

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re: Bky. No. 03-35458 (DDO)
ASTROCOM CORPORATION Chapter 11
Debtor.

**NOTICE OF HEARING AND DEBTOR'S MOTION OBJECTING
TO CLAIM NUMBER 48 FILED BY GUNTHER KARGER**

TO: Mr. Gunther Karger; the United States Trustee; and other entities specified in
Local Rule 9013-3

1. Astrocom Corporation, Debtor and Debtor-in-Possession ("Movant"), moves the Court for the relief requested below and gives notice of hearing.
2. The Court will hold a hearing on this Motion at 10:00 o'clock A.M. on July 21, 2004, in Courtroom Number 228A, United States Courthouse, at 316 North Robert Street, in St. Paul, Minnesota.
3. Any response to this Motion must be filed and delivered not later than July 14, 2004, which is seven days before the day set for hearing, or filed and served by mail not later than July 11, 2004, which is ten days before the day set for hearing. **UNLESS A RESPONSE OPPOSING THE MOTION IS TIMELY FILED, THE COURT MAY GRANT THE MOTION WITHOUT A HEARING.**
4. This Court has jurisdiction over this motion pursuant to 28 U.S.C. § § 157 and 1334, Fed.R.Bankr.P. 5005 and Local Rule 1070-1. This proceeding is a core proceeding. The petition commencing this chapter 11 case was filed August 7, 2003. The case is now pending in this Court.
5. This motion arises under 11 U.S.C. § 502. This motion is filed under Fed.R.Bankr.P. 9014 and 3007 and Local Rules 9013-1 et seq. Movant requests relief with respect to disallowance in its entirety of claim number 48 filed by Gunther Karger.
6. The grounds for this objection are as stated in the Verified Statement Of Ronald B. Thomas In Support Of Debtor's Objection To Claim Number 48 Filed By Gunther Karger filed and served herewith. In essence, the Debtor has no legal or moral obligation to Mr. Karger. There is no contractual relationship between the Debtor and Mr. Karger, and there have been no transactions or occurrences which give rise to any such obligation. Moreover,

payment to Mr. Karger for his actions of recommending purchase of Debtor's shares to his investor advisory clients would be contrary to law.

7. No separate memorandum of law is filed in support of this motion.
8. If testimony is required, the Debtor's President, Ronald B. Thomas, will testify.

WHEREFORE, Debtor prays that claim number 48 be disallowed in its entirety.

Dated: June 22, 2004

THOMAS F. MILLER, P.A.

BY /E/ THOMAS F. MILLER

Thomas F. Miller, Lic. No. 73477

130 Lake Street West

Wayzata, MN 55491

Tel.: (952) 404-3896

Fax: (952) 404-3893

Email: Thomas@Millerlaw.com

Attorneys for Debtor

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Bky. No. 03-35458(DDO)

ASTROCOM CORPORATION

Chapter 11

Debtor.

**VERIFIED STATEMENT OF RONALD B. THOMAS IN SUPPORT OF DEBTOR'S
OBJECTION TO CLAIM NUMBER 48 FILED BY GUNTHER KARGER**

Ronald B. Thomas, under penalties of perjury, states:

1. I am the President of Astrocom Corporation, the Debtor. I make this statement in support of the Debtor's objection to claim number 48 filed by Gunther Karger.
2. The Debtor has no contractual relationship with Mr. Karger. He is, by occupation, a professional investment adviser. For a time, he covered Astrocom stock in his research reports to his clients.
3. Days before Astrocom filed this bankruptcy case, Mr. Karger presented me with a statement for services allegedly rendered to Astrocom in regard to procuring equity investors. It is essentially the same statement that is attached to his proof of claim.
4. Astrocom never requested that Mr. Karger or his company provide any services of any kind.
5. In fact, Mr. Karger's activities, for which he now seeks compensation, consisted of investigation into the business of the Debtor, and his recommendation to his clients concerning the merits of an investment. These activities were undertaken completely at his own initiative, and not at the request of Astrocom or anyone affiliated with Astrocom. They were done for the purpose of advising his clients, for which he received a fee from them.
6. I believe that it would in fact be a violation of the securities laws and/or the investment advisory laws for Astrocom to pay, or to agree to pay, for the reports that Mr. Karger disseminated to his clients.
7. For all of these reasons I believe it is clear that the Debtor has no monetary obligation to Mr. Karger, and on this basis the Debtor disputes his claim.

Dated: June 22, 2004


Ronald B. Thomas

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Bky. No. 03-35458 (DDO)

ASTROCOM CORPORATION

Chapter 11

Debtor.

ORDER DISALLOWING CLAIM 48

At St. Paul, Minnesota this ____ day of June, 2004.

This matter came on for hearing before the undersigned Judge of the above Court on July 21, 2004, upon The Notice of Hearing and Debtor's Motion Objecting to Claim Number 48 filed by Gunther Karger. Appearances were noted in the record of the Court.

Upon the advice and arguments of counsel, and upon all of the files, records, and proceedings herein,

IT IS HEREBY ORDERED:

That claim number 48 filed in this matter by Gunther Karger is hereby disallowed in its entirety.

BY THE COURT:

Dennis D. O'Brien
United States Bankruptcy Judge

In Re Astrocom Corporation, BKY 03-35458(DDO)

UNSWORN DECLARATION FOR PROOF OF SERVICE

I, the undersigned Thomas F. Miller, hereby declare under penalty of perjury that on June 22, 2004, I served the within:

1. Notice of Hearing and Debtor's Motion Objecting to Claim Number 48 filed by Gunther Karger.
2. Verified Statement of Ronald B. Thomas in Support of Debtor's Objection to Claim Number 48 filed by Gunther Karger.
3. Proposed Order Disallowing Claim Number 48.
4. Unsworn Declaration for Proof of Service.
5. Copy of claim 48.

upon the following, by sending copies thereof by first class mail, postage prepaid, to them at the following addresses:

Office of the United States Trustee
1015 United States Courthouse
300 South Fourth Street
Minneapolis, MN 55415

Mr. Gunther Karger
14950 S.W. 86th Avenue
Miami, FL 33158

Medica
C/O Jane S Welch
333 S 7th St Ste 2000
Minneapolis MN 55402

Dated: June 22, 2004

/e/ Thomas F. Miller
Thomas F. Miller

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| UNITED STATES BANKRUPTCY COURT DISTRICT OF MINNESOTA | | RECEIVED 04 JUN -3 AM 11:23 U.S. BANKRUPTCY COURT ST. PAUL, MN RECEIVED JUN -3 AM 10:35 THIS SPACE IS FOR COURT USE ONLY |
| Name of Debtor ASTROCOM CORPORATION | Case Number 03-35458 |  |
| NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503. | | |
| Name of Creditor (The person or other entity to whom the debtor owes money or property): GUNTHER KARGER | <input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input checked="" type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court. | |
| Name and address where notices should be sent: GUNTHER KARGER 74950 SW 86 AVE VILLAGE OF PALM BEACH FL Telephone number: 305-378-0311 83158 | Account or other number by which creditor identifies debtor: DISCOVERY GROUP INC GUNTHER KARGER | |
| 1. Basis for Claim <input type="checkbox"/> Goods sold <input checked="" type="checkbox"/> Services performed <i>see attached statement(s)</i> <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input type="checkbox"/> Other _____ | | <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Last four digits of SS #: _____ <input type="checkbox"/> Unpaid compensation for services performed from _____ to _____ (date) (date) |
| 2. Date debt was incurred: 9/01/2000 8/5/2003 | | 3. If court judgment, date obtained: |
| 4. Total Amount of Claim at Time Case Filed: \$ <u>25,000</u> (unsecured) <u>00</u> (secured) <u>00</u> (priority) <u>25,000</u> (Total) | | |
| <input type="checkbox"/> If all or part of your claim is secured or entitled to priority, also complete Item 5 or 7 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges. | | |
| 5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____ | | 7. Unsecured Priority Claim. <input checked="" type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,925)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$2,225* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). *Amounts are subject to adjustment on 4/1/07 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment. |
| 6. Unsecured Nonpriority Claim \$ _____ <input type="checkbox"/> Check this box if: a) there is no collateral or lien securing your claim, or b) your claim exceeds the value of the property securing it, or if c) none or only part of your claim is entitled to priority. | | |
| 8. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. 9. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. 10. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim. | | Send claims to: U.S. Bankruptcy Court 301 U.S. Courthouse 300 South Fourth Street Minneapolis, MN 55415 |
| Date 6/2/2004 | Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): Smith Ylger Gunther KARGER | |

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

For CHAPTER 7, 11 or 12 CASES filed on or after April 1, 2004

Discovery Group, Inc.

Management consultants

14950 S.W. 86th Avenue, Miami, FL 33158 Tel/Fax: 305-378-0311 email: gunther@ieec.org

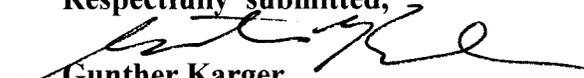
Statement of Gunther Karger

June 2, 2004

I had submitted the “**Statement for Services**” below on August 5, 2003. Subsequent to Astrocom’s Chapter 11 filing, I was advised by its CEO that there would be no funds or assets available to unsecured creditors. Relying on this statement and not receiving any communications from the Court, I assumed this was the status. Then I learn of the Chapter 11 Reorganization Plan filed just last Friday, May 28 and that it provides for a significant allocation of shares in the new company to unsecured creditors.

Immediately upon learning of the “Plan” as submitted May 28, 2004, this past Friday, I am hereby submit my “Proof of Claim” and respectfully ask that the Court include my “Claim” in the “List of Unsecured Creditors” for allocation of the shares as specified by the “Plan”.

Respectfully submitted,


Gunther Karger

Discovery Group, Inc. Management consultants Gunther Karger, President, Author of *Thieves on Wall Street* " and columnist 14950 S.W. 86th Avenue, Miami, FL 33158 Tel/Fax: 305-378-0311 email: gunther@ieee.org

Statement for Services Rendered

August 5, 2003

We brought Astrocom at least \$300,000 in capital via private placement investments directly and indirectly assisted the company in securing an additional minimum of \$1 million indirectly via reports prepared specifically to support the company's investment bankers in its efforts on behalf of Astrocom. Our research reports and related efforts caused a minimum of 1 million shares of Astrocom to be purchased over time which directly supported the company's investor relations program. We brought to the company significant marketing opportunities and identified major customers which gave the company the opportunity for strategic alliances and in some cases, arranged specific meetings with senior management or potential strategic partners.

For services rendered through July 31, 2003\$25,000.00

Gunther Karger

C/O: Discovery Group Inc.

14950 SW 86th Ave, Miami FL 33158