

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

SMARTWEAR TECHNOLOGIES, INC.

Debtor.

Chapter 7

Case No: 10-11400-KJC

OBJECTIONS DUE: June 22, 2010

HEARING DATE: June 29, 2010 at 11:00 a.m.

**NOTICE OF MOTION OF THE PEOPLE OF THE STATE OF CALIFORNIA
FOR RELIEF FROM STAY UNDER SECTION 362 OF THE BANKRUPTCY
CODE TO PROCEED WITH STATE COURT CIVIL ENFORCEMENT ACTION**

TO: All Parties in Interest

The People of the State of California, by and through the California Corporations Commissioner (“the State” or “Commissioner”), pursuant to 11 U.S.C. § 362 and Bankruptcy Rule 4001, has filed a **Motion for Relief from Stay**, for entry of an Order that the police and regulatory powers exception is applicable, or alternatively, that cause exists to vacate the automatic stay, allowing the State to proceed to trial and entry of a final judgment in a pending civil action against SmartWear Technologies, Inc. (“Debtor”) and its non-debtor control people, for securities fraud and other state securities law violations, in Superior Court of the State of California, San Diego County, captioned People v. SmartWear Technologies, Inc. and Robert Reed et al., Case Number 37-2008-00091291-CU-MC-CTL.

HEARING ON THE MOTION WILL BE HELD ON **June 29, 2010, at 11:00 a.m. prevailing Eastern Time** before the Honorable Judge Kevin J. Carey in the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 5th Floor, Courtroom # 5, Wilmington, Delaware 19801.

You are required to file a response (and the supporting documentation required by Local Rule 4001-1(d)) to the attached Motion **on or before June 22, 2010 at 4:00 p.m. prevailing Eastern Time** (“Objection Deadline”).

At the same time, you must also serve a copy of the response upon the undersigned attorney on or before the Objection Deadline:

The hearing date specified above may be a preliminary hearing or may be consolidated with the final hearing, as determined by the Court. The motion may be granted and an order entered without a hearing unless a timely objection is made.

The attorneys for the parties shall confer with respect to the issues raised by the motion in advance for the purpose of determining whether a consent judgment may be entered and/or for the purpose of stipulating to relevant facts.

Dated: June 2, 2010

PRESTON DuFAUCHARD
California Corporations Commissioner

By: _____

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