT:

1. The Debtors hereby serve notice (the “Cure Resolution Notice”) of their proposed resolution of a certain cure dispute.

2. On October 9, 2009, the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) entered an Order approving the sale of substantially all of the above-referenced Debtors’ assets (the “Sale”) pursuant to an Asset Purchase Agreement (the “APA”).

3. In connection with the APA, the Debtors also served notice of their intention to assume and assign certain executory contracts and leases (the “Cure Notice”).

4. By the objection deadline of October 6, 2009, the Debtors received a number of objections (the “Cure Amount Objections”) from non-debtor counterparties to executory contracts and leases (the “Objecting Parties”) disputing the stated cure costs found in the Cure Notice.

5. Since the Cure Objection Deadline, the Debtors have been working diligently to resolve the Cure Amount Objections.

6. Attached as Exhibit A hereto is an agreement setting forth the resolution (the “Cure Resolution”) of a Cure Amount Objection with Objecting Party, Direct Technologies, LLC (“DTI”).

7. Objections, if any, to the Cure Resolution must be made in writing, filed with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”), 824 Market Street, Wilmington, Delaware 19801, and served so to be received no later than **4:00 p.m. Prevailing Eastern Time on the date that is seven (7) business days from the date hereof** upon:

David B. Stratton, Esq.
Evelyn J. Meltzer, Esq.
Pepper Hamilton LLP
Hercules Plaza, Suite 5100
1313 Market Street
P.O. Box 1709
Wilmington, Delaware 19899-1709

Mark N. Berman
Dennis J. Drebsky
Lee Harrington (DE No. 4046)
Nixon Peabody, LLP
437 Madison Avenue
New York, New York 10022

**IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE
CURE RESOLUTION WILL BE DEEMED ALLOWED WITHOUT FURTHER ORDER
OF THE COURT.**

Dated: January 5, 2010
Wilmington, Delaware

Respectfully submitted,

PEPPER HAMILTON LLP

/s/ Evelyn J. Meltzer
David B. Stratton (DE No. 960)
Evelyn J. Meltzer (DE No. 4581)
John H. Schanne, II (DE No. 5260)
Hercules Plaza, Suite 5100
1313 Market Street
P.O. Box 1709
Wilmington, DE 19899-1709
Telephone: (302) 777-6500
Facsimile: (302) 421-8390

-and-

NIXON PEABODY LLP
Mark N. Berman
Dennis J. Drebsky
Lee Harrington (DE No. 4046)
437 Madison Avenue
New York, New York 10022
Telephone: (212) 940-3000
Facsimile: (212) 940-3111

*Counsel for the Debtors
and Debtors in Possession*

EXHIBIT A

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

In re:

CD LIQUIDATION CO., LLC, f/ka
CYNERGY DATA, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 09-13038 (KG)

Jointly Administered

Objection Deadline: 4:00 p.m. (EST) on the date that is seven (7) business days from the date of this Cure Resolution Notice

Related Docket Nos. 106, 121, 223, 258 and 389

**NOTICE OF PARTIAL CURE RESOLUTION AND
STIPULATION IN PARTIAL SATISFACTION OF THE OBJECTION BY
DIRECT TECHNOLOGIES, L.L.C. TO THE DEBTORS' CURE NOTICE**

This Stipulation (this "Stipulation") is entered into by and among; the above-captioned debtors (the "Debtors") and Direct Technologies, L.L.C. ("DTI"), by and through their respective attorneys. The Debtors and DTI are collectively referred to hereinafter as the "Parties."

WHEREAS, on September 1, 2009 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

WHEREAS, on or about September 24, 2009, the Debtors served on certain non-debtor parties to unexpired leases and executory contracts, including DTI, Notice of Debtors' Intent to Assume and Assign Unexpired Leases and Executory Contracts and Setting Forth Cure Amounts (the "Cure Notice") in which the Debtors set forth the cure amounts with respect to certain unexpired leases and executory contracts; and

WHEREAS, pursuant to the Cure Notice, the Debtors scheduled the cure amount owing to DTI as \$0.00 (the "DTI Cure Amount"); and

WHEREAS, on October 6, 2009, DTI filed an Objection to the Cure Notice by which it disputed, *inter alia*, the DTI Cure Amount [Dkt # 223] (the "DTI Cure Objection"); and

WHEREAS, by the Cure Objection, DTI maintains that the DTI Cure Amount is incorrect in the stated cure dollar amount, and that the Cure Notice failed to, among other things, include (1) payment to DTI of a minimum of \$105,160.32 on account of incorrect billing, improper charges and residual payments which were due and owing to DTI but which have not been paid, as well as \$62,664.83 (the “Overpayment”) in connection with DTI’s overfunding of the Reserve Account (as referenced in the DTI Cure Objection) as a result of improper withholding by the Debtors; (2) list and provide for the release of funds in the possession of Debtors comprising rolling reserves belonging to twenty three merchants totaling \$81,911.99 (the “Merchant Funds”) that should have been released when DTI began performing the risk functions relating to those merchants’ agreements earlier this year; (3) payment of DTI’s compensable attorneys’ fees pursuant to the terms of the Agreement referenced in the DTI Cure Objection; and (4) list and provide for the holding of reserves on three merchants totaling \$7,883.94 for potential fraudulent or suspicious activity, which funds are currently being held by Debtors; and

WHEREAS, by the Cure Objection, DTI made a demand for all reasonable attorney’s fees (the “Enforcement Expenses”) incurred by DTI in enforcing its rights under its agreement with the Debtors; and

WHEREAS, on October 9, 2009, the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) entered an Order (the “Sale Order”) approving the sale of substantially all of the above-referenced Debtors’ assets (the “Sale”) pursuant to an Asset Purchase Agreement (the “APA”); and

WHEREAS, the Sale Order required, *inter alia*, the Debtors to establish, and in accordance with the Sale Order the Debtors did establish, a reserve in an amount sufficient to pay in full all Cure Amounts (the “Cure Reserve”) relating to any default identified by the

Debtors in the Cure Notice and any higher amount identified by any Non-Debtor Parties in the Cure Objections and, accordingly the Debtors placed \$38,000,000 in the Cure Reserve; and

WHEREAS, a portion of the Cure Reserve relates to funds in the Debtors' unfunded merchant rolling reserves (the "Rolling Reserves") the nature of which is currently the subject of a dispute set for hearing on January 7th and 8th , 2009 (the "Unfunded Rolling Reserve Dispute") among various parties including, without limitation, Ableco Finance LLC, A3 Funding LP, Garrison Credit Investments I, LLC, and Garrison Credit Opportunities Holdings L.P. (collectively, the "Term B Lenders"), Comerica Bank and Dymas Funding Company ("Dymas" and, with the Term B Lenders, the "Term B Parties") and Harris Bank, N.A. ("Moneris"); and

WHEREAS, on November 20, 2009, the Court entered its Order (i) Authorizing The Debtors To Direct Disbursements From Escrow And (ii) Approving The Procedure For Escrow Disbursements Pursuant To 11 U.S.C. § 363 and 365 (the "Escrow Disbursement Order"), requiring, among other things, notice to all parties in interest of any resolution of an objection to the Cure Notice.

WHEREAS, the parties to this Stipulation have now had an opportunity to discuss and consider the DTI Cure Objection and have reached a consensual resolution solely with respect to the Overpayment. For the avoidance of doubt, the remainder of the DTI Cure Objection, including the \$105,160.32 which DTI alleges is owing on account of incorrect billing, improper charges and residual payments and additional amounts which DTI contends should be added to the DTI Cure Amount based on its continuing audit (the right to assert such additional amounts having been preserved in the DTI Cure Objection), DTI's Enforcement Expenses and the Merchant Funds, remains outstanding and unresolved.

NOW THEREFORE, it is hereby stipulated and agreed by and among the Debtors and DTI pursuant to Sections 362, 363, 365, 1106 and any and all other applicable provisions of the

Bankruptcy Code and Fed. R. Bankr. P. 3007 and any and all other applicable Bankruptcy Rules and Local Rules:

1. The Parties hereto agree that no provision of this Stipulation shall be construed as an admission of any liability, wrongdoing or violation of any federal, state or local law or statute by all or any of the Parties.

2. This Stipulation, the contents hereof, its existence, and any actions related to it shall not be admissible as evidence for any reason in any court or administrative proceeding, except in an action to enforce its provisions.

3. Pursuant to the terms of the Escrow Disbursement Order, following the expiration of seven (7) business days from the date of the filing of this Stipulation, unless a party in interest timely files an objection to this Stipulation in accordance with the Escrow Disbursement Order, on account of the Cure Notice, the DTI Cure Amounts, notwithstanding that the DTI Cure Objection has not been resolved in its entirety, shall be amended as follows to reflect the Overpayment:

Non Debtor Party	Docket # of Cure Objection	Debtors' Stated Cure Amount	Partial Cure Amount
Direct Technologies, L.L.C.	Dkt # 223	\$0.00	\$62,664.83

4. By establishing the Partial Cure Amount hereunder, the Debtors acknowledge that they have the authority to make payment in satisfaction of such Partial Cure Amount.

5. The Debtors hereby agree to pay DTI \$62,664.83 as reimbursement for the Overpayment. The payment of the Partial Cure Amount shall be made from excess reserve funds which belong to DTI and shall not reduce the level of the funds in the Cure Reserve implicated in the Unfunded Rolling Reserve Dispute. Regardless of the payment of the Partial Cure Amount as set forth herein, sufficient funds shall be retained in the Cure Reserve to satisfy all other

outstanding cure obligations in these cases. Any further Cure Payment is expressly subject to a Final Order of the Court in the Unfunded Rolling Reserve Dispute and will be funded, if at all, from the Cure Reserve Escrow and only in accordance with that Final Order and from no other source.

6. Nothing contained herein shall in any way be deemed to constitute the full satisfaction of the DTI Cure Objection. Except as set forth herein, the DTI Cure Objection remains outstanding and the DTI Cure Amount and the amounts alleged therein remain in dispute.

7. Nothing contained herein shall in any way limit, impair or otherwise effect DTI's rights under § 365 with respect to its agreement(s) with the Debtors or any third party, other than by fixing the Partial Cure Amount and related relief as agreed to herein.

8. Nothing contained herein shall be deemed to impair, limit or otherwise prejudice to the rights of the Debtors, the Committee, any successor to the Debtors or Committee, and any examiner or trustee appointed in these cases under any plan of liquidation or otherwise, to commence any action under Chapter 7 of the Bankruptcy Code.

9. The terms of this Stipulation shall be binding upon any superseding trustee in this Chapter 11 case, or, in the event of a conversion to a Chapter 7 case, upon the Chapter 7 trustee.

10. This Court shall retain jurisdiction over any matters related to or arising from the implementation of this Order.

11. The Parties agree that each was given a reasonable period of time within which to consider the Stipulation and that they have carefully read the Stipulation, know the contents thereof, consulted with an attorney, freely and voluntarily assent to all of the terms and conditions thereof, and sign the same as their own free act.

12. The invalidity, illegality or unenforceability of any provision hereof or any particular application thereof shall not be deemed to affect or impair in any manner the validity,

legality or enforceability of any other provision of this Stipulation, and the Stipulation shall continue in full force and effect and shall be interpreted so as to implement as nearly as possible the intention of all parties in the absence of such provision or application.

13. Any breach of the terms of this Stipulation shall be considered material.

14. This Stipulation may be executed in one or more counterpart copies, each of which shall be deemed an original, which together shall constitute one and the same instrument.

PEPPER HAMILTON LLP

STEVENS & LEE, P.C.

/s/ Evelyn J. Meltzer

David B. Stratton (DE No. 960)
Evelyn J. Meltzer (DE No. 4581)
John H. Schanne, II (DE No. 5260)
Hercules Plaza, Suite 5100
1313 Market Street
P.O. Box 1709
Wilmington, DE 19899-1709
Telephone: (302) 777-6500
Facsimile: (302) 421-8390

-and-

NIXON PEABODY LLP

Mark N. Berman
Dennis J. Drebsky
Lee Harrington (DE No. 4046)
437 Madison Avenue
New York, New York 10022
Telephone: (212) 940-3000
Facsimile: (212) 940-3111

*Counsel for the Debtors
and Debtors in Possession*

Dated: January 5, 2010

/s/ Joseph H. Huston

Joseph H. Huston, Jr. (DE No. 4035)
Maria Aprile Sawczuk (DE No. 3320)
1105 N. Market St., 7th Floor
Wilmington, DE 19801
Telephone: (302) 425-3310
Facsimile: (302) 654-5181

-and-

WALLER LANSDEN DORTCH & DAVIS,
LLP

Davie E. Lemke (TN BPR # 013586)
Katie G. Stenberg (TN BPR # 022301)
511 Union Street, Suite 2700
Nashville, TN 37219
Telephone: (615) 244-6380
Facsimile: (615) 244-6804

Counsel for Direct Technologies, L.L.C.

CERTIFICATE OF SERVICE

I, Evelyn J. Meltzer, hereby certify that on the 5th day of January, 2010, I caused the foregoing **Notice of Cure Resolution** to be served upon the following individuals by facsimile.

David P. Primack, Esq.
Drinker Biddle & Reath LLP
1100 N. Market Street, Suite 1000
Wilmington, DE 19801
Counsel to Moneris Solutions, Inc.
Fax: 302-467-4201

William F. Gray, Jr., Esq.
Alison D. Bauer, Esq.
TORYS LLP
237 Park Avenue
New York, NY 10017
Counsel to Moneris Solutions, Inc.
Fax: 212-682-0200

Adam G. Landis, Esq.
William E. Chipman, Jr., Esq.
Landis Rath & Cobb LLP
919 Market Street, Suite 1800
Wilmington, DE 19801
Counsel to Dymas Funding Company LLC
Fax: 302-467-4450

Gregory A. Bray, Esq.
Milbank, Tweed, Hadley & McCloy LLP
601 South Figueroa Street
30th Floor
Los Angeles, CA 90017
Counsel to Dymas Funding Company LLC
Fax: 213-629-5063

Michael L. Hirschfeld, Esq.
Lena Mandel, Esq.
Milbank, Tweed, Hadley & McCloy LLP
1 Chase Manhattan Plaza
New York, NY 10005
Counsel to Dymas Funding Company LLC
Fax: 212-530-5219

Frederick B. Rosner, Esq.
Messana Rosner & Stern LLP
1000 N. West Street, Suite 1200
Wilmington, DE 19801
Counsel to Cynergy Holdings, LLC
Fax: 302-657-4901

Susan F. Balaschak, Esq.
Akerman Senterfitt LLP
335 Madison Avenue, Suite 2600
New York, NY 10017
Counsel to Cynergy Holdings, LLC
Fax: 212-880-8965

Martin Burkett, Esq.
Akerman Senterfitt LLP
One Southeast Third Avenue, 25th Floor
Miami, FL 33131
Counsel to Cynergy Holdings, LLC
Fax: 305-374-5095

/s/ Evelyn J. Meltzer
Evelyn J. Meltzer