

So Ordered.

Signed this 20 day of March, 2019.



Margaret Cangilos-Ruiz  
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF NEW YORK

In re:

CENTERSTONE LINEN SERVICES, LLC,  
ATLAS HEALTH CARE LINEN SERVICES CO., LLC,  
ALLIANCE LAUNDRY & TEXTILE SERVICE, LLC,  
ALLIANCE LAUNDRY AND TEXTILE SERVICE OF  
ATLANTA, LLC, and  
ALLIANCE LTS WINCHESTER, LLC  
*d/b/a Clarus Linen Systems*<sup>1</sup>,

Debtors.

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)  
) Case Nos.  
) 18-31754 (main case)  
) 18-31753  
) 18-31755  
) 18-31756  
)  
) 18-31757  
)  
) Chapter 11 Cases  
) Jointly Administered  
)  
)

**ORDER PURSUANT TO SECTIONS 363 AND 105 OF THE BANKRUPTCY  
CODE: (A)(1) SETTING DEADLINE AND APPROVING REQUIREMENTS AND  
PROCEDURES FOR INTERESTED PARTIES TO SUBMIT COMPETING  
BIDS FOR SUBSTANTIALLY ALL ASSETS OF DEBTORS CENTERSTONE LINEN  
SERVICES, LLC d/b/a CLARUS LINEN SYSTEMS AND ATLAS HEALTH CARE  
LINEN SERVICES CO., LLC, d/b/a CLARUS LINEN SYSTEMS; (2) APPROVING**

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Centerstone Linen Services, LLC d/b/a Clarus Linen Systems (5594) ("Centerstone"); Atlas Health Care Linen Services Co., LLC d/b/a Clarus Linen Systems (2681) ("Atlas"); Alliance Laundry & Textile Service, LLC d/b/a Clarus Linen Systems (8284) ("Alliance"); Alliance Laundry and Textile Service of Atlanta, LLC d/b/a Clarus Linen Systems (4065) ("Atlanta"); and Alliance LTS Winchester, LLC d/b/a Clarus Linen Systems (0892) ("Winchester").

**FORM OF PURCHASE AGREEMENT; (3) SCHEDULING AN AUCTION; (4) SETTING HEARING DATE TO APPROVE SALE OF ASSETS TO SUCCESSFUL BIDDER; AND (5) APPROVING PROCEDURES WITH RESPECT TO THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (B) APPROVING FORM AND MANNER OF NOTICE**

Upon consideration of the motion (the "Motion")<sup>2</sup> filed by debtors Centerstone Linen Services, LLC d/b/a Clarus Linen Systems ("Centerstone") and Atlas Health Care Linen Services Co., LLC, d/b/a Clarus Linen Systems ("Atlas"), debtors and debtors in possession (collectively, the "Debtors") in the captioned cases, for entry of an order pursuant to sections 105 and 363 of title 11 of the United States Code (the "Bankruptcy Code") and Bankruptcy Rule 6004: (A)(i) authorizing the sale of substantially all of the Debtors' assets (the "Purchased Assets"), free and clear of all liens, claims, interests and encumbrances, subject to the terms of the Asset Purchase Agreement and subject to higher and/or better offers; (ii) authorizing and approving the Asset Purchase Agreement with to Linen Newco LLC ("Purchaser"); and (iii) authorizing the Debtors to consummate all transactions related to the proposed sale; (B) approving bidding procedures and other related relief; and (C) authorizing the Debtors to assume certain executory contracts and unexpired leases and assign such contracts and leases to Purchaser pursuant to 11 U.S.C. §§ 365(a), (b) and (c) and Bankruptcy Rule 6006(e)(1) (the "Assigned Contracts"); and upon review and consideration of (i) the Motion, (ii) the objections, if any, filed with respect thereto, (iii) arguments of counsel and evidence proffered or adduced at the hearing on the Motion held on March 18, 2019 (the "Bid Procedures Hearing"), and (iv) the docket and proceedings in the above-captioned cases (the "Chapter 11 Cases"); and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and other parties in interest; and good and sufficient cause appearing therefor, it is hereby:

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<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion, Purchase Agreement and/or the Bidding Procedures, as applicable.

**FOUND AND DETERMINED THAT:**<sup>3</sup>

A. This Court has jurisdiction over the Motion and the transactions contemplated therein pursuant to 28 U.S.C. §§ 157 and 1334, and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (M) and (O). Venue in this district is proper under 28 U.S.C. §§ 1408 and 1409.

B. Good and sufficient notice of the Motion and the relief sought therein has been given under the circumstances, and no other or further notice is required except as set forth herein. A reasonable opportunity to object or be heard regarding the relief provided herein has been afforded to parties-in-interest.

C. The Debtors have articulated good and sufficient business reasons for this Court to approve the bidding procedures attached hereto as **Schedule 1** (the “Bidding Procedures”) and the establishment of procedures to fix the cure amounts to be paid under section 365 of the Bankruptcy Code in connection with the assumption, assignment and/or transfer of the Assigned Contracts to the Successful Bidder.

D. The Bidding Procedures are reasonably designed to maximize the value to be achieved for the Purchased Assets.

E. The Notice of the Auction and Sale Hearing attached hereto as **Schedule 2** and the Notice of Assumption and Assignment attached hereto as **Schedule 3** provide all interested parties with timely and proper notice of the Auction, the sale of the Purchased Assets, the Bidding Procedures and the procedures governing the Debtors’ assumption and assignment of the Assigned Contracts to the Successful Bidder.

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<sup>3</sup> Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when applicable. *See* Bankruptcy Rule 7052.

F. The entry of this Order (the “Bidding Procedures Order”) is in the best interests of the Debtors, their estates, creditors and other parties in interest.

**NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:**

1. The Motion is granted as set forth herein.
2. All objections to the Motion relating to the relief provided herein that have not been withdrawn, waived or settled, and all reservations of rights included therein, are hereby overruled and denied on the merits.
3. The form of Asset Purchase Agreement attached hereto as **Exhibit A** (the “Purchase Agreement”) is hereby approved. The Purchaser is hereby designated as the stalking-horse bidder for the Purchased Assets, the Purchase Agreement is hereby deemed a Qualified Bid for the Purchased Assets and the Purchaser is hereby deemed a Qualified Bidder for the Purchased Assets.
4. Paragraph 6.1(c)(i) of the Purchase Agreement is hereby modified as follows:
  - i. in the event the Bankruptcy Court approves and Seller consummates a sale of the Purchased Assets to a Competing Bidder, the Buyer reserves its right to request the payment of an expense reimbursement of up to Fifty Thousand and 00/100 Dollars (\$50,000.00) (“Expense Reimbursement”) to be paid out of sale proceeds free and clear of all liens, claims and encumbrances.
5. HSBC Bank USA, National Association (“HSBC Bank”) is also hereby deemed a Qualified Bidder for the Purchased Assets.
6. The Bidding Procedures, as modified and in the form attached hereto as **Schedule 1**, are hereby incorporated herein and approved, and shall apply with respect to the sale of the Purchased Assets. The Debtors are authorized to take all actions necessary or appropriate to implement the Bidding Procedures.

7. All of the Purchased Assets designated as such by the Purchaser may be sold together as one lot, or alternatively, in two separate lots of either (i) the Buffalo Assets and the Office Assets, or (ii) the Syracuse Assets, so long as the respective Bid(s) meet the requirements of a “Qualified Bid” provided for in the Bidding Procedures. If the Debtors receive two or more Qualified Bids with respect to the Purchased Assets, or receive separate Qualified Bids for the Syracuse Assets or the Buffalo Assets, on or before the Bid Deadline, the Debtors shall conduct one or more auction sales with respect to those Assets in accordance with the Bidding Procedures.

8. As further described in the Bidding Procedures, the deadline for submitting bids for the Purchased Assets (the “Bid Deadline”) is **April 11, 2019 at 4:00 p.m. (prevailing Eastern Time)**. No bid shall be deemed to be a Qualified Bid (as defined in the Bidding Procedures) or otherwise considered for any purposes unless such bid meets the requirements set forth in the Bidding Procedures, or those requirements which may be modified by the Debtors upon consultation with HSBC Bank and the Committee, except for HSBC Bank which is automatically deemed a Qualified Bidder.

9. The Debtors may sell the Purchased Assets by conducting an Auction in accordance with the Bidding Procedures. If more than one Qualified Bid is timely received by the Debtors in accordance with the Bidding Procedures, the Auction shall take place on **April 15, 2019 at 10:00 a.m. (prevailing Eastern Time)** at the offices of Bond, Schoeneck & King, PLLC, One Lincoln Center, Syracuse, New York, or such other place and time as the Debtors shall notify all Qualified Bidders and other invitees.

10. Each Qualified Bidder participating at the Auction shall participate in person and will be required to confirm that it has not engaged in any collusion with respect to the bidding or the Sale.

11. The Sale Hearing shall be held before this Court on **April 17, 2019 at 1:00 p.m. (prevailing Eastern Time)**, or as soon thereafter as counsel and interested parties may be heard.

12. The Notice of Auction and Sale, in the form attached hereto as **Schedule 2**, is hereby approved. On or before **5:00 p.m. (prevailing Eastern Time) on March 20, 2019**, the Debtors will cause (a) a copy of the Notice of Auction and Sale Hearing and (b) a copy of the Bidding Procedures Order to be sent by first-class mail postage prepaid, to the following: (i) counsel for the Purchaser; (ii) the Office of the United States Trustee for the Northern District of New York; (iii) counsel for HSBC Bank; (iv) counsel for the Committee (v) all parties to the Assigned Contracts; (vi) all required governmental agencies; (vii) all persons known or reasonably believed to have asserted any lien, claim encumbrance, right of first refusal or other interest in or upon any of the Purchased Assets, (viii) all parties who have expressed an interest in the Purchased Assets during the past ten months the Purchased Assets have been marketed; and (ix) all entities known by the Debtors to have filed a notice of appearance or a request for receipt of chapter 11 notices and pleadings filed in the Chapter 11 Cases (the "Notice Parties").

13. On or before **5:00 p.m. (prevailing Eastern Time) on March 20, 2019**, the Debtors will cause a copy of the Notice of Auction and Sale to be served upon all known creditors of the Debtors in the Chapter 11 Cases.

14. The Notice of Assignment and Assumption, in the form attached hereto as **Schedule 3**, is hereby approved. On or before **5:00 p.m. (prevailing Eastern Time) on March 20, 2019**, the Debtors shall serve by first class mail, the Notice of Assumption and Assignment

on all non-debtor parties to the Assigned Contracts. The Notice of Assumption and Assignment shall identify the cure amounts that the Debtors believe must be paid to cure all prepetition defaults under the Assigned Contracts (the “Cure Amounts”). In addition, if the Debtors identify additional executory contracts or unexpired leases that might be assumed by the Debtors and assigned to the Successful Bidder not set forth in the original Notice of Assumption and Assignment, the Debtors shall promptly send a supplemental notice (a “Supplemental Notice of Assumption and Assignment”) to the applicable counterparties to such additional executory contracts and unexpired leases.

15. Unless the non-debtor party to an Assigned Contract identified in the Notice of Assumption and Assignment or any Supplemental Notice of Assumption and Assignment files an objection (the “Cure Amount/Assignment Objection”) to (a) its scheduled Cure Amount and/or (b) to the proposed assumption, assignment and/or transfer of such Assigned Contract by the later of (i) **4:00 p.m. (prevailing Eastern Time) on April 3, 2019** or (ii) five (5) days after service of the relevant Supplemental Notice of Assumption and Assignment (such later date, the “Cure/Assignment Objection Deadline”) and serves a copy of the Cure Amount/Assignment Objection so as to be received on the same day by (i) counsel for the Debtors; (ii) the Office of the United States Trustee for the Northern District of New York; (iii) counsel for HSBC Bank; (iv) counsel for the Purchaser; and (v) counsel for the Committee, then such non-debtor party (a) will be forever barred from objecting to the Cure Amount and from asserting any additional cure or other amounts due with respect to such Assigned Contract and the Debtors shall be entitled to rely solely upon the Cure Amount, and (b) if the Assigned Contract is identified by the Successful Bidder or Backup Bidder as an Asset to be purchased and/or assigned, will be deemed to have consented to the assumption, assignment and/or transfer of such Assigned Contract and

will be forever barred and estopped from asserting or claiming against the Debtors, the Successful Bidder or the Backup Bidder, or any other assignee of the relevant executory contract or unexpired lease that any additional amounts are due or defaults exist, or prohibitions or conditions to assumption, assignment and/or transfer exist or must be satisfied, under such Assigned Contract. Notwithstanding the foregoing, as provided below, each non-debtor party shall retain the right to object to the assumption, assignment or transfer of its Assigned Contract, based solely on the issue of whether the Successful Bidder or Backup Bidder can provide adequate assurance of future performance as required by section 365 of the Bankruptcy Code.

16. If a Cure Amount/Assignment Objection challenges a Cure Amount, the objection must set forth the cure amount being claimed by the objecting party (the “Claimed Cure Amount”) with appropriate documentation in support thereof. Upon receipt of a Cure Amount/Assignment Objection, the Debtors are authorized, but not directed, to resolve any Cure Amount/Assignment Objection by mutual agreement with the objecting counterparty to any Assigned Contract without further order of the Court. The Debtors are also hereby authorized to file a response to any Cure Amount/Assignment Objection by **4:00 p.m. (prevailing Eastern Time) on April 10, 2019**. In the event that the Debtors and any objecting party are unable to consensually resolve any Cure Amount/Assignment Objection, the Court will resolve any such Cure Amount/Assignment Objection at a hearing to be held at **1:00 p.m. (prevailing Eastern Time) on April 17, 2019** or on such later date as the Court may determine.

17. The Successful Bidder or the Backup Bidder, as the case may be, may determine to exclude any executory contract or unexpired lease from the list of Purchased Assets to be assumed and sold or assigned at any time prior to the closing of the sale of the Purchased Assets. The non-debtor party or parties to any such excluded contract or lease will be notified of such



exclusion by written notice mailed within five (5) business days following the closing of the sale of the Purchased Assets.

18. To the extent that a Cure Amount/Assignment Objection remains unresolved as of the Bid Deadline, and the Bankruptcy Court subsequently determines that the Cure Amount for the subject Assigned Contract is greater than that set forth in the Cure Amounts identified in the Notice of Assumption and Assignment, the Successful Bidder may elect to reclassify such Assigned Contract as an Excluded Contract at any time prior to the earlier to occur of the closing of the sale of Purchased Assets or the day that is five (5) business days following such determination by the Bankruptcy Court.

19. Immediately following the conclusion of the Auction for the Purchased Assets, the Debtors shall serve (i) a notice identifying the Successful Bidder(s) and Backup Bidder(s), and (ii) contact information for Debtors' counsel from whom financial information concerning the Successful Bidder(s)' and Backup Bidder(s)' ability to provide adequate assurance of future performance of such Assigned Contracts may be obtained, to the non-debtor parties to the Assigned Contracts that have been identified as Purchased Assets to be sold or assigned in connection with such Successful Bid and Backup Bid. The non-debtor parties to the Assigned Contracts will have until **9:00 a.m. (prevailing Eastern Time) on April 17, 2019** (the "Adequate Assurance Objection Deadline") to file a written objection to the assumption, assignment or transfer of such Assigned Contract solely on the issue of whether the Successful Bidder and/or Backup Bidder can provide adequate assurance of future performance as required by section 365 of the Bankruptcy Code. Any such objections shall be heard at the Sale Hearing.

20. No later than **9:00 a.m. (prevailing Eastern Time) on April 17, 2019**, the Debtors shall file with the Court a Report setting forth a summary of the Auction Sale, if held,

the marketing efforts undertaken by the Debtors with respect to the Purchased Assets. The sale proceeds shall be distributed in accordance with paragraph 24(b) of the Final Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing on a Super-Priority, Senior Secured Basis and (B) Use Cash Collateral, (II) Granting (A) Liens and Super-Priority Claims and (B) Adequate Protection to Certain Prepetition Lenders, (III) Modifying the Automatic Stay, and (IV) Granting Related Relief [Docket No. 234] (the "Final DIP Order").

21. Any objections to the sale of the Purchased Assets, or to the balance of the relief requested in the Motion and not granted in this Bidding Procedures Order, must: (a) be in writing; (b) comply with the Bankruptcy Rules and the Local Rules; (c) be filed with the Clerk of the Bankruptcy Court for the Northern District of New York, on or before **12:00 p.m. (prevailing Eastern Time) on April 16, 2019**; and (d) be served so as to be received on the same day, upon (i) counsel for the Debtors; (ii) counsel for the Purchaser; (iii) the Office of the United States Trustee for the Northern District of New York; (iv) counsel for HSBC Bank; and (v) counsel for the Committee. All objections must state with specificity the nature of such objection and will be heard by the Court at the Sale Hearing. All objections to the sale of the Purchased Assets previously filed with this Court, and not resolved in this Order, are preserved until the Sale Hearing.

22. The Sale Hearing may be adjourned, from time to time, without further notice to creditors or other parties in interest other than by announcement of said adjournment before this Court or on this Court's calendar on the date scheduled for said hearing.

23. Except as otherwise provided in this Bidding Procedures Order, the Debtors reserve the right as they may reasonably determine to be in the best interests of their estates, in consultation with HSBC Bank and the Committee, subject to conformity with the Bidding

Procedures to: (a) determine which bidders are Qualified Bidders; (b) determine which bids are Qualified Bids; (c) determine which Qualified Bid is the highest or best proposal and which is the next highest or best proposal; (d) reject any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bidding Procedures or the requirements of the Bankruptcy Code, or (iii) contrary to the best interests of the Debtors and their estates; (e) remove some of the Purchased Assets from the Auction; (f) waive terms and conditions set forth herein with respect to all potential bidders; (g) impose additional terms and conditions with respect to all potential bidders; (h) extend the deadlines set forth herein; (i) adjourn or cancel the Auction or Sale Hearing in open court without further notice; and (j) modify the Bidding Procedures as the Debtors, in consultation with HSBC Bank and the Committee, may determine to be in the best interest of their estates or to withdraw the Motion at any time with or without prejudice; provided, that any exercise by the Debtors of their rights hereunder shall not alter or modify the terms of the Purchase Agreement, including its stated conditions for the Purchaser to close.

24. The Debtors are hereby authorized to take such steps and incur and pay such expenditures as may be necessary or appropriate to effectuate the terms of this Bidding Procedures Order, subject to and in accordance with the terms of the Final DIP Order.

25. The stays provided for in Bankruptcy Rules 6004(h) and 6006(d) are waived and this Bidding Procedures Order shall be effective immediately upon its entry.

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

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**Schedule 1**

**Bidding Procedures**

UNITED STATES BANKRUPTCY COURT  
 NORTHERN DISTRICT OF NEW YORK

In re:

CENTERSTONE LINEN SERVICES, LLC,  
 ATLAS HEALTH CARE LINEN SERVICES CO., LLC,  
 ALLIANCE LAUNDRY & TEXTILE SERVICE, LLC,  
 ALLIANCE LAUNDRY AND TEXTILE SERVICE OF  
 ATLANTA, LLC, and  
 ALLIANCE LTS WINCHESTER, LLC  
*d/b/a Clarus Linen Systems*<sup>1</sup>,

Debtors.

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**BIDDING PROCEDURES FOR THE SALE OF SUBSTANTIALLY  
 ALL ASSETS OF CENTERSTONE LINEN SERVICES, LLC  
 d/b/a CLARUS LINEN SYSTEMS AND ATLAS HEALTH  
 CARE SERVICES CO., LLC d/b/a CLARUS LINEN SYSTEMS**

Set forth below are the bidding procedures (the “Bidding Procedures”) to be employed with respect to the proposed sale (the “Proposed Sale”) of substantially all of the assets (the “Purchased Assets”) owned by debtors Centerstone Linen Services, LLC d/b/a Clarus Linen Systems and Atlas Health Care Linen Services Co., LLC d/b/a Clarus Linen Systems, debtors and debtors in possession (collectively, the “Debtors”). The Proposed Sale is subject to competitive bidding as set forth herein and approval by the United States Bankruptcy Court for the Northern District of New York (the “Bankruptcy Court”) pursuant to sections 105, 363 and 365 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 6004 of the Federal Rules of Bankruptcy Procedure. All capitalized terms shall have the meanings ascribed to them in that certain Asset Purchase Agreement between the Debtors and Linen Newco, LLC (the “Purchase Agreement”) dated March 13, 2019 (the “Execution Date”), approved by the Court in connection with the Proposed Sale and the Sale Motion (as defined herein).

On March 13, 2019, the Debtors filed the *Motion by Debtors Centerstone Linen Services, LLC d/b/a Clarus Linen Systems and Atlas Health Care Linen Services Co. d/b/a Clarus Linen*

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Centerstone Linen Services, LLC d/b/a Clarus Linen Systems (5594) (“Centerstone”); Atlas Health Care Linen Services Co., LLC d/b/a Clarus Linen Systems (2681) (“Atlas”); Alliance Laundry & Textile Service, LLC d/b/a Clarus Linen Systems (8284) (“Alliance”); Alliance Laundry and Textile Service of Atlanta, LLC d/b/a Clarus Linen Systems (4065) (“Atlanta”); and Alliance LTS Winchester, LLC d/b/a Clarus Linen Systems (0892) (“Winchester”).

*Systems for Orders (A) (i) Authorizing the Sale of Substantially All of the Debtors' Assets Free and Clear of All Liens, Claims, Interests and Encumbrances, Subject to the Terms of the Asset Purchase Agreement and Subject to Higher and/or Better Offers; (ii) Authorizing and Approving the Form of a Certain Asset Purchase Agreement With Linen Newco LLC; and (iii) Authorizing the Debtors to Consummate All Transactions Related to the Proposed Sale; (B) Approving Bidding Procedures and Other Related Relief; and (C) Authorizing the Debtors to Assume Certain Executory Contracts and Unexpired Leases and Assign Such Contracts and Leases to Purchaser Linen Newco LLC (the "Sale Motion").*

These Bidding Procedures describe, among other things, the Purchased Assets available for sale, the form of bids and the manner in which bidders and bids become qualified, the coordination of diligence efforts among bidders, the conduct of the Auction (as defined herein), the ultimate selection of the Successful Bidder (as defined herein) and the Court's approval thereof (the "Bidding Process"). The Bidding Procedures were developed in consultation with the Debtors' professionals. The Debtors will continue to consult with their professionals, as well as with its secured creditor, HSBC Bank USA, National Association ("HSBC Bank"), the Official Committee of Unsecured Creditors (the "Committee"), and other parties in interest, throughout the Bidding Process. In the event that the Debtors and any such constituents disagree as to the interpretation or application of these Bidding Procedures, the Bankruptcy Court shall have jurisdiction to hear and resolve such dispute.

### **Purchased Assets to be Sold**

The Purchased Assets to be sold include all of the Debtors' right, title and interest in, to and under, free and clear of all Liabilities (other than Assumed Liabilities) and Encumbrances (other than Permitted Encumbrances), all of Atlas's assets, personal properties, rights and interests of any nature whatsoever used in or related to the operation of its business located at 414 Taylor Street, Syracuse, New York 13202 (the "Syracuse Assets"), and at 60 Grider Street, Buffalo, New York 14215 (the "Buffalo Assets"), and all of Centerstone's assets, personal properties, rights and interests of any nature whatsoever used in or related to the operation of its business located at 60 Grider Street, Buffalo, New York 14215 (the "Office Assets"). The Purchased Assets exclude those assets identified as "Excluded Assets" in Section 2.3 of the Purchase Agreement, which include, but are not limited to, all Contracts not specifically designated by the Purchaser as Assigned Contracts pursuant to the terms of the Purchase Agreement in Schedule 2.2. The foregoing summary description of the Purchased Assets and Excluded Assets is provided for the convenience of Potential Bidders and is in all regards qualified by and subject to the terms of the Purchase Agreement.

The Debtors shall retain all rights to any Purchased Assets that are not subject to a bid accepted by the Debtors and approved by the Bankruptcy Court at the Sale Hearing (as defined herein).

**All of the Purchased Assets designated as such by the Purchaser may be sold together as one lot, or alternatively, in two separate lots of either (i) the Buffalo Assets and the Office Assets (collectively, the "Buffalo Assets"), or (ii) the Syracuse Assets, so long as the respective Bid(s) meet the requirements of a "Qualified Bid" explained below.** The sale of the Purchased Assets will be conducted on an "as is, where is" basis and without representations or warranties of any kind, nature, or description by the Debtors, their agents or

the Debtors' bankruptcy estate, except to the extent set forth in the Purchase Agreement, as approved by the Bankruptcy Court. Except as otherwise provided in such approved Purchase Agreement or in the Bankruptcy Court's order approving the same, the Purchased Assets shall be sold to the Successful Bidder free and clear of all liens, claims, interests and encumbrances thereon (collectively, the "Liens"), with such Liens, including, but not limited to, those Liens in favor of HSBC Bank, to attach solely to the net proceeds of the sale.

### **Participation Requirements**

In order to participate in the Bidding Process, a person (a "Potential Bidder") must be a "Qualified Bidder". A Qualified Bidder is (A) Linen Newco, LLC ("Newco"), and (B) HSBC Bank (provided, however, that HSBC Bank shall refrain from credit bidding so long as Newco's offer (as set forth in the Purchase Agreement) remains open and represents, in HSBC Bank's reasonable judgment, the highest or best bid received for the Purchased Assets), and (C) a person or group of persons:

- (a) who has delivered to the Debtors an executed confidentiality agreement in form and substance acceptable to the Debtors; and
- (b) who has delivered to the Debtors on or before the Bid Deadline (defined below): (i) a Qualified Bid (defined below) and (ii) satisfactory evidence of committed financing or current audited financial statements or other form of financial or credit-quality disclosures reasonably sufficient to ascertain that the Potential Bidder has the financial wherewithal and liquidity to consummate a transaction pursuant to its Qualified Bid and any subsequent bid that the Potential Bidder may place at the Auction.

The Debtors, in consultation with HSBC Bank and the Committee, shall determine whether a bid qualifies as a "Qualified Bid". To constitute a Qualified Bid, a bid must be a written irrevocable offer from a Qualified Bidder and:

- (a) propose a purchase price to be paid in cash, cash equivalents or readily marketable securities acceptable in the discretion of the Debtors;
- (b) (i) if the Potential Bidder is submitting a bid for all of the Purchased Assets, propose a purchase price that exceeds Newco's Bid, as set forth in Article III of the Purchase Agreement, by \$50,000.00 (an "Initial Qualified Overbid"); or  
(ii) if the Potential Bidder is submitting a bid for either the Syracuse Assets or the Buffalo Assets (either, a "Location Asset"), propose a purchase price ("Purchase Price");
- (c) provide the Debtors with a deposit in an amount equal to 10% of its Initial Qualified Overbid or Purchase Price, as applicable (the "Bid Deposit");
- (d) be accompanied by a signed Purchase Agreement, together with a copy marked to show any changes from the form of Purchase Agreement approved by the Court and attached as Exhibit A to the Order approving these Bidding Procedures;

- (e) contain a list of the Debtors' executory contracts and unexpired leases with respect to which the Potential Bidder seeks assignment from the Debtors and, if the Bid is conditioned on the assumption and assignment of such executory contracts or unexpired leases, provide evidence of the Potential Bidder's ability to provide adequate assurance of future performance of such contracts or leases;
- (f) provide satisfactory evidence of committed financing or current audited financial statements or other form of financial and/or credit-quality disclosure reasonably sufficient to ascertain such Potential Bidder's ability to consummate the sale and not be conditioned on obtaining financing or on the outcome of any due diligence;
- (g) not request or entitle the Potential Bidder to any break-up fee, expense reimbursement or similar type of payment;
- (h) fully disclose the identity of each entity that will be bidding for the Purchased Assets or a Location Asset, or otherwise participating in connection with such bid and the complete terms of any such participation;
- (i) be accompanied by a letter from the Potential Bidder stating that (i) the bidder is prepared to enter into and consummate the proposed transaction in accordance with the terms of the Purchase Agreement after approval by the Bankruptcy Court of the Sale Order, subject to receipt of any applicable governmental or regulatory approval, (ii) the Potential Bidder will make all necessary federal, state or local filings, pay all costs and expenses associated with such filings (including the costs and expenses of the Debtors), and (iii) such Potential Bidder's offer is irrevocable until the date that is twenty (20) days after the conclusion of the Sale Hearing with respect to the Purchased Assets or a Location Asset unless such bidder is the Backup Bidder(s), and then the offer shall remain irrevocable until the closing of the sale of the Purchased Assets or the Location Asset; and
- (j) be delivered to counsel for the Debtors, HSBC Bank and the Committee on or before the Bid Deadline.

As promptly as practicable after a Potential Bidder delivers a bid, the Debtors shall determine, in consultation with HSBC Bank and the Committee, and shall notify the Potential Bidder in writing, whether the Potential Bidder is a Qualified Bidder with respect to the Purchased Assets or a Location Asset. The Debtors may waive any requirements for Qualified Bidders or Qualified Bids.

#### **Bid Deadline**

A Potential Bidder that desires to make a bid shall deliver (i) written and electronic copies of its bid and (ii) its Bid Deposit so that they are actually received not later than **4:00 p.m. (prevailing Eastern Time) on April 11, 2019** (the "**Bid Deadline**") by (i) the Debtors' counsel, Bond, Schoeneck & King, PLLC, One Lincoln Center, Syracuse, New York 13202 (Attn: Stephen A. Donato, Esq., [sdonato@bsk.com](mailto:sdonato@bsk.com) and Camille W. Hill, Esq., [chill@bsk.com](mailto:chill@bsk.com)); (ii) HSBC Bank's counsel, Phillips Lytle LLP, One Canalside, 125 Main Street, Buffalo, New York



14203-2887 (Attn: William J. Brown, Esq., [wbrown@phillipslytle.com](mailto:wbrown@phillipslytle.com) and Angela Z. Miller, Esq., [amiller@phillipslytle.com](mailto:amiller@phillipslytle.com)); and (iii) the Committee's counsel, CKR Law LLP, 1330 Avenue of the Americas, 14<sup>th</sup> Floor, New York, New York 10019 (Attn: David M. Banker, Esq., [dbanker@ckrlaw.com](mailto:dbanker@ckrlaw.com) and Gilbert R. Saydah, Jr., Esq., [gsaydah@ckrlaw.com](mailto:gsaydah@ckrlaw.com)). The Debtors may extend the Bid Deadline once or successively, but is not obligated to do so. If the Bid Deadline is extended, the Debtors shall promptly notify all known Potential Bidders of such extension.

### **Due Diligence**

Upon a Potential Bidder's execution of a confidentiality agreement in form and substance approved by the Debtors, each Potential Bidder shall be afforded reasonable due diligence access with respect to the Purchased Assets and Location Assets prior to the Bid Deadline (the "Due Diligence Period"). Neither the Debtors nor their representatives shall be obligated to furnish any information of any kind whatsoever relating to the Purchased Assets or Location Assets at any time prior to or after the Due Diligence Period. Due diligence access may include access to the Debtors' online data room, management presentations as may be scheduled by the Debtors, on-site inspections of the Purchased Assets or Location Assets and such other matters which a Potential Bidder may request and as to which the Debtors may agree. The Debtors will designate employees or other representatives to coordinate reasonable requests for additional information and due diligence access from Potential Bidders. The Debtors may, in their discretion, coordinate diligence efforts such that multiple Potential Bidders have simultaneous access to due diligence materials or simultaneous attendance at management presentations or site inspections. Potential Bidders are advised to exercise their own discretion before relying on any information regarding the Purchased Assets or Location Assets provided by anyone other than the Debtors or their representatives.

Each Potential Bidder shall comply with all reasonable requests for additional information by the Debtors or their advisors regarding such Potential Bidder's financial wherewithal to consummate and perform obligations in connection with the Sale. Failure by the Potential Bidder to comply with requests for additional information may be a basis for the Debtors to determine, in consultation with HSBC Bank and the Committee, that a bid made by the Potential Bidder is not a Qualified Bid.

By participating in the Auction, each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to inspect and examine the Purchased Assets and Location Assets, and to conduct any and all due diligence regarding the Purchased Assets and Location Assets prior to submitting its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents in making its bid, and that it did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Purchased Assets or Location Assets, or the completeness of any information provided in connection with the Bidding Process except as expressly stated in the relevant Purchase Agreement submitted with its Qualified Bid.

### Auction

If the Debtors receive two or more Qualified Bids with respect to the Purchased Assets, or receive separate Qualified Bids for either of the Location Assets, on or prior to the Bid Deadline, the Debtors shall conduct one or more auction sales (collectively, the "Auction") with respect to the Purchased Assets and Location Assets. Only Qualified Bidders who timely submit a Qualified Bid will be eligible to participate in the Auction. Notwithstanding the foregoing, an authorized representative of, and counsel for, HSBC Bank and the landlord for the real property at which the Syracuse Assets are located may attend the Auction. The Auction shall take place on **April 15, 2019 at 10:00 a.m. (prevailing Eastern Time)** at the offices of Bond, Schoeneck & King, PLLC, One Lincoln Center, Syracuse, New York 13202, or at such other time and place as the Debtors may notify all Qualified Bidders and parties in interest. The Debtors shall provide copies of all Qualified Bids to counsel for HSBC Bank, the Office of the United States Trustee for the Northern District of New York, counsel for the Committee, and all other Qualified Bidders at least one (1) business day prior to the Auction.

Each Qualified Bidder electing to participate at the Auction must appear in person by a representative who is authorized to participate in the bidding process. No telephonic bidding will be permitted, nor will any telephonic bids be accepted.

At the commencement of the Auction, the Debtors' representatives will announce the highest or otherwise best bids received for: (i) the Purchased Assets, (ii) the Syracuse Assets, and (iii) the Buffalo Assets (each, a "Starting Qualified Bid"), determined in consultation with HSBC Bank and the Committee, and the overall consideration value ascribed to each such bid after considering all terms and conditions of each Starting Qualified Bid (the "Bid Value").

In the event that the Debtors receive more than one Qualified Bid for the Syracuse Assets, or receive more than one Qualified Bid for the Buffalo Assets, the Debtors' representatives will conduct an Auction of each Location's Assets for which the Debtors have received multiple Qualified Bids in order to determine the highest and best bid for those Assets before commencing the Auction of the Purchased Assets. Any such Qualified Bidder present at the respective Auction shall be permitted to increase the then highest Starting Qualified Bid for each Location's Assets by at least Twenty-Five Thousand Dollars (\$25,000.00) (the "Starting Qualified Overbid"). All subsequent bids at each such Auction of the Location Assets must be in Bidding Increments of at least \$25,000.00.

If there are more than one Qualified Bids for the Purchased Assets, the Debtors may also conduct an Auction of the Purchased Assets. Any Qualified Bidder present at the Auction for the Purchased Assets will be permitted to increase the then highest Starting Qualified Bid for the Purchased Assets by at least Fifty Thousand Dollars (\$50,000.00) in excess of the highest and best Qualified Bid to be a Qualified Overbid for the Purchased Assets. All subsequent bids must be in Bidding Increments of at least \$50,000.00.

If there is only one Qualified Bid for either or both Location Assets and one Qualified Bid for the Purchased Assets, the Debtors, in consultation with HSBC Bank and the Committee, shall establish an order of bidding with the intention at arriving at the highest and best Bid(s) for the Assets.

Notwithstanding the foregoing, the Debtors, in consultation with HSBC Bank and the Committee, may alter the order of bidding or the Auction procedure with the intention of receiving the highest and best aggregate Bid(s) for the Assets.

During the course of each Auction, the Debtors, in consultation with HSBC Bank and the Committee, will inform the participants of each Bid that is considered the highest and best Bid for the Assets.

The Auction may be adjourned from time to time by the Debtors, but it shall not be concluded until each Qualified Bidder has had an opportunity to submit a Qualified Overbid with knowledge of the Bid Value ascribed to the Starting Qualified Bid or the then-highest Qualified Overbid, as applicable.

At the conclusion of the Auction, the Debtors will announce the Qualified Bid(s) which it deems, in consultation with HSBC Bank and the Committee, to represent the highest or otherwise best bid(s) for the Purchased Assets, the Syracuse Assets and the Buffalo Assets (such bid(s) being the "Successful Bid(s)") and the Qualified Bidder(s) submitting such bid(s), the "Successful Bidder(s)") and the next highest or otherwise best bid(s) (the "Backup Bid(s)") and the party(ies) submitting such bid(s), the "Backup Bidder(s)"). The Backup Bid(s) shall remain in full force and effect until the closing of the Sale of the Assets purchased by the Successful Bidder(s). The Debtors shall require, as a condition precedent to declaring any bid(s) the Successful Bid(s) or the Backup Bid(s), that the Bid Deposits of the Successful Bidder(s) and Backup Bidder(s) be retained by the Debtors pending the closing of the sale of the Assets. Any Bid Deposit(s) not applied in satisfaction of the obligations of the Successful Bidder(s) or Backup Bidder(s) in connection with their respective bids shall be returned not later than five (5) business days following the closing of the sale of the Assets.

### **The Sale Hearing**

A hearing to approve the Proposed Sale (the "Sale Hearing") is presently scheduled to take place on **April 17, 2019 at 1:00 p.m. (prevailing Eastern Time)** before the Honorable Margaret Cangilos-Ruiz, Chief United States Bankruptcy Judge, United States Bankruptcy Court for the Northern District of New York, United States Courthouse, James Hanley Federal Building, 100 South Clinton Street, Syracuse, New York. At the Sale Hearing, the Debtors will seek entry of an order in form and content acceptable to HSBC Bank and the Committee, among other things, designating the Successful Bidder(s) and the Backup Bidder(s), authorizing and approving the sale(s) of the Assets to the Successful Bidder(s), as determined by the Debtors in consultation with HSBC Bank and the Committee and in accordance with the Bidding Procedures, pursuant to the terms and conditions set forth in the relevant Purchase Agreement(s) submitted by the Successful Bidder(s) (the "Sale Order"). The Sale Hearing may be adjourned or rescheduled without notice other than by an announcement of the adjourned date in open court at the Sale Hearing.

Any objections to the sale of the Purchased Assets or the Location Assets must: (a) be in writing; (b) comply with the Bankruptcy Rules and the Local Rules; (c) be filed with the Clerk of the Bankruptcy Court for the Northern District of New York (Syracuse Division), on or before **12:00 p.m. (prevailing Eastern Time) on April 16, 2019**; and (d) be served so as to be received by the deadline, upon (i) counsel for the Debtors; (ii) counsel for the Purchaser; (iii) the Office of

the United States Trustee for the Northern District of New York; (iv) counsel for HSBC Bank; and (v) counsel for the Committee. All objections must state with specificity the nature of such objection and will be heard by the Court at the Sale Hearing.

Following entry of the Sale Order, if the Successful Bidder(s) fail(s) to consummate an approved sale, the Backup Bid(s) shall be deemed to be the Successful Bid(s) with respect to the Assets sold and the Debtors shall effectuate the sale of Assets to the Backup Bidder(s) without further order of the Bankruptcy Court, and the Bid Deposit(s) of the non-closing Successful Bidder(s) shall be forfeited, if the failure to close is the result of a breach or failure to perform on the part of the Successful Bidder(s). The Debtors shall retain all rights to the Purchased Assets, the Syracuse Assets and the Buffalo Assets that are not subject to a bid accepted by the Debtors and approved by the Bankruptcy Court. If one or more Auction is held, the Debtors shall be deemed to have accepted a Qualified Bid only when (i) such bid is declared a Successful Bid (or a Backup Bid) at the Auction, (ii) definitive documentation has been executed in respect thereof, and (iii) the Bankruptcy Court has entered the Sale Order.

### **Sale Closing**

The closing of the Sale of the Purchased Assets or Location Assets to the Successful Bidder(s) (or Backup Bidder(s)) shall occur (i) no later than May 3, 2019 if Newco is the deemed the Successful Bidder, or (ii) within ten (10) business days following the entry of the Sale Order if a party(ies) other than Newco is/are deemed the Successful Bidder(s) (or Backup Bidder(s)), or (iii) such other later date as is mutually agreed by the Debtors, HSBC Bank, and the Successful Bidder(s) (or Backup Bidder(s)) in a writing dated prior to the otherwise-required Closing date.

### **Reservation of Rights**

The Debtors reserve all rights, after consultation with HSBC Bank and the Committee, to terminate the Bidding Process at any time if the Debtors determine, in their business judgment, that the Bidding Process will not maximize the value of the Purchased Assets or the Location Assets. In addition, the Debtors reserve all rights not to submit any bid which is not acceptable to the Debtors, HSBC Bank and the Committee for approval to the Bankruptcy Court. The Debtors shall further have the right to amend the rules set forth herein for the Bidding Process or impose such other terms and conditions for the Bidding Process which the Debtors determine, in their business judgment is necessary to fulfill their fiduciary duties, provided that such modifications are not inconsistent with any Bankruptcy Court order or unacceptable to HSBC Bank and the Committee; however, the Debtors recognize that a material modification may, under the Purchase Agreement, relieve Newco of any obligation to proceed with the Auction or, if it is the Successful Bidder, to close the sale of the Purchased Assets, and Newco's ability to terminate the Purchase Agreement in accordance with its terms is fully preserved. Without limiting the generality of the foregoing, the Debtors may reject at any time before entry of an order of the Bankruptcy Court approving a Qualified Bid, any bid that, in the Debtors' discretion, and in consultation with HSBC Bank and the Committee, is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code or the Bidding Procedures, or (iii) contrary to the best interests of the Debtors, their estates and creditors.

**Schedule 2**

**Notice of Auction and Sale Hearing**

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF NEW YORK

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In re:

CENTERSTONE LINEN SERVICES, LLC,  
ATLAS HEALTH CARE LINEN SERVICES CO., LLC,  
ALLIANCE LAUNDRY & TEXTILE SERVICE, LLC,  
ALLIANCE LAUNDRY AND TEXTILE SERVICE OF  
ATLANTA, LLC, and  
ALLIANCE LTS WINCHESTER, LLC  
*d/b/a Clarus Linen Systems*<sup>1</sup>,

Debtors.

)  
)  
) Case Nos.  
) 18-31754 (main case)  
) 18-31753  
) 18-31755  
) 18-31756  
)  
) 18-31757  
)  
) Chapter 11 Cases  
) Jointly Administered  
)  
)

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**NOTICE OF AUCTION AND SALE HEARING**

*PLEASE TAKE NOTICE OF THE FOLLOWING:*

1. On March 13, 2019, debtors Centerstone Linen Services, LLC d/b/a Clarus Linen Systems (“Centerstone”) and Atlas Health Care Linen Services Co., d/b/a Clarus Linen Systems (“Atlas”) (collectively, the “Debtors”), debtors and debtors in possession filed the *Motion by Debtors Centerstone Linen Services, LLC d/b/a Clarus Linen Systems and Atlas Health Care Linen Services Co. d/b/a Clarus Linen Systems for Orders (A)(i) Authorizing the Sale of Substantially All of the Debtors’ Assets Free and Clear of All Liens, Claims, Interests and Encumbrances, Subject to the Terms of the Asset Purchase Agreement and Subject to Higher and/or Better Offers; (ii) Authorizing and Approving the Form of a Certain Asset Purchase Agreement With Linen Newco LLC; and (iii) Authorizing the Debtors to Consummate All Transactions Related to the Proposed Sale; (B) Approving Bidding Procedures and Other Related Relief; and (C) Authorizing the Debtors to Assume Certain Executory Contracts and Unexpired Leases and Assign Such Contracts and Leases to Purchaser Linen Newco LLC* (the “Sale Motion”).<sup>2</sup>

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Centerstone Linen Services, LLC d/b/a Clarus Linen Systems (5594) (“Centerstone”); Atlas Health Care Linen Services Co., LLC d/b/a Clarus Linen Systems (2681) (“Atlas”); Alliance Laundry & Textile Service, LLC d/b/a Clarus Linen Systems (8284) (“Alliance”); Alliance Laundry and Textile Service of Atlanta, LLC d/b/a Clarus Linen Systems (4065) (“Atlanta”); and Alliance LTS Winchester, LLC d/b/a Clarus Linen Systems (0892) (“Winchester”).

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Sale Motion and/or the Bidding Procedures Order, as applicable.

2. The Debtors are seeking to sell substantially all of their assets located at 60 Grider Street, Buffalo, New York 14215 (the "Buffalo Assets") and 414 West Taylor Street, Syracuse, New York 13202 (the "Syracuse Assets") (collectively, the "Purchased Assets") to the Successful Bidder(s) or Backup Bidder(s).<sup>3</sup> Approval of the sale of the Buffalo Assets, the Syracuse Assets or the Purchased Assets to either the Successful Bidder(s) or Backup Bidder(s) may result in, among other things, the assumption, assignment and/or transfer by the Debtors of certain executory contracts and leases (the "Assigned Contracts"). If you are a party to an Assigned Contract with the Debtors, you will receive a separate notice that contains relevant dates and other information that may impact you as a party to an Assigned Contract.

3. On March 20, 2019, the United States Bankruptcy Court for the Northern District of New York (the "Bankruptcy Court") entered an order approving bidding procedures and granting other relief related to the Debtors' proposed sale (the "Bidding Procedures Order"). The Bidding Procedures approved by the Court are attached as Schedule 1 to the Bidding Procedures Order. Pursuant to the Bidding Procedures Order, if the Debtors receive more than one Qualified Bid for the Purchased Assets, the Buffalo Assets or the Syracuse Assets, an Auction for those Assets shall take place on **April 15, 2019, at 10:00 a.m. (prevailing Eastern Time)** at the offices of Bond, Schoeneck & King, PLLC, One Lincoln Center, Syracuse, New York. Only parties that have submitted a Qualified Bid in accordance with the Bidding Procedures by no later than **April 11, 2019 at 4:00 p.m. (prevailing Eastern Time)** (the "Bid Deadline") may participate at the Auction. Any party that wishes to take part in this process and submit a bid for the Purchased Assets, the Buffalo Assets or the Syracuse Assets must submit its bid prior to the Bid Deadline and in accordance with the Bidding Procedures.

4. The Sale Hearing to consider approval of the sale(s) of the Purchased Assets, the Buffalo Assets or the Syracuse Assets to the Successful Bidder(s) or Backup Bidder(s), free and clear of all liens, claims and encumbrances, will be held before the Honorable Margaret Cangilos-Ruiz, Chief United States Bankruptcy Judge for the Northern District of New York, or such other judge as may be sitting in her stead, in the United States Courthouse, James Hanley Federal Building, 100 South Clinton Street, Syracuse, New York on **April 17, 2019 at 1:00 p.m. (prevailing Eastern Time)**, or at such other time thereafter as counsel may be heard. The Sale Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing.

5. Objections, if any, to the sale, or the relief requested in the Sale Motion (other than with respect to the assumption and assignment of the Assigned Contracts which are the subject of a separate notice) must: (a) be in writing; (b) comply with the Bankruptcy Rules and the Local Rules; (c) be filed with the clerk of the Bankruptcy Court for the Northern District of New York (Syracuse Division), no later than **12:00 p.m. (prevailing Eastern Time) on April 16, 2019**; and (d) be served upon, so as to be received on the same day by: (i) counsel for the Debtors; (ii) the Office of the United States Trustee for the Northern District of New York; (iii) counsel for the Purchaser; (iv) counsel for HSBC Bank USA, National Association; and (v) counsel for the Committee. **UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN**

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<sup>3</sup> The Sale Motion identifies Linen Newco, LLC ("Newco") as the "stalking horse" bidder and attaches a copy of an Asset Purchase Agreement between the Debtors and Newco contemplating a sale of the Purchased Assets to Newco.

ACCORDANCE WITH THIS NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT AND THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED IN THE SALE MOTION WITHOUT FURTHER HEARING OR NOTICE.

6. This notice is subject to the fuller terms and conditions of the Sale Motion, the Bidding Procedures Order, and the Bidding Procedures, which shall control in the event of any conflict and the Debtors encourage parties in interest to review such documents in their entirety. Parties interested in receiving more information regarding the sale of the Purchased Assets, the Buffalo Assets or the Syracuse Assets, or in obtaining a copy of any of the foregoing documents, may make a written request to counsel for the Debtors, Bond Schoeneck & King, PLLC, One Lincoln Center, Syracuse, New York, 13202, Attn: Stephen A. Donato, Esq. and Camille W. Hill, Esq. In addition, copies of the Sale Motion, the Bidding Procedures Order, the Bidding Procedures and this Notice can be found on the Bankruptcy Court's electronic case management website, <http://ecf.nynb.uscourts.gov> and are on file with the Clerk of the Bankruptcy Court.

Dated: March 20, 2019  
Syracuse, New York

BOND, SCHOENECK & KING, PLLC

By:

\_\_\_\_\_  
Stephen A. Donato, Bar Roll No. 101522  
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[arivera@bsk.com](mailto:arivera@bsk.com)

*Counsel to the Debtors and Debtors in Possession*



**Schedule 3**

**Notice of Assumption and Assignment**

UNITED STATES BANKRUPTCY COURT  
 NORTHERN DISTRICT OF NEW YORK

In re:

CENTERSTONE LINEN SERVICES, LLC,  
 ATLAS HEALTH CARE LINEN SERVICES CO., LLC,  
 ALLIANCE LAUNDRY & TEXTILE SERVICE, LLC,  
 ALLIANCE LAUNDRY AND TEXTILE SERVICE OF  
 ATLANTA, LLC, and  
 ALLIANCE LTS WINCHESTER, LLC  
*d/b/a Clarus Linen Systems*<sup>1</sup>,

Debtors.

)  
 )  
 ) Case Nos.  
 ) 18-31754 (main case)  
 ) 18-31753  
 ) 18-31755  
 ) 18-31756  
 )  
 ) 18-31757  
 )  
 ) Chapter 11 Cases  
 ) Jointly Administered  
 )  
 )

**NOTICE OF ASSUMPTION AND ASSIGNMENT**

*PLEASE TAKE NOTICE OF THE FOLLOWING:*

1. On March 20, 2019, the United States Bankruptcy Court for the Northern District of New York (the “Bankruptcy Court”) entered an order (the “Bidding Procedures Order”),<sup>2</sup> approving, among other things, the fixing of cure amounts (the “Cure Amounts”) related to the potential assumption, assignment and/or transfer by debtors Centerstone Linen Services, LLC d/b/a Clarus Linen Systems and Atlas Health Care Linen Services Co., LLC, d/b/a Clarus Linen Systems (collectively, the “Debtors”) of certain executory contracts, unexpired leases, and other agreements (the “Assigned Contracts”) listed on **Exhibit A** annexed hereto in connection with the proposed sale of substantially all of the Debtors’ assets located at 60 Grider Street, Buffalo, New York 14215 (the “Buffalo Assets”) and 414 West Taylor Street, Syracuse, New York 13202 (the “Syracuse Assets”) (collectively, the “Purchased Assets”). The Debtors intend to assume, assign, or transfer some or all of the Assigned Contracts to the Successful Bidder or Backup Bidder for the Purchased Assets as determined pursuant to the bidding procedures (the “Bidding Procedures”) approved by the Bankruptcy Court and attached to the Bidding Procedures Order as Schedule 1.

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Centerstone Linen Services, LLC d/b/a Clarus Linen Systems (5594) (“Centerstone”); Atlas Health Care Linen Services Co., LLC d/b/a Clarus Linen Systems (2681) (“Atlas”); Alliance Laundry & Textile Service, LLC d/b/a Clarus Linen Systems (8284) (“Alliance”); Alliance Laundry and Textile Service of Atlanta, LLC d/b/a Clarus Linen Systems (4065) (“Atlanta”); and Alliance LTS Winchester, LLC d/b/a Clarus Linen Systems (0892) (“Winchester”).

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures Order.

2. The Debtors believe that any and all defaults (other than the filing of these Chapter 11 Cases) and actual pecuniary losses under the Assigned Contracts can be cured by the payment of the Cure Amounts listed on **Exhibit A** annexed hereto.

3. Any objections to (i) the assumption, assignment or transfer of an Assigned Contract, or (ii) the amount asserted as the Cure Amount (each, a "Cure Amount/Assignment Objection"), must be in writing and set forth with specificity the nature of the objection and the cure amount that the objecting party believes should be paid in connection with the assumption of the Assigned Contract (the "Claimed Cure Amount"). In addition, if the Debtors identify additional Assigned Contracts that might be assumed by the Debtors and assigned to the Successful Bidder(s) or Backup Bidder(s) which are not set forth in this Notice of Assumption and Assignment, the Debtors shall promptly send a supplemental notice (a "Supplemental Notice of Assumption and Assignment") to the applicable counterparties to such additional Assigned Contracts.

4. To be considered a timely Cure Amount/Assignment Objection, a Cure Amount/Assignment Objection must be filed with the Bankruptcy Court and served upon (i) counsel for the Debtors; (ii) the Office of the United States Trustee for the Northern District of New York; (iii) counsel for HSBC Bank; (iv) counsel for the Purchaser; and (v) counsel for the Official Committee of Unsecured Creditors, by the later of (a) **4:00 p.m. (prevailing Eastern time) on April 3, 2019** or (b) five (5) days after service of the relevant Supplemental Notice of Assumption and Assignment.

5. If a Cure Amount/Assignment Objection is timely filed, the Debtors may resolve any Cure Amount/Assignment Objection by mutual agreement with the objecting counterparty to any Assigned Contract without further order of the Court. The Debtors may also file a written response to the Cure Amount/Assignment Objection with the Bankruptcy Court no later than **4:00 p.m. (prevailing Eastern time) on April 10, 2019**. In the event that the Debtors and any objecting party are unable to consensually resolve any Cure Amount/Assignment Objection, the Bankruptcy Court will resolve any such Cure Amount/Assignment Objection at a hearing to be held at **1:00 p.m. (prevailing Eastern time) on April 17, 2019** (the "Sale Hearing") or such later date as the Court may determine.

6. In the event that an Auction for the Purchased Assets is held on **April 15, 2019**, immediately following the conclusion of the Auction, the Debtors shall serve (i) a notice identifying the Successful Bidder(s) and Backup Bidder(s), and (ii) contact information for Debtors' counsel from whom financial information concerning the Successful Bidder(s)' and Backup Bidder(s)' ability to provide adequate assurance of future performance of such Assigned Contracts may be obtained, to the non-debtor parties to the Assigned Contracts that have been identified as the Purchased Assets, the Buffalo Assets or the Syracuse Assets to be sold or assigned in connection with such Successful Bid(s) and Backup Bid(s). The non-debtor parties to the Assigned Contracts will have until **9:00 a.m. (prevailing Eastern Time) on April 17, 2019** (the "Adequate Assurance Objection Deadline") to file a written objection to the assumption, assignment or transfer of such Assigned Contract solely on the issue of whether the Successful Bidder(s) and/or Backup Bidder(s) can provide adequate assurance of future performance as required by section 365 of the Bankruptcy Code. Any such objections shall be heard at the Sale Hearing.

7. Unless a Cure Amount/Assignment Objection is timely filed and served, the assumption, assignment and/or transfer of the Assigned Contracts may proceed without further notice to counterparties to the Assigned Contracts.

8. Parties that fail to file and serve timely Cure Amount/Assignment Objections shall be deemed to have waived and released any and all rights to assert against the Debtors, the Successful Bidder(s) or Backup Bidder(s) cure amounts different from the Cure Amounts listed on **Exhibit A** hereto and shall be forever barred and estopped from asserting or claiming against the Debtors, the Successful Bidder(s) or Backup Bidder(s), or any assignee of any Assigned Contract that any additional amounts are due or defaults exist, or prohibitions or conditions to assignment exist or must be satisfied, under such Assigned Contract.

9. To the extent that a Cure Amount/Assignment Objection remains unresolved as of the Bid Deadline, and the Bankruptcy Court subsequently determines that the Cure Amount for the subject Assigned Contract is greater than that set forth in the Cure Amounts identified on **Exhibit A** hereto, the Successful Bidder(s) or Backup Bidder(s) may elect to reclassify such Assigned Contract as an Excluded Agreement at any time prior to the earlier to occur of the Closing or the day that is five (5) business days following such determination by the Bankruptcy Court.

10. The Successful Bidder(s) or the Backup Bidder(s), as the case may be, may determine to exclude any Assigned Contract from the Purchased Assets, the Buffalo Assets or the Syracuse Assets to be assumed and sold or assigned at any time prior to the Sale Hearing. The non-debtor party or parties to any such excluded contract or lease will be notified of such exclusion by written notice mailed within three (3) business days following the conclusion of the Sale Hearing.

11. If no Cure Amounts are due under an Assigned Contract, or the non-debtor party to the Assigned Contract does not otherwise object to the Debtors' assumption, assignment and/or transfer of the Assigned Contract, no further action needs to be taken on the part of that non-debtor party.

12. The Debtors' decision to sell, assign and/or transfer to the Successful Bidder(s) or Backup Bidder(s) the Assigned Contracts is subject to Bankruptcy Court approval and the closing of the sale of the Purchased Assets, the Buffalo Assets or the Syracuse Assets. Accordingly, absent such closing, none of the Assigned Contracts shall be deemed to be assumed, sold, assigned and/or transferred, and shall in all respects be subject to further administration under the Bankruptcy Code. The inclusion of any document on the list of Assigned Contracts shall not constitute or be deemed to be a determination or admission that such document is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code (all rights with respect thereto being expressly reserved).

13. This notice is subject to the fuller terms and conditions of the Bidding Procedures Order which shall control in the event of any conflict and the Debtors encourage parties in interest to review that document in its entirety. Parties interested in receiving more information regarding the sale of the Purchased Assets, the Buffalo Assets or the Syracuse Assets or in obtaining a copy of the Bidding Procedures Order may make a written request to counsel to the

Debtors. In addition, copies of the Bidding Procedures Order and this notice can be found on the Bankruptcy Court's electronic case management website, <http://ecf.nywb.uscourts.gov> and are on file with the Clerk of the Bankruptcy Court.

Dated: March 20, 2019  
Syracuse, New York

BOND, SCHOENECK & KING, PLLC

By:

\_\_\_\_\_  
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*Counsel to the Debtors and Debtors in  
Possession*

**Exhibit A**

Potential Assigned Contracts

<b><u>Non-Debtor Contract Party</u></b>	<b><u>Cure Amount</u></b>
60 Grider, LLC (real property lease for facility located at 60 Grider Street, Buffalo, NY)	Waived by lessor
60 Grider, LLC (equipment lease for equipment located at 60 Grider Street, Buffalo, NY)	Waived by lessor
Collective Bargaining Agreement with International Union of Operating Engineers – Local 17-17S AFL-CIO	\$ 0.00
Collective Bargaining Agreement with Rochester Regional Joint Board – Local 51	\$ 0.00
Collective Bargaining Agreement with Teamsters Local 294	\$ 0.00
Collective Bargaining Agreement with Rochester Regional Joint Board – Syracuse Workers United Affiliate of SEIU-Local 2607	\$ 0.00
Collective Bargaining Agreement with Teamsters Local 182	\$ 0.00
Commercial Trailer Leasing, Inc. (truck and trailer leases)	\$22,253.58
Energy Mark, LLC (Buffalo utility contract)	\$ 0.00
Energy Mark, LLC (Syracuse utility contract)	\$15,909.17
Ingersoll Rand, Inc. (Buffalo compressor contract)	\$ 6,665.32
IPA One/Med One (scrub locker lease)	\$ 0.00
Penske Truck Leasing Co., LP (truck and trailer leases)	\$10,641.34
Ryder Truck Rental, Inc. (truck and trailer leases)	\$45,396.54
Skyline Dynamics, LLC (Syracuse bailing machine and plastics recycling contract)	\$ 0.00
Streamline Solutions, LLC (Syracuse plastics provider contract)	\$ 0.00
Total Utility Management Services, LLC (utility consulting)	\$ 9,870.97

Vitec Solutions, LLC (information technology support contract)	\$ 0.00
Vaspian LLC (telephone system)	\$ 2,249.54

Customer Contract	Plant	Start Date	Expiration Date	Cure Amount
ACH Scrubs & Lab Coats	Syracuse	5/19/2014	5/19/2019	\$0.00
ACH Sleep Lab	Syracuse	5/19/2014	5/19/2019	\$0.00
Aid to Hospitals, INC	Syracuse			\$0.00
Albany County Correctional Facility	Syracuse	10/3/2013	12/31/2019	\$0.00
Albany County Nursing Home	Syracuse	5/1/2015	12/31/2020	\$0.00
Anthone Eye Center	Syracuse			\$0.00
Arthritis Center of Rochester	Syracuse			\$0.00
Arthritis Health Association	Syracuse			\$0.00
Associated Gastroenterologists of CNY	Syracuse	10/29/2010	10/29/2015	\$0.00
Auburn Cardiology	Syracuse	5/19/2014	5/19/2019	\$0.00
Auburn Community Hospital	Syracuse	5/19/2014	5/19/2019	\$0.00
Auburn Family Care	Syracuse	5/19/2014	5/19/2019	\$0.00
Baird Nursing Home	Syracuse			\$0.00
BGMC Direct Sale	Buffalo	8/13/2010	8/13/2025	\$0.00
Blooming Grove Veterinary Hospital	Syracuse	4/14/2007	4/14/2009	\$0.00
Brookdale Bassett Park	Syracuse			\$0.00
Brooks Memorial Hospital	Buffalo	8/13/2010	8/13/2025	\$0.00
Buffalo General Medical Center	Buffalo	8/13/2010	8/13/2025	\$0.00
Camillus Family Health Associates	Syracuse			\$0.00
Cardiology Associated of Northern New York	Syracuse			\$0.00
Carthage area Hospital	Syracuse	4/26/2015	4/26/2018	\$0.00
CFH Direct Sale	Syracuse	3/17/2014	3/17/2019	\$0.00
CH Clinics	Syracuse	2/1/2016	1/31/2020	\$0.00
Chase Memorial Nursing Home	Syracuse		6/1/2008	\$0.00
City Center Massage	Syracuse			\$0.00
Clifton-Fine Hospital	Syracuse	3/17/2014	3/11/2019	\$0.00
CMH Spa Robe	Syracuse	5/1/2014	4/30/2019	\$0.00
CNY Cardiology	Syracuse	3/8/2010	4/30/2022	\$0.00
College at Brockport Student Health Center	Syracuse			\$0.00
Community Memorial Hospital	Syracuse	1/1/2013	12/31/2017	\$0.00
Compassionate Family Medicine	Syracuse			\$0.00
Comprehensive Rehabilitation and Nursing Center at Williamsville	Buffalo			\$0.00
Confidence Management Systems (Saratoga)	Syracuse	11/1/2016	10/31/2019	\$0.00
Cross Keys Medical Group	Syracuse			\$0.00
Crouse Hospital	Syracuse	2/22/2008	1/1/2020	\$0.00
CSHC Lab Coats/Scrubs/Specials	Syracuse	3/17/2014	3/17/2019	\$0.00
Cullen, Francis MD	Syracuse			\$0.00
DeGraff Memorial Hospital	Buffalo	8/13/2010	8/13/2025	\$0.00
Dermatology Associates of Central NY	Syracuse			\$0.00
Dermatology Associates of Rochester	Syracuse		4/1/2014	\$0.00
DMH Direct Sale	Buffalo	8/13/2010	8/13/2025	\$0.00
Eastern Niagara Health System	Buffalo	11/14/2016	11/14/2019	\$0.00
ECMC Terrace View Long-Term Care	Buffalo	8/13/2010	8/13/2025	\$0.00
ECMC TV LTC Direct Sale	Buffalo	8/13/2010	8/13/2025	\$0.00
ELL Bellevue Women's Center	Syracuse	2/10/2014	2/10/2019	\$0.00
ELL Medical Center Clifton Park	Syracuse	2/10/2014	2/10/2019	\$0.00
Ellis Health Center - McClellan	Syracuse	2/10/2014	2/10/2019	\$0.00
Ellis Hospital	Syracuse	2/10/2014	2/10/2019	\$0.00
Ellis Medicine-Care Team 5	Syracuse	2/10/2014	2/10/2019	\$0.00
Elmwood Pediatric Group LLP	Syracuse	3/28/2012	3/1/2017	\$0.00
Emeritus Clinics	Syracuse			\$0.00
Empire Education Corporation	Syracuse			\$0.00
ENHS Family Practice	Syracuse	11/14/2016	11/14/2019	\$0.00
ENHS Imaging Center	Syracuse	11/14/2016	11/14/2019	\$0.00



ENHS Newfane	Syracuse	11/14/2016	11/14/2019	\$0.00
ENHS Surgery Center	Syracuse	11/14/2016	11/14/2019	\$0.00
Erie County Medical Center	Buffalo	8/13/2010	8/13/2025	\$0.00
Fawn Ridge Senior Living	Syracuse	#N/A	#N/A	\$0.00
Faxton-St. Luke's Healthcare	Syracuse	#N/A	#N/A	\$0.00
Finger Lakes Cardiology Associates - Canandaigua	Syracuse	#N/A	#N/A	\$0.00
Finger Lakes Cardiology Associates - Clifton Springs	Syracuse	#N/A	#N/A	\$0.00
Finger Lakes DDSO Canandaigua Day Program	Syracuse	#N/A	#N/A	\$0.00
Finger Lakes DDSO East Henrietta Day Program	Syracuse	#N/A	#N/A	\$0.00
Finger Lakes DDSO Geneva Day Program	Syracuse	#N/A	#N/A	\$0.00
Finger Lakes DDSO Metro Park	Syracuse	#N/A	#N/A	\$0.00
Finger Lakes DDSO Parkside Commons	Syracuse	#N/A	#N/A	\$0.00
Finger Lakes DDSO Tymeson Day Program	Syracuse	#N/A	#N/A	\$0.00
Finger Lakes Office of Alternative Therapies	Syracuse	2/22/2017	2/1/2022	\$0.00
Finger Lakes Otolaryngology	Syracuse	2/22/2017	2/1/2022	\$0.00
Flihan, Donald A. DDS, MD	Syracuse	#N/A	#N/A	\$0.00
Fox & Schingo Plastic Surgery	Syracuse	#N/A	#N/A	\$0.00
Genesee Vascular Lab, Inc.	Syracuse	#N/A	#N/A	\$0.00
Genewick, Tiffany MD	Syracuse	9/27/2016	8/27/2018	\$0.00
Glenville Primary Care	Syracuse	2/10/2014	2/10/2019	\$0.00
Gowanda Urgent Care & Medical Center	Buffalo	8/13/2010	8/13/2025	\$0.00
Great Lakes Pysicians, PC - Cheektowaga	Syracuse	8/1/2016	9/30/2019	\$0.00
Great Lakes Pysicians, PC - Sanborn	Syracuse	#N/A	#N/A	\$0.00
Greene & Miller Dentistry	Syracuse	2/10/2014	2/10/2019	\$0.00
Greene Meadows Direct Sale	Buffalo	8/13/2010	8/13/2025	\$0.00
Greene Meadows Nursing & Rehab Center	Syracuse	8/1/2016	9/30/2019	\$0.00
Helendale Dermatology & Medical Spa	Syracuse	#N/A	#N/A	\$0.00
Hillside Family of Agencies	Syracuse	#N/A	#N/A	\$0.00
Hudson Park Rehabilitation and Nursing Center	Syracuse	3/1/2014	3/1/2019	\$0.00
Hudson Valley Community College	Troy	7/1/2016	6/1/2021	\$0.00
Hyatt Regency Buffalo Hotel and Conference Center	Buffalo			\$0.00
Innovative Physical Therapy Solutions	Syracuse	2/27/2012	7/31/2014	\$0.00
Interlakes Oncology & Hematology	Syracuse	#N/A	#N/A	\$0.00
Jewish Home of Central New York	Troy	3/1/2014	3/1/2019	\$0.00
John R. Oisehi Children's Hospital	Buffalo	8/13/2010	8/13/2025	\$0.00
Kaleida Health Contract Labor	Buffalo	8/13/2010	8/13/2025	\$0.00
Karpinski & Karpinski - Karpinski, Paul A DDS	Syracuse	9/1/2013	8/31/2014	\$0.00
Kenmore Mercy Hospital	Buffalo	8/13/2010	8/13/2025	\$0.00
KHS BGMC Family Planning Center	Syracuse	1/1/2010	1/1/2025	\$0.00
KHS Diabetes-Endocrinology Center of WNY	Syracuse	1/1/2010	1/1/2025	\$0.00
KHS Hertel Elmwood Internal Medicine Center	Syracuse	8/13/2010	8/13/2025	\$0.00
KHS MSFH Flint Rehab #20945	Syracuse	8/13/2010	8/13/2025	\$0.00
KHS Ralph C Wilson Jr Adult Day Services	Syracuse	8/13/2010	8/13/2025	\$0.00
KHS Towne Garden Pediatrics	Syracuse	1/1/2010	1/1/2025	\$0.00
KMH McAuley Residence Nursing Home	Buffalo	8/13/2010	8/13/2025	\$0.00
Knibbs, Malinda LMT	Syracuse	6/24/2014	6/24/2018	\$0.00
Laboratory Alliance of CNY, LLC - Crouse RRL	Syracuse	10/14/2011	10/14/2014	\$0.00
Laboratory Alliance of CNY, LLC - Liverpool	Syracuse	#N/A	#N/A	\$0.00
Laboratory Alliance of CNY, LLC - North Med Ctr PSC	Syracuse	5/1/2009	4/30/2014	\$0.00
Laboratory Alliance of CNY, LLC - SJHHC PSC	Buffalo	8/13/2010	8/13/2025	\$0.00
Laboratory Alliance of CNY, LLC - SJHHC RRL	Syracuse	#N/A	#N/A	\$0.00
Laboratory Alliance of CNY, LLC - UUH CC POB	Buffalo	8/13/2010	8/13/2025	\$0.00
Laboratory Alliance of CNY, LLC - UUH CC RRL	Syracuse	1/1/2010	1/1/2025	\$0.00
Lake Shore Health Care Center	Buffalo	8/13/2010	8/13/2025	\$0.00
Lakeshore Primary Care Associates	Syracuse	8/13/2010	8/13/2025	\$0.00

Loftus & Ryu, MD, PC	Syracuse	8/13/2010	8/13/2025	\$0.00
LOR AdvancedMeal	Syracuse	7/1/2016	7/1/2019	\$0.00
LOR Churchill Manor, Inc.	Syracuse	7/1/2016	7/1/2019	\$0.00
LOR Commons on St. Anthony	Syracuse	7/1/2016	7/1/2019	\$0.00
LOR Daybreak Intrepid Lane	Syracuse	7/1/2016	7/1/2019	\$0.00
LOR NOTT Direct Sale	Syracuse	7/1/2016	7/1/2019	\$0.00
LOR NOTT Rugs	Syracuse	7/1/2016	7/1/2019	\$0.00
LOR Nottingham Senior Living Community	Syracuse	7/1/2016	7/1/2019	\$0.00
LOR PACE CNY - McAuliffe Health Center	Syracuse	7/1/2016	7/1/2019	\$0.00
LOR PACE CNY - Sally Coyne Center for Independence	Syracuse	7/1/2016	7/1/2019	\$0.00
LOR Sedgwick Heights Assisted Living	Syracuse	7/1/2016	7/1/2019	\$0.00
Loretto Health & Rehabilitation Center	Syracuse	7/1/2016	7/1/2019	\$0.00
Magnetic Diagnostic Resources of CNY	Syracuse	8/13/2010	8/13/2025	\$0.00
Magnetic Diagnostic Resources of CNY - Camillus	Syracuse	1/1/2010	1/1/2025	\$0.00
Meisner, Norman DDS	Buffalo	8/13/2010	8/13/2025	\$0.00
Mercy Hospital of Buffalo	Buffalo	8/13/2010	8/13/2025	\$0.00
Merit Medical Practice, PC	Syracuse	#N/A	#N/A	\$0.00
MFSH Direct Sale	Buffalo	8/13/2010	8/13/2025	\$0.00
MHoB Ambulatory Care Center	Buffalo	8/13/2010	8/13/2025	\$0.00
MHoB Mercy Nursing Facility At OLV	Buffalo	8/13/2010	8/13/2025	\$0.00
Mill View Assisted Living Residence	Syracuse	#N/A	#N/A	\$0.00
Millard Fillmore Suburban Hospital	Buffalo	8/13/2010	8/13/2025	\$0.00
Mohawk Valley Endoscopy Center	Syracuse	#N/A	#N/A	\$0.00
Mount St. Mary's Hospital	Buffalo			\$0.00
Mount St. Mary's Hospital	Syracuse	#N/A	#N/A	\$0.00
Mount St. Mary's Hospital Hyperbaric	Syracuse	#N/A	#N/A	\$0.00
MSMH Contract Labor	Syracuse	#N/A	#N/A	\$0.00
MSMH Dietary	Buffalo	7/9/2019	7/31/2019	\$0.00
MSMH Our Lady of Peace Nursing Care Residence	Syracuse	#N/A	#N/A	\$0.00
Neighborhood Health Center - Blasdell	Syracuse	4/13/2017	4/13/2020	\$0.00
Neighborhood Health Center - Mattina	Syracuse	4/13/2017	4/13/2020	\$0.00
Neighborhood Health Center - North West Buffalo	Syracuse	4/13/2017	4/13/2020	\$0.00
Neighborhood Health Center - Southtowns	Syracuse	4/13/2017	4/13/2020	\$0.00
Neurological Associates Albany	Buffalo	8/13/2010	8/13/2025	\$0.00
New England Laser & Cosmetic Surgery Center	Syracuse	5/10/2014	5/10/2019	\$0.00
New York Oncology Hematology, PC - ALMC	Syracuse	8/13/2010	8/13/2025	\$0.00
New York Oncology Hematology, PC - ALMC Stem Cell	Syracuse	9/26/2013	9/26/2018	\$0.00
New York Oncology Hematology, PC - Amsterdam	Syracuse	9/26/2013	9/26/2018	\$0.00
New York Oncology Hematology, PC - Clifton Park	Syracuse	7/30/2009	7/30/2014	\$0.00
New York Oncology Hematology, PC - Hudson	Syracuse	7/1/2016	7/1/2019	\$0.00
New York Oncology Hematology, PC - Patroon Creek	Syracuse	7/1/2016	7/1/2019	\$0.00
New York Oncology Hematology, PC - Rexford	Syracuse	7/1/2016	7/1/2019	\$0.00
New York Oncology Hematology, PC - Troy	Syracuse	7/1/2016	7/1/2019	\$0.00
NFMMC Emergency Department	Buffalo	8/13/2010	8/13/2025	\$0.00
Niagara Falls Memorial Medical Center	Buffalo	8/13/2010	8/13/2025	\$0.00
North Coast Dental Group	Syracuse	7/1/2016	7/1/2019	\$0.00
North Country Orthopaedics Group	Syracuse	7/1/2016	7/1/2019	\$0.00
Northeast Orthodontic Associates	Syracuse	7/1/2016	7/1/2019	\$0.00
Northern Litho & Uro Therapies, Inc.	Syracuse	7/1/2016	7/1/2019	\$0.00
Novelis Corporation	Syracuse	7/1/2016	7/1/2019	\$0.00
NYSID - Capital District Psychiatric Center	Syracuse	10/3/2013	11/30/2021	\$0.00
NYSID - CNY Psychiatric Center	Syracuse	7/1/2016	7/1/2019	\$0.00
NYSID - Hudson Valley Community College	Syracuse	10/3/2013	11/30/2021	\$0.00
NYSID CNY Psychiatric Center	Syracuse	10/3/2013	11/30/2021	\$0.00
NYSID Hutchings Psychiatric Center	Syracuse	10/3/2013	11/30/2021	\$0.00

NYSID Mohawk Valley Psychiatric Center - McPike Bldg	Syracuse	7/1/2016	7/1/2019	\$0.00
NYSID Mohawk Valley Psychiatric Center - Pinefield 80	Syracuse	1/7/2013	1/7/2018	\$0.00
NYSID Mohawk Valley Psychiatric Center - Wright Bldg 30	Syracuse	10/3/2013	11/30/2021	\$0.00
NYSID Mohawk Valley Psychiatric Center Exchange Cart Fee	Syracuse	#N/A	#N/A	\$0.00
NYSID NYS Department of Corrections Training Academy	Syracuse	10/3/2013	11/30/2021	\$0.00
NYSID NYS Veteran's Home at Batavia	Syracuse	10/3/2013	11/30/2021	\$0.00
NYSID Rochester Psychiatric Center	Syracuse	10/3/2013	11/30/2021	\$0.00
NYSID VET Direct Sale	Syracuse	10/3/2013	11/30/2021	\$0.00
O'Connor Medical Group	Buffalo	8/13/2010	8/13/2025	\$0.00
OH Behavioral Health Services	Syracuse	1/1/2015	1/1/2020	\$0.00
OH Central Square Medical Center	Syracuse	1/1/2015	1/1/2020	\$0.00
OH Direct Sale	Syracuse	1/1/2015	1/1/2020	\$0.00
OH Fulton Medical Center	Syracuse	1/1/2015	1/1/2020	\$0.00
OH MAN SH Ancillary	Syracuse	1/1/2015	1/1/2020	\$0.00
OH Manor at Seneca Hill	Syracuse	1/1/2015	1/1/2020	\$0.00
OH Operating Room	Syracuse	1/1/2015	1/1/2020	\$0.00
OH Scrubs	Syracuse	1/1/2015	1/1/2020	\$0.00
Onondaga Hill Fire Department	Syracuse	#N/A	#N/A	\$0.00
OrthoSports Orthopedic, Sports, & Spine Therapy	Buffalo	8/13/2010	8/13/2025	\$0.00
Oswego County Opportunities, Inc.	Buffalo	8/13/2010	8/13/2025	\$0.00
Oswego County Urology, PC	Buffalo	8/13/2010	8/13/2025	\$0.00
Oswego Hospital	Syracuse	1/1/2015	1/1/2020	\$0.00
Paciorek Facial Plastic Surgery	Syracuse	6/4/2012	6/4/2016	\$0.00
Parkway Pediatric & Adolescent Medicine, LLC	Buffalo	8/13/2010	8/13/2025	\$0.00
Pediatric Cardiology, LLC	Syracuse	8/17/2011	8/17/2016	\$0.00
Pittsford Internal Medicine	Buffalo	7/9/2013	7/31/2018	\$0.00
Planned Parenthood - Rochester Center	Syracuse	2/28/2017	2/28/2021	\$0.00
Planned Parenthood - Schenectady/Utica Center	Buffalo	7/9/2013	7/31/2018	\$0.00
Planned Parenthood - Syracuse Center	Syracuse	2/23/2017	2/23/2020	\$0.00
Planned Parenthood - West Seneca	Buffalo			\$0.00
Pontiac Nursing Home	Buffalo	7/9/2019	7/31/2019	\$0.00
Port City Family Medicine, PC	Buffalo	7/9/2013	7/31/2018	\$0.00
Radnet, Inc.	Syracuse	4/13/2017	4/13/2020	\$0.00
Rejha Group	Syracuse	4/13/2017	4/13/2020	\$0.00
Rensselaer Polytechnic Institute	Syracuse	4/13/2017	4/13/2020	\$0.00
Ridgeview Internal Medicine	Syracuse	4/13/2017	4/13/2020	\$0.00
Riposo-Hackney, Laura K. LMT	Syracuse	#N/A	#N/A	\$0.00
Robb, John MD	Syracuse	10/1/2013	10/1/2016	\$0.00
Rochester Community Orthopaedics	Syracuse	10/1/2013	10/1/2016	\$0.00
Rochester Gynecologic & Obstetrics Associates, PC - Lattimore Rd	Syracuse	#N/A	#N/A	\$0.00
Rochester Gynecologic & Obstetrics Associates, PC - Pittsford	Syracuse	10/1/2013	10/1/2016	\$0.00
Saratoga Hair Transplant Center	Buffalo	8/13/2010	8/13/2025	\$0.00
Saratoga Hospital	Syracuse	12/1/2016	5/21/2021	\$0.00
Saratoga Hospital Clinics	Syracuse	4/12/2017	3/31/2022	\$0.00
SCH St. Joseph Campus	Buffalo	8/13/2010	8/13/2025	\$0.00
Scheier, Neil MD	Syracuse	#N/A	#N/A	\$0.00
Schenectady Center for Rehabilitation and Nursing	Syracuse	1/1/2018	1/1/2019	\$0.00
Sedona Holistic Medical Centre	Syracuse	#N/A	#N/A	\$0.00
Shire at Culverton Adult Home	Syracuse	#N/A	#N/A	\$0.00
Simmons, Brady, & Loi Oral Surgery	Syracuse	#N/A	#N/A	\$0.00
Sisters of Charity Hospital	Buffalo	8/13/2010	8/13/2025	\$0.00
SJH Cardiology Associates	Syracuse	#N/A	#N/A	\$0.00
SJHHC Cardio Janus (6723)	Troy	10/3/2013	11/30/2021	\$0.00
SJHHC CSD	Syracuse	4/21/2008	4/21/2013	\$0.00
SJHHC Dialysis - Camillus	Syracuse	10/3/2013	11/30/2021	\$0.00

SJHHC Direct Sale	Syracuse	10/3/2013	11/30/2021	\$0.00
SJHHC Family Medicine Center (6861)	Syracuse	10/3/2013	11/30/2021	\$0.00
SJHHC Hemo - Seneca	Syracuse	2/3/2014	None	\$0.00
SJHHC Hyperbaric (7397)	Syracuse	2/3/2014	None	\$0.00
SJHHC NE Hemo	Syracuse	10/3/2013	11/30/2021	\$0.00
SJHHC NE Sleep Lab (7431)	Syracuse	2/3/2014	None	\$0.00
SJHHC NE Surgery Center (6836)	Syracuse	2/3/2014	None	\$0.00
SJHHC North Surgery Center (6835)	Troy	10/3/2013	11/30/2021	\$0.00
SJHHC OB Clinic OBC (6865)	Syracuse	10/3/2013	11/30/2021	\$0.00
SJHHC OPT (7512)	Syracuse	10/3/2013	11/30/2021	\$0.00
SJHHC PAT	Syracuse	10/3/2013	11/30/2021	\$0.00
SJHHC Primary Care - James St	Syracuse	#N/A	#N/A	\$0.00
SJHHC Primary Care (6725)	Syracuse	1/1/2015	1/1/2020	\$0.00
SJHHC RE Dialysis	Syracuse	1/1/2015	1/1/2020	\$0.00
SJHHC Sleep Lab - Janus Park	Syracuse	1/1/2015	1/1/2020	\$0.00
SJHHC Therapy 4th Floor	Syracuse	1/1/2015	1/1/2020	\$0.00
SJP Upstate Surgical Group, PC	Syracuse	1/1/2015	1/1/2020	\$0.00
SNY Surgery Center	Syracuse	1/1/2015	1/1/2020	\$0.00
Solvay Fire Department	Syracuse	2/1/2019	2/1/2022	\$0.00
Southgate Medical Group	Syracuse	2/2/2011	#N/A	\$0.00
Southwest Vermont Medical Center	Syracuse	#N/A	#N/A	\$0.00
Spectrum Radiology Associates, PLLC	Syracuse	10/15/2008	12/31/2021	\$0.00
St. Joseph's Hospital Health Center	Syracuse	#N/A	#N/A	\$0.00
St. Joseph's Physicians	Syracuse	#N/A	#N/A	\$0.00
St. Peter's Surgery and Endoscopy Center	Syracuse	1/2/2014	1/2/2019	\$0.00
StEMC Ancillary	Syracuse	1/1/2015	1/1/2020	\$0.00
Stephan, William H. PC	Syracuse	#N/A	#N/A	\$0.00
SVMC CLR Direct Sale	Syracuse	#N/A	#N/A	\$0.00
SVMC Direct Sale	Syracuse	#N/A	#N/A	\$0.00
SVMC Sleep Lab	Syracuse	3/5/2004	9/24/2014	\$0.00
Syracuse Educational Opportunity Center	Syracuse	2/28/2017	2/28/2021	\$0.00
Syracuse Endosocopy Associates	Syracuse	10/3/2016	10/3/2021	\$0.00
Syracuse Fire Chief Office	Syracuse	#N/A	#N/A	\$0.00
Syracuse Fire Department - Airport	Syracuse	2/23/2017	2/23/2020	\$0.00
Syracuse Surgery Center	Syracuse	#N/A	#N/A	\$0.00
Syracuse University	Syracuse	#N/A	#N/A	\$0.00
Texas Medical Diagnostics, Inc. - Sleep Center	Syracuse	6/29/2012	6/29/2015	\$0.00
The Center for Wound Care and Hyperbaric Medicine	Syracuse	#N/A	#N/A	\$0.00
The Centers at St. Camillus	Troy	9/1/2013	9/1/2014	\$0.00
TR Penrick Enterprises, Inc. - RAGS	Syracuse	#N/A	#N/A	\$0.00
Tri County Family Medicine	Syracuse	#N/A	#N/A	\$0.00
Trocaire College	Syracuse	1/1/2019	1/1/2021	\$0.00
UBMD Surgery	Syracuse	2/15/2008	2/15/2013	\$0.00
UMMC Batavia Family Care	Syracuse	2/15/2008	2/15/2013	\$0.00
UMMC Jerome ARU	Syracuse	2/15/2008	2/15/2013	\$0.00
UMMC Jerome Dietary	Syracuse	#N/A	#N/A	\$0.00
UMMC Jerome Urgent Care Radiology	Syracuse	#N/A	#N/A	\$0.00
UMMC Le Roy Diagnostics	Syracuse	#N/A	#N/A	\$0.00
UMMC Medina Women's Care	Buffalo	12/21/2015	12/21/2018	\$0.00
UMMC Physical Therapy	Buffalo	12/21/2015	12/21/2018	\$0.00
United Memorial Medical Center	Buffalo	9/1/2014	8/1/2017	\$0.00
University at Buffalo Surgeons - Vascular Surgery	Buffalo	12/21/2015	12/21/2018	\$0.00
University Cardiovascular Associates	Syracuse	#N/A	#N/A	\$0.00
University Gastroenterology	Troy	12/1/2016	5/21/2021	\$0.00
University Surgical Associates, LLP	Syracuse	4/12/2017	3/31/2022	\$0.00

Upstate Orthopedics Ambulatory Surgery Center	Syracuse	11/26/2014	11/26/2017	\$0.00
Upstate University Hospital - Community Campus - NYSID	Syracuse	5/1/2014	4/30/2019	\$0.00
URMC Specialty Services	Buffalo	8/13/2010	8/13/2025	\$0.00
UUH CC Breast Care Center-OHACMS, PC	Syracuse	#N/A	#N/A	\$0.00
UUH CC Contract Labor - NYSID	Troy	1/1/2018	1/1/2019	\$0.00
UUH CC Mops - NYSID	Syracuse	#N/A	#N/A	\$0.00
UUH CC Satellites - NYSID	Syracuse	4/2/2012	4/2/2015	\$0.00
UUH CC Sleep Center - NYSID	Syracuse	#N/A	#N/A	\$0.00
UUH CC University Otolaryngology at Fayetteville	Buffalo	8/13/2010	8/13/2025	\$0.00
UUH CC University Otolaryngology at Liverpool	Syracuse	7/10/2014	1/8/2017	\$0.00
UUH CC University Pulmonary & Sleep Medicine	Syracuse	7/10/2014	1/8/2017	\$0.00
UUH CC West Outpatient - Velasko Rd - NYSID	Syracuse	7/10/2014	1/8/2017	\$0.00
UUH Lab Coats	Syracuse	7/10/2014	1/8/2017	\$0.00
UUH Manlius Health Center - NYSID	Syracuse	7/10/2014	1/8/2017	\$0.00
UUH University Physicians Hem/Onc & Rheumatology	Syracuse	7/10/2014	1/8/2017	\$0.00
UUH Upstate Cardiology West	Syracuse	7/10/2014	1/8/2017	\$0.00
Vascular Surgeons of CNY	Syracuse	7/10/2014	1/8/2017	\$0.00
Vega Aesthetic & Reconstructive Surgery	Syracuse	7/10/2014	1/8/2017	\$0.00
WCHoB Direct Sale	Syracuse	7/10/2014	1/8/2017	\$0.00
WCHoB Women's OB/GYN Health Center	Syracuse	7/10/2014	1/8/2017	\$0.00
Wesley Gardens Direct Sale	Syracuse	7/10/2014	1/8/2017	\$0.00
Wesley Gardens Nursing Home	Syracuse	7/10/2014	1/8/2017	\$0.00
White, Laurel M. MD	Syracuse	7/10/2014	1/8/2017	\$0.00
WHN Whittier Place Assisted Living Center	Syracuse	7/10/2014	1/8/2017	\$0.00
WHN Whittier Rehabilitation & Skilled Nursing Center	Syracuse	7/10/2014	1/8/2017	\$0.00

**EXHIBIT "A"**

**Asset Purchase Agreement**

**Execution Version**

ASSET PURCHASE AGREEMENT

between

CENTERSTONE LINEN SERVICES, LLC  
ATLAS HEALTH CARE LINEN SERVICES CO., LLC

and

LINEN NEWCO LLC

March 13, 2019

## **ASSET PURCHASE AGREEMENT**

This ASSET PURCHASE AGREEMENT is made and entered into as of March 13, 2019 between Centerstone Linen Services, LLC and Atlas Health Care Linen Services Co., LLC, Delaware limited liability companies d/b/a Clarus Linen Systems (collectively, the “Seller”), with their principal corporate offices at 60 Grider Street, Buffalo, New York 14215 and Linen Newco LLC, a Delaware limited liability company, with its principal corporate offices at 50 Fountain Plaza, Suite 1700, Buffalo, New York 14202 (the “Buyer”).

### **BACKGROUND**

A. Seller is engaged in the business of providing linen rental and commercial laundry services to the healthcare industry in upstate New York (the “Business”), including at the Buffalo Property and the Syracuse Property (as defined below).

B. On December 19, 2018 (the “Petition Date”), Seller filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (11 U.S. C. § 101 *et seq.*, the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of New York (the “Bankruptcy Court”) commencing Seller’s bankruptcy case (Case No. 18-31754, the “Bankruptcy Case”). As of the date of this Agreement, Seller continues to operate its Business and manage its properties and affairs as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

C. Buyer desires to purchase, and Seller desires to sell, convey, assign and transfer to Buyer, the Purchased Assets (as defined below), subject to the terms and conditions set forth in this Agreement.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, covenants and agreements herein contained, the Parties hereby agree as follows:

#### **ARTICLE I DEFINITIONS**

For the purposes of this Agreement, in addition to those capitalized terms defined elsewhere throughout this Agreement, the following capitalized terms shall have the meanings set forth below:

“Accounts Receivable” shall mean all accounts receivable or other rights to payment of Seller of any kind or nature including work and services in process.

“Affiliate” shall mean, with respect to any specified Person, any other Person who, directly or indirectly, owns or controls, is under common ownership or control with, or is owned or controlled by, such specified Person. Without limiting the generality of the foregoing, a Person shall be deemed to “own” another Person if it owns, directly or indirectly, fifty (50%) or more of the capital stock, membership interest, or other equity interest of such other Person generally entitled to



vote, without regard to specified contingencies, for the election of directors or equivalent governing body of such other Person.

“Agreement” shall mean this Asset Purchase Agreement, including all exhibits and schedules hereto, as may be amended.

“Assigned Contracts” as defined in Section 2.2.

“Auction” shall mean the auction held pursuant to the Bid Procedures Order (as defined in Section 6.1(b) hereunder) for the sale of the Purchased Assets (as defined in Section 2.1 hereunder) in the event Seller has one or more offers from Alternate Bidders to purchase the Purchased Assets.

“Auction Date” means the date on which the Auction is held.

“Avoidance Actions” means any and all rights, claims, causes of action and rights to recover or avoid transfers or to avoid any lien or interest that Seller may have under Chapter 5 of the Bankruptcy Code or otherwise, including, but not limited to, sections 506, 510, 522, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551 or 553 of the Bankruptcy Code or applicable non-bankruptcy law or state law, and the proceeds thereof, or otherwise to exercise the avoidance powers provided under the Bankruptcy Code.

“Bankruptcy Rules” shall mean the Federal Rules of Bankruptcy Procedure, the local rules of the Bankruptcy Court, and any Orders of the Bankruptcy Court, as in effect from time to time.

“Breach” means, with respect to any representation, warranty, covenant, or obligation, any material misstatement or inaccuracy in, or any material failure to perform or comply with, the representation, warranty, covenant, or obligation within any applicable cure period.

“Buffalo Landlord” shall mean 60 Grider, LLC, with respect to the Buffalo Property, and any successor owner of that property.

“Buffalo Property” shall mean the facility owned by 60 Grider, LLC, and leased to Seller that is located at 60 Grider Street, Buffalo, NY 14215.

“Business” as defined in Section A of the “Background” paragraph of this Agreement.

“Business Day” shall mean any day of the year other than: (i) any Saturday or Sunday; or (ii) any other day on which banks located in Syracuse, New York, are closed for business.

“Cash” shall mean all cash, certificates of deposit, bank accounts and other cash equivalents or short-term investments, together with all accrued but unpaid interest thereon.

“Closing” as defined in Section 11.1.

“Closing Date” as defined in Section 11.1.

“Contract” shall mean any contract, lease, easement, license, sales order, purchase order, supply agreement, or any other agreement, commitment or understanding whether oral or written, other than Permits.

“Cure Obligations” shall mean all obligations to counterparties to the Assigned Contracts which must be satisfied in order to effectuate, pursuant to section 365(b)(1) of the Bankruptcy Code, the assumption by Seller and assignment to Buyer of the Assigned Contracts under Section 2.2 of this Agreement.

“Dollars” or numbers preceded by the symbol “\$” shall mean amounts in United States Dollars.

“Encumbrance” shall mean any charge, claim, condition, equitable interest, lien (including without limitation any lien held or asserted by any Governmental Authority), option, pledge, security interest, mortgage, right of way, easement, encroachment, servitudes, right of first option, right of first refusal, or similar restriction, including restrictions of use, voting (in the case of any security or equity interest), transfer, receipt of income or exercise of any attribute of ownership, or other encumbrance, option or defect in title of every type and description, whether imposed by law, agreement, understanding or otherwise.

“Excluded Liabilities” shall mean all obligations and liabilities of Seller that are not included in the Assumed Liabilities.

“Final Order” shall mean an Order as to which there is no appeal, motion for reconsideration, stay or similar request for relief pending, and as to which the time period to seek or file any such appeal, motion for reconsideration, stay or similar request for relief has expired.

“Governmental Authority” shall mean the government of the United States, or any other foreign country or any state, provincial or political subdivision thereof and any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“HSBC Bank” shall mean HSBC Bank USA, National Association.

“Intellectual Property” shall mean intellectual property of every kind and nature, including, without limitation, all inventions, information, data, customer lists and related information, samples, specifications, plans, drawings, blue prints, compositions, processes, designs, formulas, technical and business information, and know-how, including confidential information and trade secrets (whether or not patentable or reduced to practice), all United States and foreign patents and petty patents (including continuations, continuations-in-part, divisions, reissues, re-examinations, extensions and renewals thereof) and patent applications, all United States and foreign registered and unregistered, brand names, trademarks, and service marks, logos and designs (and registrations and applications for registration of the same), domain names and all goodwill symbolized thereby or associated therewith, and copyrights and copyright registrations (and applications for the same) relating thereto, including computer software and mask works, and all extensions or renewals thereof, United States and foreign registrations and applications to register copyrights, technical manuals and documentation made or used in connection with any of the foregoing.

“Knowledge,” when used with respect to Seller, shall mean the actual knowledge of John J. Giardino or Ronald Teplitsky.

“Law” shall mean any law, statute, code, regulation, ordinance, or rule enacted or promulgated by any Governmental Authority.

“Loss” or “Losses” shall mean any and all damages (but excluding consequential, punitive and treble damages), losses, actions, proceedings, causes of action, obligations, liabilities, responsibilities, claims, encumbrances, penalties, demands, assessments, judgments, costs and expenses including, without limitation, court costs and reasonable attorneys’, experts’ and consultants’ fees and disbursements.

“Material Adverse Effect” means a state of facts, events, change or effect with respect to Seller that results in a material adverse effect on the Purchased Assets taken as a whole, including without limitation, the loss of any single customer/client for whom the Seller realized revenues of One Million Dollars (\$1,000,000.00) or more during the preceding twelve months and/or the loss of one or more customers/clients which in the aggregate results in a decrease in annual revenues of ten percent (10%) or more during the preceding twelve months; but excluding any state of facts, event, change or effect caused by, attributable or relating to: (i) changes or conditions affecting Seller’s industry generally; (ii) changes in economic, regulatory or political conditions generally; (iii) the filing and administration of the Bankruptcy Case (except for the conversion of the Bankruptcy Case to a proceeding under chapter 7); or (iv) the announcement of this Agreement.

“Order” means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award.

“Ordinary Course of Business” means an action taken or omitted to be taken by a Person only if that action or omission is consistent with the past practices of such Person.

“Parties” shall mean both Seller and Buyer, each of whom individually may be referred to as a “Party.”

“Permits” shall mean permits, tariffs, authorizations, licenses, certificates, variances, interim permits, approvals, franchises and rights under any Law or otherwise issued or required by any Governmental Authority and any applications for the foregoing which are currently used or otherwise necessary for Seller to engage in the operation of the Business as currently conducted.

“Permitted Encumbrances” shall mean any and all Encumbrances arising from or related to any Assumed Liabilities, including, without limitation, any Encumbrances in favor of HSBC Bank.

“Person” shall mean any individual, corporation, business trust, proprietorship, firm, partnership, limited partnership, limited liability partnership, limited liability company, trust, association, joint venture, Governmental Authority or other entity.

“Purchased Asset(s)” as defined in Section 2.1 hereof.

“Sale Order” shall mean an Order of the Bankruptcy Court that, among other things approves, pursuant to Sections 363 and 365 of the Bankruptcy Code, with findings that the Buyer

acted in good faith and is afforded the benefits of Section 363(m) of the Bankruptcy Code: (i) the execution, delivery and performance by Seller of this Agreement, and the other instruments and agreements contemplated hereby; (ii) the sale of the Purchased Assets to Buyer on the terms set forth herein; and (iii) the performance by Seller of its obligations under this Agreement, including, without limitation, the assumption and assignment of the Assigned Contracts.

“Syracuse Landlord” shall mean ACN Companies, LLC, with respect to the Syracuse Property, and any successor owner of that property.

“Syracuse Property” shall mean the facility that is owned by ACN Companies, LLC, and leased to Seller that is located at 414 West Taylor Street, Syracuse, NY 13202.

“Tax” (and, with correlative meaning, “Taxes” and “Taxable”) shall mean any federal, state, provincial, county, local or foreign taxes, charges, fees, duties (including customs duties), levies or other assessments, including income, gross receipts, net proceeds, ad valorem, turnover, real and personal property (tangible and intangible), sales, use, franchise, excise, value added, alternative, add-on minimum, stamp, leasing, lease, user, transfer, fuel, excess profits, occupational, interest equalization, windfall profits, license, payroll, environmental, capital stock, disability, severance, employee’s income withholding, other withholding, unemployment and Social Security Taxes, which are imposed by any Governmental Authority, and such term shall include any interest, penalties, fines or additions to tax attributable thereto or associated therewith, and shall include any transferee or successor liability in respect of Taxes (whether by contract or otherwise).

“Tax Code” shall mean the Internal Revenue Code of 1986, as amended, and the temporary and final regulations promulgated thereunder.

“Tax Return” shall mean any report, return, statement, notice, form, declaration, claim for refund or other document or information filed, submitted to, or required to be supplied to a Governmental Authority in connection with the determination, assessment, collection or payment of any Tax, including any schedule or attachment thereto, and including any amendment thereof.

“Third Party” shall mean a Person other than Buyer, Seller, or their respective Affiliates.

“Transferred Employees” shall have the meaning set forth in Section 10.1(b).

## ARTICLE II PURCHASE AND SALE OF PURCHASED ASSETS; ASSUMPTION OF ASSUMED LIABILITIES

2.1 Purchased Assets. Subject to and upon the terms and conditions set forth in this Agreement, at the Closing, Seller shall sell, assign, convey, transfer and deliver to Buyer, and Buyer shall purchase, acquire and take assignment and delivery of, all of Seller’s right, title and interest in and to the following assets, properties and rights, as they exist at the time of the Closing:

(a) Equipment and Fixed Assets. All fixtures, machinery, equipment, fixed assets, furniture, tools, maintenance equipment, mobile equipment, electrical, mechanical, electronic, computers, software, telecommunications, servers, and other equipment and fixed assets of every kind owned by Seller located at the Buffalo Property or the Syracuse Property or wherever located

(the "Equipment and Fixed Assets"), including without limitation, the Equipment and Fixed Assets set forth on Schedule 2.1(a);

(b) Inventory. All linen, supplies, raw materials, chemicals, spares, spare parts, packaging materials, finished goods, and other consumables and inventories owned by Seller and used, or intended to be used, in the operation of the Business (collectively, the "Inventory");

(c) Information and Records. To the extent legally transferable, all books and records used in the operation of the Business ("Books and Records") that are in Seller's care, custody or control, including, without limitation, customer lists, safety and training records, equipment manuals, drawings, engineering materials, and operating data;

(d) Permits. To the extent legally transferable, without cost to Seller, all Permits and applications for Permits that are necessary to the operation of the Business as presently operated and conducted. Buyer shall pay any fees required to transfer such Permits; and

(e) Intellectual Property. The Intellectual Property listed on Schedule 2.1(f) and all goodwill, if any, relating to the Business.

(f) Accounts Receivable. The Seller's Accounts Receivable including any unbilled invoices for services, goods or products up to the Closing Date.

(g) Other Assets. All other scheduled assets of the Seller not specifically excluded in Section 2.3 below.

All of the foregoing assets described in this Section 2.1, together with the Assigned Contracts described in Section 2.2 are referred to herein collectively as the "Purchased Asset(s)".

2.2 Assignment of Contracts. Subject to the terms and conditions of this Agreement and the need to obtain any required consent or modifications required by Buyer from any Third Party, at the Closing Seller shall assume and assign and transfer to Buyer, all of its right, title and interest in and to the Contracts listed on Schedule 2.2 (collectively, the "Assigned Contracts").

2.3 Excluded Assets. Notwithstanding anything contained in this Agreement to the contrary, the Purchased Assets shall not include and Seller shall retain all of its right title and interest in and to the following (collectively, the "Excluded Assets");

(a) Cash;

(b) Any asset of Seller that otherwise would constitute a Purchased Asset, but for the fact that such asset has been conveyed, leased or otherwise disposed of prior to the Closing in Seller's Ordinary Course of Business;

(c) Avoidance Actions;

(d) Personnel, business and other records that Seller is required by Law to retain in its possession, or which relate to the Avoidance Actions, and all corporate seals, minute books, charter documents, stock transfer records, record books, original Tax and financial records and such

other files, books and records relating to the Excluded Assets or to the organization, existence or capitalization of Seller;

- Closing;
- (e) Any asset in which Seller first acquires a transferable interest following the Closing;
  - (f) Seller's rights under this Agreement;
  - (g) Any rights to refunds or recoveries from any insurance policies and/or indemnification claims;
  - (h) Any rights to tax refunds;
  - (i) Any other asset specifically designated by Buyer as an Excluded Asset prior to Closing, including those assets listed on Schedule 2.3(i); and
  - (j) Stock and membership interests.

2.4 Assumed Liabilities. At the Closing, Buyer shall assume, and shall agree to pay, perform and discharge, the following obligations of Seller as and when they become due (the "Assumed Liabilities"):

- (a) All obligations related to normal course accrued liabilities, including employee wages, salaries and benefits arising on or after the Closing Date;
- (b) All liabilities for taxes arising from or relating to the Purchased Assets for any time period after Closing; and
- (c) All liabilities specifically designated as an Assumed Liability and Cure Obligations on Schedule 2.4(c).

### ARTICLE III PURCHASE PRICE AND PAYMENT

3.1 Purchase Price. The aggregate consideration for the sale, transfer, assignment and conveyance of the Purchased Assets will be Five Million One Hundred Fifty Thousand Dollars (\$5,150,000.00) (the "Purchase Price") to be paid as follows:

(a)	Cash at Closing:	\$3,000,000
(b)	Subordinated Note:	\$1,000,000
(c)	A/R Collection & AR Note:	<u>\$1,150,000</u>
	Total:	\$5,150,000

plus the assumption by Buyer of the Assumed Liabilities (the Purchase Price, together with the assumption of the Assumed Liabilities, the "Total Consideration").

3.2 Payment of Purchase Price.

(a) Within three (3) days after the execution of this Agreement, Buyer shall deliver to Seller's attorneys, Bond, Schoeneck & King, PLLC ("Bond"), a good faith Cash deposit in an amount equal to Two Hundred Thousand and no/100 Dollars (\$200,000.00) plus a Cash deposit equal to Three Hundred Fifteen Thousand and no/100 Dollars (\$315,000.00) at the conclusion of the due diligence period provided in paragraph 6.8 herein (collectively, the "Deposit") to be held by Bond in escrow in its client trust account. The Deposit shall be applied toward the Purchase Price at Closing.

- i. Subject to the conditions precedent as set forth in Article 8, if this Agreement is terminated as a result of Buyer's Breach of its obligations hereunder, Seller shall retain the Deposit as liquidated damages without further liability.
- ii. The Deposit shall be returned to Buyer within three (3) business days following the entry of an order by the Bankruptcy Court (y) denying the Seller's motion to sell the Purchased Assets to the Buyer or (z) authorizing the sale of all or substantially all of the Purchased Assets to another bidder, *provided, however*, that if an auction is held and the Buyer is determined to be the backup bidder in accordance with the Bidding Procedures approved by the Bankruptcy Court, the Deposit will be returned in accordance with the requirements of the Bidding Procedures.

(b) At the Closing, Buyer shall pay to Seller, by wire transfer of immediately available funds, a Cash payment in the amount of Two Million Four Hundred Eight-Five Thousand and no/100 Dollars (\$2,485,000.00) (the "Closing Payment"). The Closing Payment obligation shall be absolute and unconditional and shall not be subject to any abatement, counterclaim, deduction or reduction for any reason whatsoever.

(c) Along with the Closing Payment, at Closing, Buyer shall execute and deliver to HSBC Bank a promissory note (the "Subordinated Note") in the amount of One Million Dollars (\$1,000,000.00), which shall be substantially in the form attached as Exhibit 3.2(c)(i) and acceptable to HSBC Bank. The Subordinated Note shall be amortized over a period of three years at an annual interest rate of eight percent (8.00%). The Subordinated Note shall be secured by a second position lien and security interest covering Buyer's machinery, general equipment and linen inventory. Buyer shall execute and deliver to HSBC Bank a security agreement substantially in the form attached as Exhibit 3.2(c)(ii) on the Closing Date ("Security Agreement") and acceptable to HSBC Bank.

(d) Buyer shall collect and remit to HSBC Bank the Accounts Receivable purchased by Buyer hereunder in the amount of One Million One Hundred Fifty Thousand and no/100 Dollars (\$1,150,000.00) (the "AR Payment") as follows:

- i. Seven Hundred Thousand Dollars (\$700,000.00) of the AR Payment shall be paid by Buyer directly to HSBC Bank, irrespective of actual Accounts Receivable collections, pursuant to a promissory note (the "AR Note"), which shall be substantially in the form attached as Exhibit 3.2(d)(i) and acceptable to HSBC Bank. The AR Note shall have a ten (10) week term, payable in weekly installments of not

less than Seventy Thousand Dollars (\$70,000.00) per week commencing one (1) week after the Closing.

- ii. The remaining AR Payment of Four Hundred Fifty Thousand Dollars (\$450,000.00) shall be remitted by the Buyer to HSBC Bank from the collection of Accounts Receivable using the Buyer's best collection efforts as set forth in a letter agreement substantially in the form attached as Exhibit 3.2(d)(ii) ("Letter Agreement") and acceptable to HSBC Bank. The Letter Agreement will provide in pertinent part that Seller will provide HSBC Bank a detailed list of Accounts Receivable with contact information for all account debtors at Closing, Buyer will provide HSBC Bank weekly reporting on the status of collection of the Accounts Receivable, and HSBC Bank shall be permitted, in its discretion, to take over collection of open Accounts Receivable that remain unpaid ten weeks after the Closing.
- iii. Any payments Buyer receives from any Person that is an account debtor of both Buyer and Seller and which fails to identify the specific invoice or account to which payment is to be applied, shall be applied as may be reasonably determined by Buyer after making commercially reasonable inquiry to determine the specific invoice or account to which payment is to be applied, and if no such determination can be made, shall be applied first to Seller's Accounts Receivable in chronological order from oldest to newest, with any remainder then applied to satisfy any accounts of Buyer. Buyer agrees that it shall not take any action to influence any such Person to pay amounts owing to Buyer in preference to Seller's Accounts Receivable, including, without limitation, by instructing any such Persons to identify payments as being in satisfaction of Buyer's invoices rather than Seller's invoices.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants as of the date hereof and as of the Closing Date as follows:

4.1 Existence, Good Standing. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Seller has all requisite limited liability company power and authority to own its properties and assets and to conduct its businesses as presently conducted.

4.2 Authorization and Validity. Seller has all requisite corporate power and authority to enter into this Agreement and any related agreements to which Seller is or will become a party and, subject only to the Bankruptcy Court's entry of the Sale Order, the execution and delivery of this Agreement and any related agreements to which Seller is or will become a party and the performance of Seller's obligations hereunder and thereunder have been, or on the Closing Date will be, duly authorized by all necessary corporate action and no other corporate proceedings on the part of Seller are necessary to authorize such execution, delivery and performance. This Agreement and any related agreements to which Seller is or will become a party have been, or on the Closing Date will be, duly executed by Seller and, subject only to the Bankruptcy Court's entry of the Sale Order, constitute, or will when executed and delivered constitute, Seller's valid and binding obligation, enforceable against Seller in accordance with their terms.



4.3 Consents. Subject to the entry of the Sale Order and satisfaction of the terms set forth herein, and except as set forth on Schedule 4.3, no consent of any Person not a party to this Agreement or any Governmental Authority (other than in connection with Seller's assignment of Permits) is required in connection with the execution, delivery and performance of this Agreement by Seller, or the consummation of the transactions contemplated hereby.

4.4 No Conflict or Violation. Subject only to the Bankruptcy Court's entry of the Sale Order and receipt of any required consents, the execution, delivery and performance by Seller of this Agreement do not and will not, to Seller's Knowledge, (a) violate or conflict with any provision of Seller's organizational documents, (b) violate any provision of Law, or any Order, judgment or decree of any Government applicable to Seller, (c) result in or require the creation or imposition of any Encumbrances on any of the Purchased Assets; or (d) violate or result in a Breach of or constitute (with due notice or lapse of time or both) a default under any Contract to which Seller is a party or by which Seller is bound or to which the any of Seller's properties or assets is subject.

4.5 Title to Purchased Assets. Subject only to the entry of the Sale Order, at the Closing, Seller will have good and marketable title to the Purchased Assets which shall be transferred to Buyer free and clear of all Encumbrances except for the Permitted Encumbrances.

4.6 Permits. Schedule 4.6 sets forth a list of all Permits held by Seller which are necessary to conduct the Business as currently conducted.

4.7 Litigation. To Seller's Knowledge, except for those matters described on Schedule 4.7 and except for amounts listed on Seller's bankruptcy schedules and claims or pleadings filed with the Bankruptcy Court, there is no legal, administrative or arbitration proceeding, suit, action of any nature or Order, judgment, writ, injunction, award, or decree, claim, investigation or inquiry ("Litigation") relating to any Purchased Assets or the transactions contemplated by this Agreement, pending or asserted against Seller, by or before any Governmental Authority or by or on behalf of any Third Party.

4.8 Brokers. Except for SSG Advisors, LLC, Seller has not used any broker or finder in connection with the transactions contemplated hereby.

4.9 Employees. Schedule 4.9 sets forth a true and complete list of individuals that are currently employed by Seller in the Business and all individuals that are on temporary or permanent lay-off or furlough status, including name, title, date of hire, former or current base salary or wage rate, position, title, and whether such employee is out on disability or other permitted leaves of absence and/or is on temporary or permanent lay-off or furlough status. Schedule 4.9 sets forth any labor or collective bargaining agreements that Seller is a party to.

4.10 Exclusivity and Survival of Representations. The representations and warranties made by Seller in this Article IV are in lieu of, and are exclusive of, all other representations and warranties by Seller, including but not limited to any warranty or representation as to the condition or suitability of the Purchased Assets, which are being conveyed on an "AS IS, WHERE IS" basis. Seller hereby disclaims any representations or warranties, express or implied, not set forth in this Article IV or in any document to be delivered by Seller at Closing. All of the representations and

warranties made by Seller in this Article IV shall terminate as of Closing. No claim for a breach of any such representations or warranty may be made by Buyer against Seller after the Closing Date.

## **ARTICLE V REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants as of the date hereof and as of the Closing Date:

5.1 Existence and Good Standing. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Buyer is duly qualified to transact business as a foreign corporation and is in good standing in the state of New York and in each other jurisdiction in which the nature of the assets owned, leased or operated by Buyer or the conduct of its business makes such qualification necessary.

5.2 Authorization and Validity. Buyer has all requisite power and authority to enter into this Agreement and any related agreements to which Buyer is or will become a party and the execution and delivery of this Agreement and any related agreements to which Buyer is or will become a party and the performance of Buyer's obligations hereunder and thereunder have been, or on the Closing Date will be, duly authorized by all necessary corporate action and no other proceedings on the part of Buyer are necessary to authorize such execution, delivery and performance. This Agreement and any related agreements to which Buyer is or will become a party have been, or on the Closing Date will be, duly executed by Buyer and constitute, or will when executed and delivered constitute, Buyer's valid and binding obligation, enforceable against Buyer in accordance with their terms.

5.3 Consents. No consent of any Person not a Party to this Agreement or any Governmental Authority (other than in connection with Seller's assignment of Permits) is required in connection with the execution, delivery and performance of this Agreement by Buyer, or the consummation of the transactions contemplated hereby.

5.4 No Conflict or Violation. The execution, delivery and performance by Buyer of this Agreement does not: (i) violate or conflict with any provision of Buyer's organizational documents; (ii) violate any provision of Law, or any Order, judgment or decree of any court or Government applicable to Buyer; or (iii) violate or result in a Breach of or constitute (with due notice or lapse of time or both) a default under any Contract to which Buyer is party or by which Buyer is bound or to which any of Buyer's properties or assets is subject.

5.5 Litigation. There is no Litigation of any nature pending or asserted against Buyer by or before any Governmental Authority or by or on behalf of any Person which questions or challenges the validity of this Agreement or any of the transactions contemplated hereby or which, if adversely determined, would adversely affect the ability of Buyer to consummate the transactions contemplated hereby.

5.6 Brokers. Buyer has not used any broker or finder in connection with the transactions contemplated hereby.

5.7 Adequate Assurances Regarding Assigned Contracts. Buyer is capable of satisfying the conditions contained in sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code with respect to the Assigned Contracts.

5.8 Financial Capability. At the Closing, the Buyer (i) subject to having financing commitments and arrangements will have sufficient funds available to pay the Purchase Price and any expenses incurred by Buyer in connection with the transactions contemplated by this Agreement; (ii) will have the resources and capabilities (financial or otherwise) to pay, discharge and perform the Assumed Liabilities and all of its other obligations hereunder; and (iii) has not incurred, and will not incur, any obligation, commitment, restriction or liability of any kind, which would impair or adversely affect such resources and capabilities.

## ARTICLE VI PRE-CLOSING COVENANTS AND OTHER AGREEMENTS

### 6.1 Bankruptcy Court Approval.

(a) This Agreement and the transactions contemplated hereby are contingent upon the approval and authorization of the Bankruptcy Court. Except as expressly set forth herein, Seller and Buyer shall have no liability under this Agreement unless and until it is approved by the Bankruptcy Court and shall have no obligation to consummate the transactions contemplated herein unless and until the Bankruptcy Court enters the Sale Order.

(b) By March 14, 2019, Seller shall prepare and file a motion with the Bankruptcy Court (the "Sale Motion") requesting: (i) the entry of an Order (the "Bid Procedures Order") (x) approving the terms of this Agreement, (y) establishing procedures for Seller's solicitation of competing offers from Third Parties for the sale of the Purchased Assets (each, a "Competing Bidder") and (z) establishing procedures for an Auction to determine the highest or otherwise best offer for the Purchased Assets; and (ii) the entry of the Sale Order. The Sale Motion shall request that the Bankruptcy Court hold a hearing to consider entry of the Bid Procedures Order by March 18, 2019, and, schedule an Auction, if necessary, to be held as soon as permitted by the Bankruptcy Court, but no later than April 15, 2019, with a hearing to consider entry of the Sale Order approving the sale to Buyer (or in the event an Auction is held, the prevailing bidder at auction) on or around April 17, 2019, subject to the Bankruptcy Court's availability.

(c) Among other things, the Sale Motion will request that the Bid Procedures Order be in form and content acceptable to Buyer, Seller and HSBC Bank and provide that:

- i. in the event the Bankruptcy Court approves and Seller consummates a sale of the Purchased Assets to a Competing Bidder, Seller shall be required to pay to Buyer an expense reimbursement of up to Fifty Thousand and 00/100 Dollars (\$50,000.00) (the "Expense Reimbursement") to be paid out of sale proceeds free and clear of all liens, claims and encumbrances;
- ii. the minimum bid increment shall be Fifty Thousand Dollars and no/100 (\$50,000.00); provided that the initial overbid at the Auction must also include an amount sufficient to pay any Expense Reimbursement that would

be payable to Buyer in the event of a sale of the Purchased Assets to a Competing Bidder; and

- iii. qualified bids shall: (w) be accompanied by a cash deposit in the amount of ten percent (10%) of the proposed purchase price; (x) reflect terms substantially similar or superior to this Agreement; (y) be submitted no later than 4:00 p.m. on April 11, 2019 (the "Bid Deadline"); and (z) not include any financing or due diligence contingencies.

(d) Among other things, the Sale Order will be in form and content acceptable to Buyer, Seller and HSBC Bank and provide that:

- i. this Agreement is approved;
- ii. Buyer shall have no successor liability except for the Assumed Liabilities;
- iii. findings of fact and conclusions of law that the transactions are arms-length, without collusion, and that Buyer has acted in good faith pursuant to Section 363(m) of the Bankruptcy Code, and that the transfers are for adequate consideration;
- iv. HSBC Bank's liens on the Purchased Assets shall attach to the Purchase Price;
- v. the Purchase Price will be distributed in accordance with the terms of the final order approving the Seller's post-petition financing at Docket No. 234 in the Bankruptcy Case and the Budget annexed thereto and defined therein ("Final DIP Order"); and
- vi. a finding that the Buyer is a good faith purchaser of the assets and entitled to the protections of Section 363(m) of the Bankruptcy Code.

6.2 Cooperation. Each of Buyer and Seller shall use commercially reasonable efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary or proper, consistent with applicable Law, to consummate and make effective as soon as possible the transactions contemplated hereby. Buyer shall promptly take such actions as may be reasonably requested by Seller to assist Seller in obtaining the Bankruptcy Court's entry of the Sale Order and any other Order of the Bankruptcy Court reasonably necessary to consummate the transactions contemplated by this Agreement.

6.3 Conduct of Business. Unless otherwise agreed by Seller and Buyer, as contemplated in this Agreement, or as required by the Bankruptcy Code or an Order of the Bankruptcy Court, from the date hereof through the Closing Date, Seller shall conduct the Business in all material respects in the Ordinary Course of Business and will not sell or dispose of any of the Purchased Assets or make payments or enter into any contractual commitments to any employee of the Seller other than payments of salary and wages and other benefits and the reimbursement of reasonable documented business expenses, in each case, in the Ordinary Course of Business consistent with past practice and

the authority granted in the Final DIP Order and any cash management orders entered in the Bankruptcy Case.

6.4 Adequate Assurances Regarding Assigned Contracts. On or before the Bid Deadline, Buyer shall provide adequate assurance of Buyer's future performance of each Assigned Contract to Seller and to the counterparties to each Assigned Contract.

6.5 Notice of Certain Events. Each of Buyer and Seller shall promptly notify the other Party of the occurrence of any event or condition or the existence of any fact that would reasonably be expected to have a Material Adverse Effect or to cause any of the conditions to either of the Parties' obligations to consummate the transactions contemplated by this Agreement not to be fulfilled. Notwithstanding the Seller's obligation to provide notice to Buyer, there shall not have occurred any event or circumstance that constitutes a Material Adverse Effect.

6.6 Cure Obligations. Not later than five (5) business days prior to the Auction Date, Seller shall deliver to Buyer a calculation of the Cure Obligations with respect to the Assigned Contracts. Upon receiving such calculation Buyer may elect, at any time on or prior to the Auction Date, to remove any Contract from the list of Assigned Contracts on Schedule 2.2 and reclassify such Contract as an Excluded Asset, *provided, however*, that, in the event the Bankruptcy Court subsequently determines that the Cure Obligations for any Assigned Contract is greater than that set forth in Seller's calculation, Buyer may elect to reclassify such Contract as an Excluded Asset at any time prior to the earlier to occur of (i) the Closing or (ii) the day that is five Business Days following such determination by the Bankruptcy Court, and *provided further*, that any such reclassification shall not reduce the Total Consideration. Buyer shall be responsible for all Cure Obligations.

6.7 Access to Information, Inspections.

(a) From the date hereof through the Closing Date, and upon reasonable advance notice received from Buyer, Seller shall give Buyer and its authorized representatives reasonable access to its facilities and Books and Records relating to the Purchased Assets, such access to be exercised in a manner that does not unreasonably interfere with Seller's operations.

(b) Following the Closing, and upon reasonable advance notice received from Seller, Buyer shall give Seller and its agents and representatives reasonable access during regular business hours, to the Transferred Employees and any Books and Records relating to the Purchased Assets, to the extent reasonably necessary to permit Seller to investigate any matter relating to or arising during any period prior to the Closing.

(c) Buyer will use reasonable efforts to minimize any disruptions to the business of the Seller in connection with its requests or discussions pursuant to this Section 6.7.

6.8 Due Diligence. Buyer shall have a period of fourteen (14) days from the date of this Agreement ("Due Diligence Period") to conduct a due diligence investigation of the condition of the Business, the Purchased Assets, the Syracuse Facility, the Buffalo Facility, and the properties and operations of the Business as Buyer shall reasonably deem appropriate. Seller shall provide Buyer and its agents and representatives reasonable access to the facilities, offices and personnel of Seller, and to the Books and Records, in each case, to the extent related to the Business to allow Buyer to conduct its investigation. In the event Buyer's investigation is unsatisfactory to Buyer, in its sole and

absolute discretion, Buyer may terminate this Agreement effective immediately upon delivery of written notice to Seller prior to termination of the Due Diligence Period (“Diligence Termination Right”) at which time the Deposit shall be delivered to the Buyer, and the parties shall be released from all obligations hereunder. Buyer’s Diligence Termination Right expires upon expiration of the Due Diligence Period.

## ARTICLE VII TAXES

7.1 Taxes Related to Purchase of Purchased Assets. All Taxes, including, without limitation, all state and local Taxes in connection with the transfer of the Purchased Assets, and all recording and filing fees (collectively, “Transaction Taxes”), that may be imposed by reason of the sale, transfer, assignment and delivery of the Purchased Assets and that are not exempt under section 1146(a) of the Bankruptcy Code, shall be borne solely by Buyer. Buyer and Seller shall cooperate to determine the amount of Transaction Taxes payable in connection with the transactions contemplated under this Agreement. At Closing, Seller shall provide to Buyer all requisite exemption certificates. Seller and Buyer shall prepare and file any and all required Tax Returns for or with respect to such Transaction Taxes with any and all appropriate Government taxing authorities.

7.2 Cooperation on Tax Matters.

(a) Buyer and Seller shall furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Purchased Assets and the Assumed Liabilities as is reasonably necessary for the preparation and filing of any Tax Return, claim for refund or other required or optional filings relating to Tax matters, for the preparation for and proof of facts during any Tax audit, for the preparation for any Tax protest, for the prosecution or defense of any suit or other proceeding relating to Tax matters and for the answer to any Government relating to Tax matters.

(b) Buyer shall retain possession of all accounting, business, financial and Tax records and information: (i) relating to the Purchased Assets or the Assumed Liabilities that are in existence on the Closing Date and transferred to Buyer hereunder; and (ii) coming into existence after the Closing Date that relate to the Purchased Assets or the Assumed Liabilities before the Closing Date, for the minimal period from the Closing Date as required by the Tax Code. Buyer shall give Seller notice and an opportunity to retain any such records in the event that Buyer determines to destroy or dispose of them after such period. In addition, from and after the Closing Date, Buyer shall provide access to Seller (after reasonable notice and during normal business hours and without charge), to the books, records, documents and other information relating to the Purchased Assets or the Assumed Liabilities as Seller may reasonably deem necessary to: (i) properly prepare for, file, prove, answer, prosecute and defend any such Tax Return, claim, filing, tax audit, tax protest, suit, proceeding or answer; or (ii) administer or complete Seller’s Bankruptcy Case. Such access shall include, without limitation, access to any computerized information retrieval systems relating to the Purchased Assets or the Assumed Liabilities.

7.3 Allocation of Total Consideration. Schedule 7.3 sets forth a proposed allocation of the Total Consideration for the purposes of, and in accordance with, Section 1060 of the Tax Code. Buyer shall report, act and file its Tax Returns (including Internal Revenue Service Form 8594) in all respects and for all purposes consistent with such allocation unless Seller and Buyer mutually agree to a different allocation following the Closing.

## **ARTICLE VIII CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER**

The obligations of Buyer to consummate the transactions contemplated hereby are subject to the satisfaction or waiver by Buyer each of the following separate conditions precedent on or before the Closing Date:

8.1 Financing. No later than two (2) days prior to the Bid Deadline established in the Bid Procedures Order, the Buyer shall have obtained a final commitment, in form and substance acceptable to the Buyer, for a bridge and working capital loan at market rates and terms in the aggregate amount necessary to pay the Purchase Price.

8.2 Syracuse Property. No later than two (2) days prior to the Bid Deadline established in the Bid Procedures Order, Buyer shall have negotiated the form of a new lease for the Syracuse Property upon commercially reasonable terms and conditions acceptable to Buyer in its reasonable discretion.

8.3 Accuracy of Representations and Warranties. The representations and warranties of Seller contained herein or any certificate delivered to Buyer pursuant to this Agreement shall be true, accurate and correct as of the date of this Agreement and as of the Closing Date, as if made at and as of such date (unless any such representation or warranty refers specifically to a specified date, in which case such representation or warranty shall be true, accurate, and correct on and as of such specified date).

8.4 Compliance with Agreements and Covenants. Seller shall have materially performed and complied with all of its covenants, obligations, and agreements contained in this Agreement to be performed and complied with by it on or prior to the Closing Date.

8.5 No Material Adverse Effect. There shall not have occurred any event, fact or circumstance that has had, or is reasonably likely to have, a Material Adverse Effect.

8.6 Bankruptcy Court Approval. The Bankruptcy Court shall have entered a Sale Order, as a Final Order, which shall be in full force and effect and not stayed as of the Closing Date.

8.7 No Injunction. On the Closing Date: (i) there shall be no Order staying, reversing, modifying, vacating or amending the Sale Order; and (ii) there shall be no preliminary or permanent injunction or other Order of any court or Government declaring this Agreement invalid or unenforceable in any material respect or otherwise preventing the transactions contemplated herein from being consummated.

8.8 Deliveries. Seller shall have made, or be prepared to make at the Closing, all of the deliveries set forth in Section 11.2.

8.9 Diligence. The Diligence Termination Right shall have expired without being exercised pursuant to Section 6.8 herein.

8.10 Labor Agreements. To the extent required by Buyer, modifying existing Collective Bargaining Agreements.

## ARTICLE IX CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLER

The obligations of Seller to consummate the transactions contemplated hereby are subject to the satisfaction or waiver by Seller of the following conditions precedent on or before the Closing Date:

9.1 Accuracy of Representations and Warranties. The representations and warranties of Buyer contained herein or any certificate delivered to Seller pursuant to this Agreement shall be true, accurate, and correct as of the date of this Agreement and as of the Closing Date, as if made at and as of such date (unless any such representation or warranty refers specifically to a specified date, in which case such representation or warranty shall be true, accurate and correct on and as of such specified date).

9.2 Compliance with Agreements and Covenants. Buyer shall have performed and complied with all of its covenants, obligations, and agreements contained in this Agreement to be performed and complied with by it on or prior to the Closing Date.

9.3 Required Consents. Seller shall have obtained the consents listed on Schedule 4.3.

9.4 Bankruptcy Court Approval. The Bankruptcy Court shall have entered the Sale Order which shall be in full force and effect on the Closing Date.

9.5 No Injunction or Litigation. On the Closing Date: (i) there shall be no Order staying, reversing, modifying, vacating or amending the Sale Order; (ii) there shall be no preliminary or permanent injunction or other Order of any court or Government declaring this Agreement invalid or unenforceable in any material respect or otherwise preventing the transactions contemplated herein from being consummated; and (iii) there shall not be pending or threatened any suit, action or proceeding (y) challenging or seeking to restrain, prohibit, alter or materially delay the consummation of any of the transactions contemplated by this Agreement or (z) seeking to obtain from Seller or any of its Affiliates any damages in connection with the transactions contemplated hereby.

9.6 Assigned Contract Cure. Buyer shall, consistent with section 365(b)(1)(A) of the Bankruptcy Code and as may be negotiated between Buyer and the respective counterparty, but subject to its rights otherwise provided under this Agreement, satisfy all undisputed Cure Obligations relating to Assigned Contracts on the Closing Date.

9.7 Deliveries. Buyer shall have made, or be prepared to make at the Closing, all of the deliveries set forth in Section 11.3.



9.8 Sale Order Date. The Bankruptcy Court shall enter a Sale Order authorizing and approving the sale to Buyer no later than April 19, 2019.

## ARTICLE X EMPLOYEES AND BENEFIT PLANS

### 10.1 Transferred Employees.

(a) Buyer, may, in its discretion, make written offers of employment effective as of the Closing to any or all of the current employees of Seller.

(b) Seller shall provide Buyer with a schedule of all employees, including their positions and compensation no later than twenty (20) days prior to the Auction Date. On or before the Bid Deadline, Buyer shall provide Seller with a list of all Seller's employees to whom Buyer has made an offer of employment to be effective on the Closing Date, and if known, indicating whether the offer of employment has been accepted. Those employees who accept Buyer's offer of employment are referred to herein as "Transferred Employees". Effective immediately before the Closing, Seller shall terminate the employment of all the Transferred Employees.

10.2 Employee Benefits. Except as set forth in this Article X or as otherwise agreed to by the Parties, all liabilities and obligations in respect of Seller's past, present and future employees occurring prior to the Closing shall be Excluded Liabilities.

## ARTICLE XI CLOSING

11.1 Closing. The consummation of the transactions contemplated hereby (the "Closing") shall take place at the Syracuse, New York offices of Bond Schoeneck & King, PLLC, at 10:00 a.m. (prevailing New York time) on or before May 3, 2019 (the "Closing Date"). All proceedings to be taken and all documents to be executed and delivered by all Parties at the Closing shall be deemed to have been taken and executed simultaneously and no proceedings shall be deemed to have been taken nor documents executed or delivered until all have been taken, executed and delivered.

11.2 Deliveries by Seller. At or prior to the Closing, Seller shall deliver to Buyer the following, each dated the Closing Date and duly executed by Seller:

(a) Such certificates of title, bills of sale, assignments, deeds or other instruments of transfer, conveyance or assignment, all in form and substance reasonably acceptable to Buyer, as shall be effective to vest in Buyer title to the Purchased Assets free and clear of all Encumbrances other than the Assumed Liabilities and Permitted Encumbrances;

(b) An Assignment and Assumption of Lease Agreement providing for Buyer to occupy the Buffalo Property, executed by the Buffalo Landlord;

(c) A true and correct copy of the Sale Order; and

(d) A certificate, signed by an officer of Seller, certifying as to the accuracy of Seller's representations and warranties as of the Closing Date.

11.3 Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller the following, each dated the Closing Date and duly executed by Buyer:

(a) One or more Assignment and Assumption Agreements, in form and substance reasonably acceptable to Seller, evidencing Buyer's obligation to pay, discharge and perform the Assumed Liabilities, including the Cure Obligations;

(b) A lease agreement providing for Buyer to occupy the Syracuse Property, executed by the Syracuse Landlord;

(c) A certificate, signed by an officer of Seller, certifying as to the accuracy of Buyer's representations and warranties as of the Closing Date;

(d) The Closing Payment;

(e) The AR Note;

(f) The Subordinated Note;

(g) The Security Agreement; and

(h) The Letter Agreement.

## **ARTICLE XII TERMINATION**

12.1 Termination. This Agreement may be terminated on written notice as follows:

(a) By mutual consent of Seller, Buyer and HSBC Bank;

(b) By either Party, in the event of a material Breach by the other Party of any representation, warranty, covenant or obligation of such Party under this Agreement which remains uncured after notice and a reasonable opportunity to cure (which except in the case of a breach of the obligations to consummate the transaction, shall not be less than ten (10) Business Days);

(c) By Buyer, if any of the conditions in Article VIII of this Agreement have not been satisfied in all material respects on or before the Closing Date and Buyer is not the reason why such conditions have not been satisfied, or if satisfaction of a condition is or becomes impossible (other than through the failure of Buyer to comply with its obligations under this Agreement) and Buyer has not waived the condition on or before the Closing Date;

(d) By Seller, if any of the conditions in Article IX of this Agreement have not been satisfied in all material respects on or before the Closing Date and Seller is not the reason why such conditions have not been satisfied, or if satisfaction of a condition is or becomes impossible

(other than through the failure of Seller to comply with its obligations under this Agreement) and Seller has not waived the condition on or before the Closing Date;

(e) By Seller if the Closing has not occurred by May 3, 2019;

(f) By either Party if the Seller consummates a sale of all or substantially all of the Purchased Assets to an Alternate Bidder in accordance with Article 6;

(g) By Buyer pursuant to Section 6.8 of this Agreement.

12.2 Effect of Termination.

(a) In the event this Agreement is terminated pursuant to Section 12.1(a), (c) or (f), this Agreement shall be null and void and neither Party shall have any remaining obligations to the other Party with respect hereto and Seller shall return the Deposit to Buyer.

(b) In the event Seller terminates this Agreement pursuant to Section 12.1(b) or (e), Seller shall retain the Deposit and Buyer shall be liable to Seller for any and all Losses incurred or suffered by Seller. In the event Buyer terminates this Agreement pursuant to Section 12.1(b) or (e), Seller's sole obligation to Buyer shall be to return the Deposit.

**ARTICLE XIII  
INDEMNIFICATION**

13.1 No Indemnification by Seller. All representations, warranties, covenants and agreements made by Seller in this Agreement shall terminate as of the Closing. Buyer shall bring no claim against Seller for any reason after Closing.

13.2 Indemnification by Buyer.

(a) Buyer will indemnify, defend and hold Seller harmless from and against any Losses arising directly or indirectly from any of the following, regardless of whether the claim arises under contract, breach of warranty, tort or other legal theory:

(i) any Breach of any representation or warranty made by Buyer in this Agreement or in any agreement or certificate delivered by Buyer at Closing;

(ii) any Breach by Buyer of any covenant or obligation of Buyer in this Agreement or in any agreement or certificate delivered by Buyer at Closing;

(iii) any claim by any Person for brokerage or finder's fees or commissions or similar payments that remain unpaid after the Closing and which are based upon any agreement or understanding alleged to have been made by such Person with Buyer (or any Person acting on its behalf) in connection with the contemplated transactions; or

(iv) Buyer's operation, ownership, and utilization of the Purchased Assets after the Closing Date.

(b) All of the representations, warranties, covenants, and agreements made by Buyer in this Agreement shall survive the Closing.

**ARTICLE XIV  
MISCELLANEOUS**

14.1 Entire Agreement. This Agreement constitutes the entire understanding between the Parties with respect to the subject matter contained herein and supersedes any prior understandings and agreements among them respecting such subject matter.

14.2 Headings. The headings in this Agreement are for convenience of reference only and shall not affect its interpretation.

14.3 Notices. All notices or other communications required hereunder shall be in writing and shall be deemed to have been given if delivered personally, on the next day if mailed by overnight mail, to the addresses of the Parties as follows:

If to Seller:

Centerstone Linen Services, LLC d/b/a Clarus Linen Systems  
Atlas Health Care Linen Services Co., LLC d/b/a Clarus Linen Systems  
60 Grider Street  
Buffalo, New York 14215  
Attention: Ronald Teplitsky, Chief Restructuring Officer

with a copy to:

Bond, Schoeneck & King, PLLC  
One Lincoln Center  
Syracuse, New York 13202  
Attention: Camille Hill, Esq. and Stephen A. Donato, Esq.

If to Buyer:

Linen Newco LLC  
50 Fountain Plaza  
Suite 1700  
Buffalo, New York 14202  
Attention: Gerald Lippes

with a copy to:

Lippes Mathias Wexler Friedman LLP  
50 Fountain Plaza  
Suite 1700  
Buffalo, New York 14202  
Attention: Raymond L. Fink, Esq. and John A. Mueller, Esq.

14.4 Exhibits and Schedules. Each Exhibit and Schedule referred to herein is incorporated into this Agreement by such reference.

14.5 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable such illegality, invalidity or unenforceability will not affect any other provision hereof. This Agreement shall, in such circumstances be deemed modified to the extent necessary to render enforceable the provisions hereof.

14.6 Waiver. Except as otherwise provided in this Agreement, the failure of any Party to insist upon strict performance of any of the terms or conditions of this Agreement will not constitute a waiver of any of its rights hereunder.

14.7 Assignment. Buyer may not assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the Seller. Seller may freely assign its rights, but shall not assign its obligations without Buyer's prior written consent.

14.8 Successors and Assigns. This Agreement binds, inures to the benefit of, and is enforceable by the successors and permitted assigns of the Parties, including any trust which may be created as part of any plan of liquidation established by Seller, and does not confer any rights on any other Persons or entities.

14.9 Governing Law. This Agreement, and all other documents executed in connection with this Agreement shall be construed and enforced in accordance with the Laws of the State of New York, without reference to any conflict of law principles.

14.10 Venue. Buyer and Seller agree that all actions brought, arising out of, or related to the transactions contemplated in this Agreement shall be brought in the Bankruptcy Court, and the Bankruptcy Court shall retain jurisdiction to determine any and all such actions. Each Party hereby irrevocably consents to the personal and subject matter jurisdiction of the Bankruptcy Court and agrees that the Bankruptcy Court may enter final and binding judgments with respect to any controversy arising from or related to this Agreement and the transactions contemplated herein. In the event the Bankruptcy Court for any reason declines to exercise jurisdiction each Party hereby consents to the personal jurisdiction of any state or federal court having competent subject matter jurisdiction located in Onondaga County, New York.

14.11 Amendments. This Agreement may be amended only by a written instrument duly executed by all of the Parties and consented to by HSBC Bank in writing, or the Sale Order.

14.12 Counterparts. This Agreement may be executed in any number of counterparts and any Party hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. In order to facilitate execution of this Agreement, electronic or facsimile signatures shall be deemed to be original signatures.

14.13 No Third Party Beneficiaries. This Agreement is solely for the benefit of the Parties hereto and no provision of this Agreement shall be deemed to confer upon any other Person any remedy, claim, liability, reimbursement, cause of action or other right.

14.14 Expenses. Except as otherwise provided in this Agreement or in the Bid Procedures Order, each of the Parties shall pay its own expenses in connection with this Agreement and the transactions contemplated hereby, including, without limitation, any legal and accounting fees, whether or not the transactions contemplated hereby are consummated.

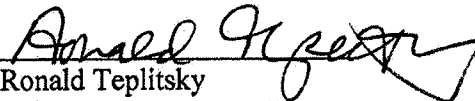
[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties hereto have executed and delivered this Asset Purchase Agreement as of the date first above written.

**SELLER:**

**CENTERSTONE LINEN SERVICES, LLC**  
**d/b/a CLARUS LINEN SYSTEMS**

**ATLAS HEALTH CARE LINEN SERVICES**  
**CO., LLC d/b/a CLARUS LINEN SYSTEMS**

By:   
Name: Ronald Teplitsky  
Title: Chief Restructuring Officer

**BUYER:**

**LINEN NEWCO LLC**

By: \_\_\_\_\_  
Name: Gerald Lippes  
Title: Manager

IN WITNESS WHEREOF, the Parties hereto have executed and delivered this Asset Purchase Agreement as of the date first above written.

**SELLER:**


**CENTERSTONE LINEN SERVICES, LLC  
d/b/a CLARUS LINEN SYSTEMS**

**ATLAS HEALTH CARE LINEN SERVICES  
CO., LLC d/b/a CLARUS LINEN SYSTEMS**

By: \_\_\_\_\_  
Name: Ronald Teplitsky  
Title: Chief Restructuring Officer

**BUYER:**

**LINEN NEWCO LLC**

  
By: \_\_\_\_\_  
Name: Gerald Lippes  
Title: Manager



**Exhibit 3.2(c)(i)**

**Subordinated Note with HSBC Bank**



**TERM NOTE**

**\$1,000,000.00**

As of \_\_\_\_\_, 2019

For value received, the undersigned **LINEN NEWCO LLC**, a New York limited liability company, with an address of [\_\_\_\_\_] (the "Borrower"), promises to pay to the order of **HSBC BANK USA, NATIONAL ASSOCIATION**, a bank organized under the laws of the United States of America with an address of 452 Fifth Avenue, 4th Floor, New York, New York 10018 (together with its successors and assigns, the "Bank"), the principal amount of One Million Dollars (\$1,000,000.00) ("Loan") on or before [April \_\_\_\_], 2022 (the "Maturity Date"), as set forth below, together with interest from the date hereof on the unpaid principal balance from time to time outstanding until paid in full. The Borrower shall pay consecutive monthly installments of principal of \$27,777.00 commencing on [May 1], 2019, and the same amount on the first (1st) day of each month thereafter until the final installment, which shall be the unpaid balance.

The aggregate principal balance outstanding shall bear interest at a per annum rate of 8%. All accrued and unpaid interest shall be payable monthly in arrears on the 1st day of each month, commencing on [May 1], 2019.

Principal and interest shall be payable at the Bank's main office or at such other place as the Bank may designate in writing in immediately available funds in lawful money of the United States of America without set-off, deduction or counterclaim. Interest shall be calculated on the basis of actual number of days elapsed and a 360-day year.

This Note may be prepaid in whole or in part upon thirty (30) days prior written notice to the Bank.

At the option of the Bank (but automatically in the case of an Insolvency Default (as hereinafter defined)), this Note shall become immediately due and payable without notice or demand upon the occurrence at any time of any of the following events of default (each, an "Event of Default"): (1) default of any liability, obligation, covenant or undertaking of the Borrower, any endorser or any guarantor hereof to the Bank, hereunder or otherwise, including, without limitation, failure to pay in full and when due any installment of principal or interest or default of the Borrower, any endorser or any guarantor hereof under any other loan document delivered by the Borrower, any endorser or any guarantor, or in connection with the loan evidenced by this Note or any other agreement by the Borrower, any endorser or any guarantor with the Bank; (2) failure of the Borrower, any endorser or any guarantor hereof to maintain aggregate collateral security value satisfactory to the Bank; (3) default of any liability, obligation or undertaking of the Borrower, any endorser or any guarantor hereof to any other party; (4) if any statement, representation or warranty heretofore, now or hereafter made by the Borrower, any endorser or any guarantor hereof in connection with the loan evidenced by this Note or in any supporting financial statement of the Borrower, any endorser or any guarantor hereof shall



be determined by the Bank to have been false or misleading in any material respect when made; (5) if the Borrower, any endorser or any guarantor hereof is a corporation, trust, partnership or limited liability company, the liquidation, termination or dissolution of any such organization, or the merger or consolidation of such organization into another entity, or such entity's ceasing to carry on actively its present business or the appointment of a receiver for its property; (6) the death of any endorser or any guarantor hereof and, if any endorser or any guarantor hereof is a partnership or limited liability company, the death or judicial declaration of incompetence of any partner or member; (7) the institution by or against the Borrower, any endorser or any guarantor hereof of any proceedings under the Bankruptcy Code 11 USC § 101 et seq. or any other law in which the Borrower, any endorser or any guarantor hereof is alleged to be insolvent or unable to pay its debts as they mature, or the making by the Borrower, any endorser or any guarantor hereof of an assignment for the benefit of creditors or the granting by the Borrower, any endorser or any guarantor hereof of a trust mortgage for the benefit of creditors (each of the foregoing in this subclause, an "Insolvency Default"); (8) the service upon the Bank of a writ in which the Bank is named as trustee of the Borrower, any endorser or any guarantor hereof; (9) a judgment or judgments for the payment of money shall be rendered against the Borrower, any endorser or any guarantor hereof, and any such judgment shall remain unsatisfied and in effect for any period of thirty (30) consecutive days without a stay of execution; (10) any levy, lien (including mechanics lien) except as permitted under any of the other loan documents between the Bank and the Borrower, seizure, attachment, execution or similar process shall be issued or levied on any of the property of the Borrower, any endorser or any guarantor hereof; (11) the termination or revocation of any guaranty hereof; or (12) the occurrence of such a change in the condition or affairs (financial or otherwise) of the Borrower, any endorser or any guarantor hereof, or the occurrence of any other event or circumstance, such that the Bank, in its sole discretion, deems that it is insecure or that the prospects for timely or full payment or performance of any obligation of the Borrower, any endorser or any guarantor hereof to the Bank has been or may be impaired.

Any payments received by the Bank on account of this Note shall, at the Bank's option, be applied first, to accrued and unpaid interest; second, to the unpaid principal balance hereof; third, to any costs, expenses or charges then owed to the Bank by the Borrower; and the balance to escrows, if any. Notwithstanding the foregoing, any payments received after demand for payment shall be applied in such manner as the Bank may determine. The Borrower hereby authorizes the Bank to charge any deposit account which the Borrower may maintain with the Bank for any payment required hereunder without prior notice to the Borrower.

If pursuant to the terms of this Note, the Borrower is at any time obligated to pay interest on the principal balance at a rate in excess of the maximum interest rate permitted by applicable law for the loan evidenced by this Note, the applicable interest rate shall be immediately reduced to such maximum rate and all previous payments in excess of the maximum rate shall be deemed to have been payments in reduction of principal and not on account of the interest due hereunder.

**The Borrower represents to the Bank that the proceeds of this Note will not be used for personal, family or household purposes or for the purpose of purchasing or carrying**



**margin stock or margin securities within the meaning of Regulations U and X of the Board of Governors of the Federal Reserve System, 12 C.F.R. Parts 221 and 224.**

The Borrower and each endorser and guarantor hereof grant to the Bank a continuing lien on and security interest in any and all deposits or other sums at any time credited by or due from the Bank (or any of its banking or lending affiliates, or any bank acting as a participant under any loan arrangement between the Bank and the Borrower, or any third party acting on the Bank's behalf (collectively, the "Bank Affiliates")) to the Borrower and/or each endorser or guarantor hereof and any cash, securities, instruments or other property of the Borrower and each endorser and guarantor hereof in the possession of the Bank or any Bank Affiliate, whether for safekeeping or otherwise, or in transit to or from the Bank or any Bank Affiliate (regardless of the reason the Bank or Bank Affiliate had received the same or whether the Bank or Bank Affiliate has conditionally released the same) as security for the full and punctual payment and performance of all of the liabilities and obligations of the Borrower and/or any endorser or guarantor hereof to the Bank or any Bank Affiliate and such deposits and other sums may be applied or set off against such liabilities and obligations of the Borrower or any endorser or guarantor hereof to the Bank or any Bank Affiliate at any time, whether or not such are then due, whether or not demand has been made and whether or not other collateral is then available to the Bank or any Bank Affiliate.

No delay or omission on the part of the Bank in exercising any right hereunder shall operate as a waiver of such right or of any other right of the Bank, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion. The Borrower and every endorser or guarantor of this Note, regardless of the time, order or place of signing, waives presentment, demand, protest, notice of intent to accelerate, notice of acceleration and all other notices of every kind in connection with the delivery, acceptance, performance or enforcement of this Note and assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of collateral, and to the addition or release of any other party or person primarily or secondarily liable and waives all recourse to suretyship and guarantor defenses generally, including any defense based on impairment of collateral.

The Borrower and each endorser and guarantor of this Note shall indemnify, defend and hold the Bank and the Bank Affiliates and their directors, officers, employees, agents and attorneys harmless against any claim brought or threatened against the Bank by the Borrower, by any endorser or guarantor, or by any other person (as well as from attorneys' reasonable fees and expenses in connection therewith) on account of the Bank's relationship with the Borrower or any endorser or guarantor hereof (each of which may be defended, compromised, settled or pursued by the Bank with counsel of the Bank's selection, but at the expense of the Borrower and any endorser and/or guarantor), except for any claim arising out of the gross negligence or willful misconduct of the Bank.

The Borrower and each endorser and guarantor of this Note agree to pay, upon demand, costs of collection of all amounts under this Note including, without limitation, principal and interest, or in connection with the enforcement of, or realization on, any security for this Note, including, without limitation, to the extent permitted by applicable law, reasonable attorneys'



fees and expenses. Upon the occurrence and during the continuance of an Event of Default, interest shall accrue at a rate per annum equal to the aggregate of 3.0% plus the rate provided for herein. If any payment due under this Note is unpaid for 10 days or more, the Borrower shall pay, in addition to any other sums due under this Note (and without limiting the Bank's other remedies on account thereof), a late charge equal to 5.0% of such unpaid amount.

This Note shall be binding upon the Borrower and each endorser and guarantor hereof and upon their respective heirs, successors, assigns and legal representatives, and shall inure to the benefit of the Bank and its successors, endorsees and assigns.

The liabilities of the Borrower and each Borrower, if more than one, and any endorser or guarantor of this Note are joint and several; provided, however, the release by the Bank of the Borrower or any one or more endorsers or guarantors shall not release any other person obligated on account of this Note. Any and all present and future debts of the Borrower to any endorser or guarantor of this Note are subordinated to the full payment and performance of all present and future debts and obligations of the Borrower to the Bank. Each reference in this Note to the Borrower and each Borrower, if more than one, any endorser, and any guarantor, is to such person individually and also to all such persons jointly. No person obligated on account of this Note may seek contribution from any other person also obligated, unless and until all liabilities, obligations and indebtedness to the Bank of the person from whom contribution is sought have been irrevocably satisfied in full. The release or compromise by the Bank of any collateral shall not release any person obligated on account of this Note.

The Borrower and each endorser and guarantor hereof each authorizes the Bank to complete this Note if delivered incomplete in any respect. A photographic or other reproduction of this Note may be made by the Bank, and any such reproduction shall be admissible in evidence with the same effect as the original itself in any judicial or administrative proceeding, whether or not the original is in existence.

The Borrower will from time to time execute and deliver to the Bank such documents, and take or cause to be taken, all such other further action, as the Bank may request in order to effect and confirm or vest more securely in the Bank all rights contemplated by this Note or any other loan documents related thereto (including, without limitation, to correct clerical errors) or to vest more fully in or assure to the Bank the security interest in any collateral securing this Note or to comply with applicable statute or law.

This Note is delivered to the Bank at one of its offices and shall be governed by the laws of the State of New York without giving effect to the conflicts of laws principles thereof.

Any notices under or pursuant to this Note shall be deemed duly received and effective if delivered in hand to any officer or agent of the Borrower or Bank, or if mailed by registered or certified mail, return receipt requested, addressed to the Borrower or Bank at the address set forth in this Note or as any party may from time to time designate by written notice to the other party.



No change in any provision of this Note may be made except by a writing signed by authorized signers of both parties to this Note, except that the Bank is authorized to fill in any blank spaces and to otherwise complete this Note and correct any patent errors herein.

All of the Bank's rights and remedies not only under the provisions of this Note but also under any other agreement or transaction shall be cumulative and not alternative or exclusive, and may be exercised by the Bank at such time or times and in such order of preference as the Bank in its sole discretion may determine.

**IN ANY ACTION, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THIS NOTE, BORROWER AND EACH ENDORSER WAIVE (i) THE RIGHT TO INTERPOSE ANY SET-OFF OR COUNTERCLAIM OF ANY NATURE OR DESCRIPTION, (ii) ANY OBJECTION BASED ON FORUM NON CONVENIENS OR VENUE AND (iii) ANY CLAIM FOR CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES.**

The Borrower and each endorser and guarantor of this Note each irrevocably submits to the nonexclusive jurisdiction of any Federal or state court sitting in New York, over any suit, action or proceeding arising out of or relating to this Note. Each of the Borrower and each endorser and guarantor irrevocably waives, to the fullest extent it may effectively do so under applicable law, any objection it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that the same has been brought in an inconvenient forum. Each of the Borrower and each endorser and guarantor hereby consents to any and all process which may be served in any such suit, action or proceeding, (i) by mailing a copy thereof by registered and certified mail, postage prepaid, return receipt requested, to the Borrower's, endorser's or guarantor's address shown below or as notified to the Bank and (ii) by serving the same upon the Borrower(s), endorser(s) or guarantor(s) in any other manner otherwise permitted by law, and agrees that such service shall in every respect be deemed effective service upon the Borrower or such endorser or guarantor.

**THE BORROWER, EACH ENDORSER AND GUARANTOR AND THE BANK EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, AND AFTER AN OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL, (A) WAIVES ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING IN CONNECTION WITH THIS NOTE, ANY OF THE OBLIGATIONS OF THE BORROWER, EACH ENDORSER AND GUARANTOR TO THE BANK, AND ALL MATTERS CONTEMPLATED HEREBY AND DOCUMENTS EXECUTED IN CONNECTION HERewith AND (B) AGREES NOT TO SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CAN NOT BE, OR HAS NOT BEEN, WAIVED. THE BORROWER, EACH ENDORSER AND GUARANTOR AND THE BANK EACH CERTIFIES THAT NEITHER THE BANK NOR ANY OF ITS REPRESENTATIVES, AGENTS OR COUNSEL HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE BANK WOULD NOT IN THE EVENT OF ANY SUCH PROCEEDING SEEK TO ENFORCE THIS WAIVER OF RIGHT TO TRIAL BY JURY.**



**Sanctions and Anti-Bribery Provisions:**

(a) None of the Borrower, any of its subsidiaries, or to the knowledge of Borrower or any of its subsidiaries, any director or officer, or any employee, agent, or affiliate, of the Borrower or any of its subsidiaries is an individual or entity ("Person") that is, or is owned or controlled by Persons that are, (i) the subject of any sanctions administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the US Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury or the Hong Kong Monetary Authority Transaction (collectively, "Sanctions"), or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions, including, without limitation, currently, Cuba, the Crimea region of Ukraine, Iran, North Korea, Sudan and Syria.

(b) None of the Borrower, nor to the knowledge of the Borrower, any director, officer, agent, employee, affiliate or other person acting on behalf of the Borrower or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of any applicable anti-bribery law, including but not limited to, the United Kingdom Bribery Act 2010 (the "UK Bribery Act") and the U.S. Foreign Corrupt Practices Act of 1977 (the "FCPA"). Furthermore, the Borrower and, to the knowledge of the Borrower, its affiliates have conducted their businesses in compliance with the UK Bribery Act, the FCPA and similar laws, rules or regulations and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(c) The Borrower will not, directly or indirectly, use the proceeds of the Loan, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loan, whether as underwriter, advisor, investor or otherwise).

(d) No part of the proceeds of the Loan will be used, directly or indirectly, for any payments that could constitute a violation of any applicable anti-bribery law.

**Anti-Terrorism Laws:**

(a) General. None of the Borrower, any of its subsidiaries, or to the knowledge of Borrower or any of its subsidiaries, any director or officer, or any employee, agent, or affiliate, of the Borrower or any of its subsidiaries is in violation of any Anti-Terrorism Law or engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(b) Executive Order No. 13224. None of the Borrower, any of its subsidiaries, or to the knowledge of Borrower or any of its subsidiaries, any director or officer, or any employee, agent, or affiliate, of the Borrower or any of its subsidiaries is acting or benefiting in any



capacity in connection with the Loan or other transactions hereunder, is any of the following (each a "Blocked Person");

a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order No. 13224;

a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order No. 13224;

a Person or entity with which the Bank is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

a Person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order No. 13224;

a Person or entity that is named as a "specially designated national" on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control at its official website or any replacement website or other replacement official publication of such list;  
or

a Person or entity who is affiliated or associated with a Person or entity listed above.

Neither the Borrower nor any of its Subsidiaries, any of their agents acting in any capacity in connection with the Credit or other transactions hereunder (i) conducts any business or engages in making or receiving any contributions of funds, goods or services to or for the benefit of any Blocked Person, or (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order No. 13224.





Executed as of \_\_\_\_\_, 2019

LINEN NEWCO LLC

By \_\_\_\_\_

Name:

Title:

Doc #01-3279673.2

**Exhibit 3.2(c)(ii)**

**Security Agreement with HSBC Bank**

## GENERAL SECURITY AGREEMENT

Date as of: \_\_\_\_\_, 2019

**LINEN NEWCO LLC**, a New York limited liability company, whose address is [\_\_\_\_\_] (“Debtor”) and **HSBC BANK USA, NATIONAL ASSOCIATION**, whose address is 452 Fifth Avenue, 4th Floor, New York, New York 10018 (“Secured Party”), agree as follows:

1. **Security Interest.** Debtor hereby grants to Secured Party a second-priority security interest (“Security Interest”) in all right, title and interest of Debtor in all Equipment and Inventory, wherever located and whether now owned or hereafter owned or acquired by Debtor, whether or not affixed to realty, in all Proceeds and Products thereof in any form, in all parts, accessories, attachments, special tools, additions, replacements, substitutions and accessions thereto or therefor, in all supporting obligations thereof and in all increases or profits received therefrom (collectively, the “Collateral”). Capitalized terms used but not defined in this paragraph shall have the meaning given to such term in Article 9 of the Uniform Commercial Code, as in effect from time to time, of the State of New York

2. **Indebtedness Secured.** The Security Interest secures payment of any and all indebtedness of Debtor to Secured Party (“Indebtedness”), whether now existing or hereafter incurred, of every kind and character, direct or indirect, and whether such Indebtedness is from time to time reduced and thereafter increased, or entirely extinguished and thereafter reincurred, including, without limitation: (a) Indebtedness not yet outstanding, but contracted for, or with respect to which any other commitment by Secured Party exists; (b) all interest provided in any instrument, document, or agreement (including this Security Agreement) which accrues on any Indebtedness until payment of such Indebtedness in full; (c) any moneys payable as hereinafter provided; and (d) any debts owed or to be owed by Debtor to others which Secured Party has obtained, or may obtain, by assignment or otherwise.

3. **Representations and Warranties of Debtor.** Debtor represents and warrants, and, so long as this Security Agreement is in effect, shall be deemed continuously to represent and warrant that: (a) Debtor is the owner of the Collateral free of all security interests or other encumbrances, except the Security Interest and except as specified in an appropriate schedule hereto; (b) Debtor is authorized to enter into this Security Agreement; (c) any and all trade names, division names, assumed names or other names under which Debtor transacts any part of its business are specified in an appropriate schedule hereto; Debtor’s business address and chief executive office or principal office are specified above or on an appropriate schedule hereto; Debtor’s form and State or jurisdiction of organization are specified in an appropriate schedule hereto, Debtor’s Tax ID Number and Organizational Number, if any, are specified on the Schedule hereto, and Debtor’s records concerning the Collateral are kept at one of the addresses specified above; (d) each Account, General Intangible and Chattel Paper constituting Collateral is genuine and enforceable in accordance with its terms against the party obligated to

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pay it ("Account Debtor"); and no Account Debtor has any defense, setoff, claim or counterclaim against Debtor which can be asserted against Secured Party, whether in any proceeding to enforce the Collateral or otherwise; (e) the amounts represented from time to time by Debtor to Secured Party as owing by each Account Debtor or by all Account Debtors will be and are the correct amounts actually and unconditionally owing by such Account Debtor or Debtors individually and in the aggregate, except for normal cash discounts where applicable; (f) each Instrument and each Document constituting Collateral is genuine and in all respects what it purports to be; (g) any Collateral which is a Fixture is affixed to real property at Debtor's address specified above or as specified in an appropriate schedule hereto, and such real property is owned by Debtor or by the person or persons named in such schedule and is encumbered only by the mortgage or mortgages listed on such schedule; and (h) any Collateral which is a Deposit Account, Commodity Account, Securities Account or letter of credit is specifically described on an appropriate schedule hereto.

4. **Covenants of Debtor.** So long as this Security Agreement is in effect, Debtor:

(a) will defend the Collateral against the claims and demands of all other parties, including, without limitation, defenses, setoffs, claims and counterclaims asserted by any Account Debtor against Debtor or Secured Party, except, as to Inventory, purchasers and lessees in the ordinary course of Debtor's business; will keep the Collateral free from all security interests or other encumbrances, except the Security Interest and except as specified in an appropriate schedule hereto; and will not sell, transfer, lease, assign, deliver or otherwise dispose of any Collateral or any interest therein without the prior written consent of Secured Party, except that, until the occurrence of an event of default as specified in paragraph 10 hereof Debtor may sell or lease Inventory in the ordinary course of Debtor's business; (b) will send to Secured Party financial statements in such form and at such intervals as Secured Party shall request; will keep, in accordance with generally accepted accounting principles consistently applied, accurate and complete books and records, including, without limitation, records concerning the Collateral; at Secured Party's request, will mark any and all such books and records to indicate the Security Interest; will permit Secured Party or its agents to inspect the Collateral and to audit and make extracts from or copies of such books and records and any of Debtor's ledgers, reports, correspondence or other books and records; and will duly account to Secured Party's satisfaction, at such time or times as Secured Party may require, for any of the Collateral; (c) will send to Secured Party upon demand, all Documents and all Chattel Paper (duly indorsed to Secured Party) constituting, representing or relating to the Collateral or any part thereof, and any schedules, invoices, shipping documents, delivery receipts, purchase orders, contracts or other documents representing or relating to the Collateral or any part thereof; (d) will notify Secured Party promptly in writing of any change in Debtor's business address or chief executive office or principal office, any change in the address at which records concerning the Collateral are kept and any change in Debtor's name, identity or corporate or other structure or form or State of organization; (e) will not, without Secured Party's written consent, make or agree to make any alteration, modification or cancellation of, or substitution for, or credits, adjustments or allowances on, Accounts, General Intangibles or Chattel Paper constituting Collateral; will send

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to Secured Party, on request, all credit and other information respecting the financial condition of any Account Debtor; and will notify Secured Party promptly of any default by any Account Debtor in payment or other performance of obligations with respect to any Collateral; (f) will keep the Collateral in good condition and repair; and will not use the Collateral in violation of any provisions of this Security Agreement, of any applicable statute, regulation or ordinance or of any policy insuring the Collateral; (g) will pay all taxes, assessments and other charges of every nature which may be imposed, levied or assessed against Debtor or any of Debtor's assets, prior to the date of attachment of any penalties or liens with respect thereto (other than liens attaching prior to payment becoming due, if payment is made when due), provided, however, Debtor shall not be required to pay any such tax, assessment or other charge so long as its validity is being contested in good faith by appropriate proceedings diligently conducted; (h) will insure the Collateral against risks, in coverage, form and amount, and by insurer, satisfactory to Secured Party, and, at Secured Party's request, will cause each policy to be payable to Secured Party as a named insured or loss payee, as its interest may appear, and deliver each policy or certificate of insurance to Secured Party; (i) will prevent the Collateral or any part thereof from being or becoming an accession to other goods not covered by this Security Agreement; (j) in connection herewith, will authorize or otherwise execute and deliver to Secured Party such financing statements, assignments and other documents and do such other things relating to the Collateral and the Security Interest as Secured Party may request, and pay all costs of title searches and filing financing statements, assignments and other documents in all public offices requested by Secured Party; and will not, without the prior written consent of Secured Party, file or authorize or permit to be filed in any public office any financing statement naming Debtor as debtor and not naming Secured Party as secured party; (k) will notify Secured Party of the particulars of the Debtor's rights under any Commercial Tort Claims promptly after such rights arise; (l) will not place the Collateral in any warehouse which may issue a negotiable document with respect thereto; (m) will not place the Collateral with any third party who has not previously (i) acknowledged the Security Interest and (ii) provided an authenticated record, in form and substance satisfactory to Secured Party, acknowledging that such third party holds possession of the Collateral for the benefit of the Secured Party; (n) with respect to all locations of Collateral leased by Debtor, will, upon request of Secured Party, obtain waivers from mortgagees and landlords in form and substance satisfactory to the Secured Party and (o) will cooperate with Secured Party in obtaining control of Collateral consisting of Deposit Accounts, Investment Property, Letter-of-Credit Rights or Electronic Chattel Paper including, but not limited to, entering into one or more control agreements, assignments, or any cash management arrangement as Secured Party may request.

5. **Verification of Collateral.** Secured Party shall have the right to verify all or any Collateral in any manner and through any medium Secured Party may consider appropriate, and Debtor agrees to furnish all assistance and information and perform any acts which Secured Party may require in connection therewith and to pay all of Secured Party's costs therefor.

6. **Notification and Payments.**

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Before or after the occurrence of an Event of Default, Secured Party may (i) notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral directly to Secured Party; and (ii) enforce obligations of an Account Debtor or other person obligated on Collateral and exercise the rights of the Debtor with respect to the obligation of the Account Debtor, and with respect to property that secures the obligation of an Account Debtor or other persons obligated on the Collateral. All payments on and from Collateral received by Secured Party directly or from Debtor shall be applied to the Indebtedness in such order and manner and at such time as Secured Party shall, in its sole discretion, determine. Secured Party may demand of Debtor in writing, before or after notification to Account Debtors and without waiving in any manner the Security Interest, that any payments on and from the Collateral received by Debtor: (i) shall be held by Debtor in trust for Secured Party in the same medium in which received; (ii) shall not be commingled with any assets of Debtor; and (iii) shall be delivered to Secured Party in the form received, properly indorsed to permit collection, not later than the next business day following the day of their receipt; and Debtor shall comply with such demand. Debtor shall also promptly notify Secured Party of the return to or repossession by Debtor of Goods underlying any Collateral, and Debtor shall hold the same in trust for Secured Party and shall dispose of the same as Secured Party directs.

7. **Registered Holder of Collateral.** If any Collateral consists of investment securities, Debtor authorizes Secured Party to transfer the same or any part thereof into its own name or that of its nominee so that Secured Party or its nominee may appear of record as the sole owner thereof; provided, that so long as no event of default has occurred, Secured Party shall send promptly to Debtor all notices, statements or other communications received by it or its nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give to Debtor or its designee a proxy or proxies to vote and take all action with respect to such securities. If any Collateral consists of General Intangibles or Investment Property that is certificated, upon request of Secured Party, Debtor shall deliver such certificates to the Secured Party, along with a blank stock power, or other evidence of transfer, as requested by Secured Party. After the occurrence of any event of default, Debtor waives all rights to be advised of or to receive any notices, statements or communications received by Secured Party or its nominee as such record owner, and agrees that no proxy or proxies given by Secured Party to Debtor or its designee as aforesaid shall thereafter be effective.

8. **Income from and Interest on Collateral Consisting of Instruments.**

(a) Until the occurrence of an event of default, Debtor reserves the right to receive all income from or interest on the Collateral consisting of Instruments, and if Secured Party receives any such income or interest prior to such event of default, Secured Party shall pay the same promptly to Debtor.

(b) Upon the occurrence of an event of default, Debtor will not demand or receive any income from or interest on such Collateral, and if Debtor receives any such income or interest without any demand by it, same shall be held by Debtor in trust for

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Secured Party in the same medium in which received, shall not be commingled with any assets of Debtor and shall be delivered to Secured Party in the form received, properly indorsed to permit collection, not later than the next business day following the day of its receipt. Secured Party may apply the net cash receipts from such income or interest to payment of any of the Indebtedness, provided that Secured Party shall account for and pay over to Debtor any such income or interest remaining after payment in full of the Indebtedness.

**9. Increases, Profits, Payments or Distributions.**

(a) Whether or not an event of default has occurred, Debtor authorizes Secured Party: (i) to receive any increase in or profits on the Collateral (including, without limitation, any stock issued as a result of any stock split or dividend, any capital distributions and the like), and to hold the same as part of the Collateral; and (ii) to receive any payment or distribution on the Collateral upon redemption by, or dissolution and liquidation of, the issuer; to surrender such Collateral or any part thereof in exchange therefor; and to hold the net cash receipts from any such payment or distribution as part of the Collateral.

(b) If Debtor receives any such increase, profits, payments or distributions, Debtor will receive and deliver same promptly to Secured Party on the same terms and conditions set forth in paragraph 8(b) hereof respecting income or interest, to be held by Secured Party as part of the Collateral.

**10. Events of Default.**

(a) Any of the following events or conditions shall constitute an event of default hereunder: (i) nonpayment when due, whether by acceleration or otherwise, of principal of or interest on any Indebtedness, or default by Debtor in the performance of any obligation, term or condition of this Security Agreement or any other agreement between Debtor and Secured Party; (ii) death or judicial declaration of incompetency of Debtor, if an individual; (iii) the filing by or against Debtor of a request or petition for liquidation, reorganization, arrangement, adjustment of debts, adjudication as a bankrupt, relief as a debtor or other relief under the bankruptcy, insolvency or similar laws of the United States or any state or territory thereof or any foreign jurisdiction, now or hereafter in effect; (iv) the making of any general assignment by Debtor for the benefit of creditors; the appointment of a receiver or trustee for Debtor or for any assets of Debtor, including, without limitation, the appointment of or taking possession by a "custodian", as defined in the federal Bankruptcy Code; the making of any, or sending notice of any intended, bulk sale; or the institution by or against Debtor of any other type of insolvency proceeding (under the federal Bankruptcy Code or otherwise) or of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of, Debtor; (v) the sale, assignment, transfer or delivery of all or substantially all of the assets of Debtor; the cessation by Debtor as a going business concern; the entry of judgment against Debtor, other than a judgment for which Debtor is fully insured, if ten days thereafter such judgment is not satisfied, vacated, bonded or stayed pending appeal; or if Debtor is generally not paying Debtor's debts as such debts become due; (vi) the occurrence of any event

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described in paragraph 10(a)(ii), (iii), (iv) or (v) hereof with respect to any indorser, guarantor or any other party liable for, or whose assets or any interest therein secures, payment of any Indebtedness ("Third Party"), or the occurrence of any such event with respect to any general partner of Debtor, if Debtor is a partnership; (vii) if any certificate, statement, representation, warranty or audit heretofore or hereafter furnished by or on behalf of Debtor or any Third Party, pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, representations and warranties contained herein), or as an inducement to Secured Party to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or to have omitted any substantial contingent or unliquidated liability or claim against Debtor or any such Third Party; or, if upon the date of execution of this Security Agreement, there shall have been any materially adverse change in any of the facts disclosed by any such certificate, statement, representation, warranty or audit, which change shall not have been disclosed in writing to Secured Party at or prior to the time of such execution; (viii) nonpayment by Debtor when due of any indebtedness for borrowed money owing to any third party, or the occurrence of any event which could result in acceleration of payment of any such indebtedness; or (ix) the reorganization, merger or consolidation of Debtor (or the making of any agreement therefor) without the prior written consent of Secured Party.

(b) Secured Party, at its sole election, may declare all or any part of any Indebtedness not payable on demand to be immediately due and payable without demand or notice of any kind upon the happening of any event of default (other than an event of default under either paragraph 10(a)(iii) or (iv) hereof), or if Secured Party in good faith believes that the prospect of payment of all or any part of the Indebtedness or performance of Debtor's obligations under this Security Agreement or any other agreement now or hereafter in effect between Debtor and Secured Party is impaired. All or any part of any Indebtedness not payable on demand shall be immediately due and payable without demand or notice of any kind upon the happening of one or more events of default under paragraph 10(a)(iii) or (iv) hereof. The provisions of this paragraph are not intended in any way to affect any rights of Secured Party with respect to any Indebtedness which may now or hereafter be payable on demand.

(c) Secured Party's rights and remedies with respect to the Collateral shall be those of a Secured Party under the Uniform Commercial Code and under any other applicable law, as each of the same may from time to time be in effect, in addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and Secured Party. Upon the existence or occurrence of an event of default, Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place or places designated by Secured Party, and Secured Party may use and operate the Collateral, render the Collateral unusable or dispose of the Collateral in a commercially reasonable manner.

(d) Without in any way requiring notice to be given in the following time and manner, Debtor agrees that any notice by Secured Party of sale, disposition or other intended action hereunder or in connection herewith, whether required by the Uniform Commercial Code or otherwise, shall constitute reasonable notice to Debtor if such notice is



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mailed by regular or certified mail, postage prepaid, at least ten (10) days prior to such action, to either of Debtor's address or addresses specified above or to any other address which Debtor has specified in writing to Secured Party as the address to which notices hereunder shall be given to Debtor.

(e) Secured Party shall have no obligation to clean up or otherwise prepare the Collateral for sale, and such inaction will not be considered adversely to affect the commercial reasonableness of any such sale of the Collateral.

(f) Secured Party may comply with any applicable law requirements in connection with a disposition of the Collateral, and such compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral.

(g) Secured Party may sell the Collateral without giving any warranties. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral.

(h) If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser, received by Secured Party and applied to the Indebtedness. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral, and Debtor shall be credited with the proceeds of the sale.

(i) Debtor agrees to pay on demand all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Secured Party in enforcing this Security Agreement, in realizing upon or protecting any Collateral and in enforcing and collecting any Indebtedness or any guaranty thereof, including, without limitation, if Secured Party retains counsel for advice, suit, appeal, insolvency or other proceedings under the federal Bankruptcy Code or otherwise, or for any of the above purposes, the reasonable attorneys' fees and expenses incurred by Secured Party. Payment of all costs and expenses hereunder is secured by the Collateral.

## 11. **Miscellaneous.**

(a) Debtor hereby authorizes Secured Party, at Debtor's expense, to file such financing statement or statements relating to the Collateral without Debtor's signature thereon as Secured Party at its option may deem appropriate, and appoints Secured Party as Debtor's attorney-in-fact (without requiring Secured Party) to execute any such financing statement or statements in Debtor's name and to perform all other acts which Secured Party deems appropriate to perfect and continue the Security Interest and to protect, preserve and realize upon the Collateral. This power of attorney shall not be affected by the subsequent disability or incompetence of Debtor.

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(b) Secured Party may demand, collect and sue on any of the Accounts, Chattel Paper, Instruments and General Intangibles (in either Debtor's or Secured Party's name at the latter's option); may enforce, compromise, settle or discharge such Collateral without discharging the Indebtedness or any part thereof; and may indorse Debtor's name on any and all checks, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(c) (i) As further security for payment of the Indebtedness, Debtor hereby grants to Secured Party a Security Interest in and lien on any and all property of Debtor which is or may hereafter be in the possession or control of Secured Party in any capacity or of any third party acting on its behalf, including, without limitation, all deposit and other accounts and all moneys owed or to be owed by Secured Party to Debtor; and with respect to all of such property, Secured Party shall have the same rights hereunder as it has with respect to the Collateral; (ii) Without limiting any other right of Secured Party, whenever Secured Party has the right to declare any Indebtedness to be immediately due and payable (whether or not it has so declared), Secured Party at its sole election may set off against the Indebtedness any and all moneys then or thereafter owed to Debtor by Secured Party in any capacity, whether or not the Indebtedness or the obligation to pay such moneys owed by Secured Party is then due, and Secured Party shall be deemed to have exercised such right of set off immediately at the time of such election even though any charge therefor is made or entered on Secured Party's records subsequent thereto.

(d) Upon Debtor's failure to perform any of its duties hereunder, Secured Party may, but shall not be obligated to, perform any or all such duties, including, without limitation, payment of taxes, assessments, insurance and other charges and expenses as herein provided, and Debtor shall pay an amount equal to the cost thereof to Secured Party on demand by Secured Party. Payment of all moneys hereunder shall be secured by the Collateral.

(e) No course of dealing between Debtor and Secured Party and no delay or omission by Secured Party in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Secured Party may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of Secured Party hereunder are cumulative and may be exercised simultaneously.

(f) Secured Party shall have no obligation to take, and Debtor shall have the sole responsibility for taking, any and all steps to preserve rights against any and all prior parties to any Instrument, Document or Chattel Paper constituting Collateral whether or not in Secured Party's possession. Secured Party shall not be responsible to Debtor for loss or damage resulting from Secured Party's failure to enforce or collect any such Collateral or to collect any moneys due or to become due thereunder. Debtor waives protest of any Instrument

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constituting Collateral at any time held by Secured Party on which Debtor is in any way liable and waives notice of any other action taken by Secured Party.

(g) Debtor authorizes Secured Party, without notice or demand and without affecting Debtor's obligations hereunder, from time to time: (i) to exchange, enforce or release any collateral or any part thereof (other than the Collateral) taken from any party for payment of the Indebtedness or any part thereof; (ii) to release, substitute or modify any obligation of any indorser, guarantor or other party in any way obligated to pay the Indebtedness or any part thereof, or any party who has given any security, mortgage or other interest in any other collateral as security for the payment of the Indebtedness or any part thereof; (iii) upon the occurrence of any event of default as hereinabove provided, to direct the order or manner of disposition of the Collateral and any and all other collateral and the enforcement of any and all indorsements, guaranties and other obligations relating to the Indebtedness or any part thereof, as Secured Party, in its sole discretion, may determine; and (iv) to determine how, when and what application of payments and credits, if any, shall be made on the Indebtedness or any part thereof.

(h) The rights and benefits of Secured Party hereunder shall, if Secured Party so directs, inure to any party acquiring any interest in the Indebtedness or any part thereof.

(i) Secured Party and Debtor as used herein shall include the heirs, executors or administrators, or successors or assigns, of those parties.

(j) If more than one Debtor executes this Security Agreement, the term "Debtor" shall include each as well as all of them and their obligations, warranties and representations hereunder shall be joint and several.

(k) No modification, rescission, waiver, release or amendment of any provision of this Security Agreement shall be made, except by a written agreement subscribed or otherwise authenticated by Debtor and by a duly authorized officer of Secured Party.

(l) This Security Agreement and the transaction evidenced hereby shall be construed under the laws of New York State, as the same may from time to time be in effect without regard to principles of conflicts of laws.

(m) All terms, unless otherwise defined in this Security Agreement, shall have the definitions set forth in the Uniform Commercial Code adopted in New York State, as the same may from time to time be in effect.

(n) Debtor hereby irrevocably appoints Secured Party the Debtor's agent with full power, in the same manner, to the same extent and with the same effect as if Debtor were to do the same: to receive and collect all mail addressed to Debtor; to direct the place of delivery thereof to any location designated by Secured Party; to open such mail; to

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remove all contents therefrom; to retain all contents thereof constituting or relating to the Collateral; and to perform all other acts which Secured Party deems appropriate to protect, preserve and realize upon the Collateral. The agency hereby created is unconditional and shall not terminate until all of the Indebtedness is paid in full and until all commitments by Secured Party to lend funds to Debtor have expired or been terminated. This power of attorney shall not be affected by the subsequent disability or incompetence of Debtor.

(o) This Security Agreement is and is intended to be a continuing Security Agreement and shall remain in full force and effect until the officer in charge of the Lending Office, Department or Division of Secured Party indicated above shall actually receive from Debtor written notice of its discontinuance; provided, however, this Security Agreement shall remain in full force and effect thereafter until all of the Indebtedness outstanding, or contracted or committed for (whether or not outstanding), before the receipt of such notice by Secured Party, and any extensions or renewals thereof (whether made before or after receipt of such notice), together with interest accruing thereon after such notice, shall be finally and irrevocably paid in full. If, after receipt of any payment of all or any part of the Indebtedness, Secured Party is for any reason compelled to surrender such payment to any person or entity, because such payment is determined to be void or voidable as a preference, impermissible setoff, or a diversion of trust funds, or for any other reason, this Security Agreement shall continue in full force notwithstanding any contrary action which may have been taken by Secured Party in reliance upon such payment, and any such contrary action so taken shall be without prejudice to Secured Party's rights under this Security Agreement and shall be deemed to have been conditioned upon such payment having become final and irrevocable.

Doc #01-3279788.1

[Signature Page Follows]

LINEN NEWCO LLC,  
a New York limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF NEW YORK    )  
  ) SS.:  
COUNTY OF \_\_\_\_\_ )

On the \_\_\_ day of \_\_\_\_\_, 2019, before me, the undersigned, a notary public in and for said state, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

SCHEDULE

1. Other encumbrances, if any (§§ 3a, 4a):
  
2. Other names under which Debtor transacts business (§ 3c):
  
3. Debtor's form of organization (§ 3c).
  
4. Debtor's State or jurisdiction of organization (§ 3c).
  
5. Debtor's Tax ID Number and Organizational Number, if any (§ 3c).
  
6. (a) Fixtures affixed to real property (§ 3g):  
  
(b) Owner of such real property (§ 3g):  
  
(c) Mortgages on real property (§ 3g):
  
7. Collateral consisting of Deposit Accounts, Commodity Accounts, Securities Accounts, or letters of credit (§3h):  
  
(a) Name and address of depository bank, securities intermediary, commodities intermediary or letter of credit issuer, as applicable.
  
8. Additional schedules describing Collateral, if any, follow hereafter (§ 1).

**Exhibit 3.2(d)(i)**

**AR Note with HSBC Bank**



**TERM NOTE**

**\$700,000.00**

As of \_\_\_\_\_, 2019

For value received, the undersigned **LINEN NEWCO LLC**, a New York limited liability company, with an address of [\_\_\_\_\_] (the "Borrower"), promises to pay to the order of **HSBC BANK USA, NATIONAL ASSOCIATION**, a bank organized under the laws of the United States of America with an address of 452 Fifth Avenue, 4th Floor, New York, New York 10018 (together with its successors and assigns, the "Bank"), the principal amount of Seven Hundred Thousand Dollars (\$700,000.00) on or before [\_\_\_\_\_] 2019 [70 days] (the "Maturity Date"), as set forth below, together with interest from the date hereof on the unpaid principal balance from time to time outstanding until paid in full. The Borrower shall pay consecutive weekly installments of principal of \$70,000.00 commencing on [May 1], 2019 [1 week after Closing Date], and the same amount on the first (1st) day of each month thereafter until the final installment, which shall be the unpaid balance.

The aggregate principal balance outstanding shall bear interest at a per annum rate of interest equal to zero percent (0%) through the Maturity Date.

Principal and interest shall be payable at the Bank's main office or at such other place as the Bank may designate in writing in immediately available funds in lawful money of the United States of America without set-off, deduction or counterclaim. Interest shall be calculated on the basis of actual number of days elapsed and a 360-day year.

This Note may be prepaid in whole or in part upon thirty (30) days prior written notice to the Bank.

At the option of the Bank (but automatically in the case of an Insolvency Default (as hereinafter defined)), this Note shall become immediately due and payable without notice or demand upon the occurrence at any time of any of the following events of default (each, an "Event of Default"): (1) default of any liability, obligation, covenant or undertaking of the Borrower, any endorser or any guarantor hereof to the Bank, hereunder or otherwise, including, without limitation, failure to pay in full and when due any installment of principal or interest or default of the Borrower, any endorser or any guarantor hereof under any other loan document delivered by the Borrower, any endorser or any guarantor, or in connection with the loan evidenced by this Note or any other agreement by the Borrower, any endorser or any guarantor with the Bank; (2) failure of the Borrower, any endorser or any guarantor hereof to maintain aggregate collateral security value satisfactory to the Bank; (3) default of any liability, obligation or undertaking of the Borrower, any endorser or any guarantor hereof to any other party; (4) if any statement, representation or warranty heretofore, now or hereafter made by the Borrower, any endorser or any guarantor hereof in connection with the loan evidenced by this Note or in any supporting financial statement of the Borrower, any endorser or any guarantor hereof shall be determined by the Bank to have been false or misleading in any material respect when made;





(5) if the Borrower, any endorser or any guarantor hereof is a corporation, trust, partnership or limited liability company, the liquidation, termination or dissolution of any such organization, or the merger or consolidation of such organization into another entity, or such entity's ceasing to carry on actively its present business or the appointment of a receiver for its property; (6) the death of any endorser or any guarantor hereof and, if any endorser or any guarantor hereof is a partnership or limited liability company, the death or judicial declaration of incompetence of any partner or member; (7) the institution by or against the Borrower, any endorser or any guarantor hereof of any proceedings under the Bankruptcy Code 11 USC § 101 et seq. or any other law in which the Borrower, any endorser or any guarantor hereof is alleged to be insolvent or unable to pay its debts as they mature, or the making by the Borrower, any endorser or any guarantor hereof of an assignment for the benefit of creditors or the granting by the Borrower, any endorser or any guarantor hereof of a trust mortgage for the benefit of creditors (each of the foregoing in this subclause, an "Insolvency Default"); (8) the service upon the Bank of a writ in which the Bank is named as trustee of the Borrower, any endorser or any guarantor hereof; (9) a judgment or judgments for the payment of money shall be rendered against the Borrower, any endorser or any guarantor hereof, and any such judgment shall remain unsatisfied and in effect for any period of thirty (30) consecutive days without a stay of execution; (10) any levy, lien (including mechanics lien) except as permitted under any of the other loan documents between the Bank and the Borrower, seizure, attachment, execution or similar process shall be issued or levied on any of the property of the Borrower, any endorser or any guarantor hereof; (11) the termination or revocation of any guaranty hereof; or (12) the occurrence of such a change in the condition or affairs (financial or otherwise) of the Borrower, any endorser or any guarantor hereof, or the occurrence of any other event or circumstance, such that the Bank, in its sole discretion, deems that it is insecure or that the prospects for timely or full payment or performance of any obligation of the Borrower, any endorser or any guarantor hereof to the Bank has been or may be impaired.

Any payments received by the Bank on account of this Note shall, at the Bank's option, be applied first, to accrued and unpaid interest; second, to the unpaid principal balance hereof; third, to any costs, expenses or charges then owed to the Bank by the Borrower; and the balance to escrows, if any. Notwithstanding the foregoing, any payments received after demand for payment shall be applied in such manner as the Bank may determine. The Borrower hereby authorizes the Bank to charge any deposit account which the Borrower may maintain with the Bank for any payment required hereunder without prior notice to the Borrower.

If pursuant to the terms of this Note, the Borrower is at any time obligated to pay interest on the principal balance at a rate in excess of the maximum interest rate permitted by applicable law for the loan evidenced by this Note, the applicable interest rate shall be immediately reduced to such maximum rate and all previous payments in excess of the maximum rate shall be deemed to have been payments in reduction of principal and not on account of the interest due hereunder.

**The Borrower represents to the Bank that the proceeds of this Note will not be used for personal, family or household purposes or for the purpose of purchasing or carrying margin stock or margin securities within the meaning of Regulations U and X of the Board of Governors of the Federal Reserve System, 12 C.F.R. Parts 221 and 224.**



The Borrower and each endorser and guarantor hereof grant to the Bank a continuing lien on and security interest in any and all deposits or other sums at any time credited by or due from the Bank (or any of its banking or lending affiliates, or any bank acting as a participant under any loan arrangement between the Bank and the Borrower, or any third party acting on the Bank's behalf (collectively, the "Bank Affiliates")) to the Borrower and/or each endorser or guarantor hereof and any cash, securities, instruments or other property of the Borrower and each endorser and guarantor hereof in the possession of the Bank or any Bank Affiliate, whether for safekeeping or otherwise, or in transit to or from the Bank or any Bank Affiliate (regardless of the reason the Bank or Bank Affiliate had received the same or whether the Bank or Bank Affiliate has conditionally released the same) as security for the full and punctual payment and performance of all of the liabilities and obligations of the Borrower and/or any endorser or guarantor hereof to the Bank or any Bank Affiliate and such deposits and other sums may be applied or set off against such liabilities and obligations of the Borrower or any endorser or guarantor hereof to the Bank or any Bank Affiliate at any time, whether or not such are then due, whether or not demand has been made and whether or not other collateral is then available to the Bank or any Bank Affiliate.

No delay or omission on the part of the Bank in exercising any right hereunder shall operate as a waiver of such right or of any other right of the Bank, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion. The Borrower and every endorser or guarantor of this Note, regardless of the time, order or place of signing, waives presentment, demand, protest, notice of intent to accelerate, notice of acceleration and all other notices of every kind in connection with the delivery, acceptance, performance or enforcement of this Note and assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of collateral, and to the addition or release of any other party or person primarily or secondarily liable and waives all recourse to suretyship and guarantor defenses generally, including any defense based on impairment of collateral.

The Borrower and each endorser and guarantor of this Note shall indemnify, defend and hold the Bank and the Bank Affiliates and their directors, officers, employees, agents and attorneys harmless against any claim brought or threatened against the Bank by the Borrower, by any endorser or guarantor, or by any other person (as well as from attorneys' reasonable fees and expenses in connection therewith) on account of the Bank's relationship with the Borrower or any endorser or guarantor hereof (each of which may be defended, compromised, settled or pursued by the Bank with counsel of the Bank's selection, but at the expense of the Borrower and any endorser and/or guarantor), except for any claim arising out of the gross negligence or willful misconduct of the Bank.

The Borrower and each endorser and guarantor of this Note agree to pay, upon demand, costs of collection of all amounts under this Note including, without limitation, principal and interest, or in connection with the enforcement of, or realization on, any security for this Note, including, without limitation, to the extent permitted by applicable law, reasonable attorneys' fees and expenses. Upon the occurrence and during the continuance of an Event of Default, interest shall accrue at a rate per annum equal to the aggregate of 5.0% plus the rate provided for



herein. If any payment due under this Note is unpaid for 10 days or more, the Borrower shall pay, in addition to any other sums due under this Note (and without limiting the Bank's other remedies on account thereof), a late charge equal to 5.0% of such unpaid amount.

This Note shall be binding upon the Borrower and each endorser and guarantor hereof and upon their respective heirs, successors, assigns and legal representatives, and shall inure to the benefit of the Bank and its successors, endorsees and assigns.

The liabilities of the Borrower and each Borrower, if more than one, and any endorser or guarantor of this Note are joint and several; provided, however, the release by the Bank of the Borrower or any one or more endorsers or guarantors shall not release any other person obligated on account of this Note. Any and all present and future debts of the Borrower to any endorser or guarantor of this Note are subordinated to the full payment and performance of all present and future debts and obligations of the Borrower to the Bank. Each reference in this Note to the Borrower and each Borrower, if more than one, any endorser, and any guarantor, is to such person individually and also to all such persons jointly. No person obligated on account of this Note may seek contribution from any other person also obligated, unless and until all liabilities, obligations and indebtedness to the Bank of the person from whom contribution is sought have been irrevocably satisfied in full. The release or compromise by the Bank of any collateral shall not release any person obligated on account of this Note.

The Borrower and each endorser and guarantor hereof each authorizes the Bank to complete this Note if delivered incomplete in any respect. A photographic or other reproduction of this Note may be made by the Bank, and any such reproduction shall be admissible in evidence with the same effect as the original itself in any judicial or administrative proceeding, whether or not the original is in existence.

The Borrower will from time to time execute and deliver to the Bank such documents, and take or cause to be taken, all such other further action, as the Bank may request in order to effect and confirm or vest more securely in the Bank all rights contemplated by this Note or any other loan documents related thereto (including, without limitation, to correct clerical errors) or to vest more fully in or assure to the Bank the security interest in any collateral securing this Note or to comply with applicable statute or law.

This Note is delivered to the Bank at one of its offices and shall be governed by the laws of the State of New York without giving effect to the conflicts of laws principles thereof.

Any notices under or pursuant to this Note shall be deemed duly received and effective if delivered in hand to any officer or agent of the Borrower or Bank, or if mailed by registered or certified mail, return receipt requested, addressed to the Borrower or Bank at the address set forth in this Note or as any party may from time to time designate by written notice to the other party.

No change in any provision of this Note may be made except by a writing signed by authorized signers of both parties to this Note, except that the Bank is authorized to fill in any blank spaces and to otherwise complete this Note and correct any patent errors herein.



All of the Bank's rights and remedies not only under the provisions of this Note but also under any other agreement or transaction shall be cumulative and not alternative or exclusive, and may be exercised by the Bank at such time or times and in such order of preference as the Bank in its sole discretion may determine.

**IN ANY ACTION, SUIT OR PROCEEDING IN RESPECT OF OR ARISING OUT OF THIS NOTE, BORROWER AND EACH ENDORSER WAIVE (i) THE RIGHT TO INTERPOSE ANY SET-OFF OR COUNTERCLAIM OF ANY NATURE OR DESCRIPTION, (ii) ANY OBJECTION BASED ON FORUM NON CONVENIENS OR VENUE AND (iii) ANY CLAIM FOR CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES.**

The Borrower and each endorser and guarantor of this Note each irrevocably submits to the nonexclusive jurisdiction of any Federal or state court sitting in New York, over any suit, action or proceeding arising out of or relating to this Note. Each of the Borrower and each endorser and guarantor irrevocably waives, to the fullest extent it may effectively do so under applicable law, any objection it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that the same has been brought in an inconvenient forum. Each of the Borrower and each endorser and guarantor hereby consents to any and all process which may be served in any such suit, action or proceeding, (i) by mailing a copy thereof by registered and certified mail, postage prepaid, return receipt requested, to the Borrower's, endorser's or guarantor's address shown below or as notified to the Bank and (ii) by serving the same upon the Borrower(s), endorser(s) or guarantor(s) in any other manner otherwise permitted by law, and agrees that such service shall in every respect be deemed effective service upon the Borrower or such endorser or guarantor.

**THE BORROWER, EACH ENDORSER AND GUARANTOR AND THE BANK EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, AND AFTER AN OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL, (A) WAIVES ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING IN CONNECTION WITH THIS NOTE, ANY OF THE OBLIGATIONS OF THE BORROWER, EACH ENDORSER AND GUARANTOR TO THE BANK, AND ALL MATTERS CONTEMPLATED HEREBY AND DOCUMENTS EXECUTED IN CONNECTION HERewith AND (B) AGREES NOT TO SEEK TO CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CAN NOT BE, OR HAS NOT BEEN, WAIVED. THE BORROWER, EACH ENDORSER AND GUARANTOR AND THE BANK EACH CERTIFIES THAT NEITHER THE BANK NOR ANY OF ITS REPRESENTATIVES, AGENTS OR COUNSEL HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE BANK WOULD NOT IN THE EVENT OF ANY SUCH PROCEEDING SEEK TO ENFORCE THIS WAIVER OF RIGHT TO TRIAL BY JURY.**

**Sanctions and Anti-Bribery Provisions:**

(a) None of the Borrower, any of its subsidiaries, or to the knowledge of Borrower or any of its subsidiaries, any director or officer, or any employee, agent, or affiliate,



of the Borrower or any of its subsidiaries is an individual or entity ("Person") that is, or is owned or controlled by Persons that are, (i) the subject of any sanctions administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the US Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury or the Hong Kong Monetary Authority Transaction (collectively, "Sanctions"), or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions, including, without limitation, currently, Cuba, the Crimea region of Ukraine, Iran, North Korea, Sudan and Syria.

(b) None of the Borrower, nor to the knowledge of the Borrower, any director, officer, agent, employee, affiliate or other person acting on behalf of the Borrower or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of any applicable anti-bribery law, including but not limited to, the United Kingdom Bribery Act 2010 (the "UK Bribery Act") and the U.S. Foreign Corrupt Practices Act of 1977 (the "FCPA"). Furthermore, the Borrower and, to the knowledge of the Borrower, its affiliates have conducted their businesses in compliance with the UK Bribery Act, the FCPA and similar laws, rules or regulations and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(c) The Borrower will not, directly or indirectly, use the proceeds of the Loan, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, (i) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of Sanctions or (ii) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Loan, whether as underwriter, advisor, investor or otherwise).

(d) No part of the proceeds of the Loan will be used, directly or indirectly, for any payments that could constitute a violation of any applicable anti-bribery law.

**Anti-Terrorism Laws:**

(a) General. None of the Borrower, any of its subsidiaries, or to the knowledge of Borrower or any of its subsidiaries, any director or officer, or any employee, agent, or affiliate, of the Borrower or any of its subsidiaries is in violation of any Anti-Terrorism Law or engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(b) Executive Order No. 13224. None of the Borrower, any of its subsidiaries, or to the knowledge of Borrower or any of its subsidiaries, any director or officer, or any employee, agent, or affiliate, of the Borrower or any of its subsidiaries is acting or benefiting in any capacity in connection with the Loan or other transactions hereunder, is any of the following (each a "Blocked Person");



a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order No. 13224;

a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order No. 13224;

a Person or entity with which the Bank is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

a Person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order No. 13224;

a Person or entity that is named as a "specially designated national" on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control at its official website or any replacement website or other replacement official publication of such list; or

a Person or entity who is affiliated or associated with a Person or entity listed above.

Neither the Borrower nor any of its Subsidiaries, any of their agents acting in any capacity in connection with the Credit or other transactions hereunder (i) conducts any business or engages in making or receiving any contributions of funds, goods or services to or for the benefit of any Blocked Person, or (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order No. 13224.



Executed as of \_\_\_\_\_, 2019

LINEN NEWCO LLC

By \_\_\_\_\_

Name:

Title:

Doc #01-3279791.2

**Exhibit 3.2(d)(ii)**

**Letter Agreement with HSBC Bank**



April [ ], 2019

**VIA E-MAIL**

Linen Newco LLC  
[To be added]  
Attention:

Re: Agreement for Payment of Remaining AR Payment

Ladies and Gentlemen:

Reference is made to that certain Asset Purchase Agreement ("Purchase Agreement") by and between Centerstone Linen Services, LLC and Atlas Health Care Linen Services Co., LLC (collectively, the "Seller") and [Linen Newco LLC] ("Buyer") dated March [ ], 2019. All capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Purchase Agreement.

As set forth in the Purchase Agreement, Seller wishes to sell assign, convey, transfer and deliver to Buyer, and Buyer wishes to purchase, acquire and take assignment and delivery of, all of Seller's right, title and interest in the Purchased Assets. The Purchased Assets are encumbered by valid, first-priority liens ("Liens") of HSBC Bank USA, National Association ("HSBC Bank") securing certain indebtedness and other obligations of the Seller to HSBC Bank arising under (i) that certain Loan and Security Agreement dated October 29, 2013, as it may have been amended, restated, modified, supplemented, or replaced from time to time ("Prepetition Loan Agreement"), and (ii) that certain Senior Secured Super-Priority Debtor-in-Possession Loan and Security Agreement, dated December 20, 2018, as it may have been amended, restated, modified, supplemented, or replaced from time to time ("DIP Loan Agreement").

Seller and Buyer have requested that HSBC Bank release the Liens on the Purchased Assets. HSBC Bank has agreed to release the Liens upon receipt of the Purchase Price. HSBC Bank, Buyer and Seller have agreed to the terms set forth in this Letter Agreement ("Agreement") for the payment of the remaining AR Payment (as set forth in Section 3.2(d)(ii) of the Purchase Agreement). For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, HSBC Bank, Buyer and Seller intending to be legally bound agree as follows:

At the Closing, Seller shall provide to HSBC Bank a detailed list of all Accounts Receivable, including the contact information for each account debtor of each Account Receivable.

Following the Closing Date, Buyer shall use its best collection efforts to collect the Accounts Receivable and shall remit to HSBC Bank all amounts collected from the Accounts Receivable ("Collections") upon receipt, commencing on the Closing Date and continuing until such date as Collections in the aggregate amount of Four Hundred Fifty Thousand Dollars (\$450,000.00) ("Remaining AR Payment") have been remitted to HSBC Bank.

Following the Closing Date, Buyer shall provide to HSBC Bank on the Friday of each week, commencing the first Friday after the Closing Date and continuing until HSBC Bank has received payment in full of the Remaining AR Payment, a report describing the status of collection efforts for each Account Receivable.

If, on the date that is ten (10) weeks after the Closing Date, HSBC Bank has not received payment in full of the Remaining AR Payment, then HSBC Bank may, in its sole discretion, elect to have the remaining Accounts Receivable assigned to HSBC Bank by the Purchaser and HSBC Bank may pursue collection of such Accounts Receivable. Should HSBC Bank make such an election, the Buyer shall promptly execute any and all documentation necessary to effectuate such an assignment.

HSBC Bank expressly reserves all of its rights and remedies under the Prepetition Loan Agreement, the DIP Loan Agreement, the Final Order, and the Other Documents (each as defined in the DIP Loan Agreement) and under applicable law or in equity. Nothing contained in this Agreement or in any communications between HSBC Bank and the Buyer and/or the Seller shall be a waiver of any rights or remedies of HSBC Bank.

This Agreement shall be construed in accordance with, and governed in all respects by, the laws of the State of New York.

This Agreement can be executed in separate counterparts each of which will be deemed an original and all of which together shall constitute one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. Please return, however, a signed original copy of this Agreement to me.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

[SIGNATURE PAGE FOLLOWS]

**HSBC BANK USA, NATIONAL ASSOCIATION**

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**Fred Schimel, Vice President**

[Signature Page to Letter Agreement]

**SELLER:**

**CENTERSTONE LINEN SERVICES, LLC  
d/b/a CLARUS LINEN SYSTEMS**

**ATLAS HEALTH CARE LINEN SERVICES CO., LLC d/b/a CLARUS LINEN  
SYSTEMS**

By: \_\_\_\_\_  
Name: Ronald Teplitsky  
Title: Chief Restructuring Officer

**BUYER:**

**LINEN NEWCO LLC**

By: \_\_\_\_\_  
Name:  
Title:

**SELLER'S SCHEDULES**

to

**ASSET PURCHASE AGREEMENT**

between

**CENTERSTONE LINEN SERVICES, LLC  
ATLAS HEALTH CARE LINEN SERVICES CO., LLC**

and

**LINEN NEWCO LLC**

**Dated March 13, 2019**

**Schedule 2.1(a)**

**Equipment and Fixed Assets<sup>1</sup>**

Syracuse:

Heat Seal Alligator  
New Time Clock  
Scale  
New Valves For Sterilizer  
Steris -Heat Exchanger  
Steris -Doors  
Ice Machine  
Soil Lift  
Jensen Press Plate  
Assets from Winchester

*Soil Room:*

Suptrk Soil System  
Suptrk Rail System  
Soil Elec & Communication  
Supertrack Soils System  
Soil & Washroom Installation  
Supertrack Monorail  
E-Tech Cart Dumper  
Hoppers For Soil Line Expansion  
Cable For Soil Line Expansion  
Cable For Soil Line Expansion  
Tables For Upper Soil Line  
Soil Room Ductwork  
Soil Bag Cell Amplifiers  
Soil Hopper Upgrade  
New Rollers For Soil Line  
Pulley For Soil Conveyor  
Refurbished Lift  
Overhead Clean Rail  
Soil System Cylinders  
Parts For Overhead Rail  
Reducers For Conveyor  
Re-Do Bag Incline

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<sup>1</sup> The following list may include certain items that have been retired from service and/or disposed due to obsolescence, breakage or wear, in each case, in the ordinary course of business, but which may not have been removed from the Sellers' books and records. Accordingly, the inclusion of any particular item on the attached lists does not necessarily indicate that the Sellers retain, or can convey to Buyer, any right title or interest in such item. To the extent that the Sellers retain any right, title or interest in and to any such item, such right, title and interest shall be conveyed to Buyer pursuant to the terms of the Agreement.

Soil Hopper Displays  
Micros Overhead Rail Control System  
Soil Conveyor  
Motor For Soil Conveyor  
Trolleys For Soil Bags  
Soil Line Trolleys  
Gear For Shuttles  
Supertrack Soil Trolleys  
Soil Hoppers  
Flender Motor For Supertrack  
Switches For Soil System  
Supertrack Trolley Wheels  
Mounting Brackets For Soil Bags  
Drive Roller For Shuttle 1  
Gear Motor For Shuttle Conveyors  
Tingue, Brown Super Track Rail  
Tingue, Brown Soil System  
Calibration floor scale  
Warehouse scale  
OM-I9-2  
Laundry chutes  
Equipment transferred from Troy

*Wash Room:*

Tunnel Washer  
Senking Installation  
Braun Op Re-Work  
Braun Dryers-4  
Ductwork & Flashing  
Braun Lint Traps-4  
Spdchk Prscake Convyr  
Gardner Bypass Convyr  
Gardner 440p Convyr  
Gardner 550pt Convyr  
Evro 40hp Motor  
Gould Pump  
Shuttle Area Safety Switches  
Moved Steam Header In Wash Room  
New Gearbox-Senking Tunnel  
Repl Drive For Senking Tunnel  
Rebuild Hydraulic Pump-Jensen Press  
Gear Motor For Basket In Plant 2 Dryer  
Motor For Dryer 3  
Pump For Senking  
Pump For Senking  
Controls For Dryer 3

Inverter - Senking Tunnel  
Motors & Gear Boxes  
Linear Rail & Bearing  
Drive Wheels For Tunnel  
New Pump  
Senking Press Repair  
Braun Dryer Motor  
Tunnel Sensors  
Pump Motor For Senking  
Idler Wheels For Senking  
Dryer Hoist Motor+Gear Box  
Replace Rolls On Senking  
Repair Drain Valve-Senking  
Dryer Replacement Rollers  
Senking Drain  
Re-Bed Bruner Water Softnr  
Dryer Panel Front & Sensor  
Roller Chain For Senking Press  
Cpu For Dryer #5  
Waste Water Blower  
Conveyor & Brackets  
Overhead Rail For Trolley  
Upgrade Trolley Track System  
440 Op Dryer Blower Wheel  
Bottom Door Section 1 Dryer  
Motors & Reducers  
Trolleys & Shuttle Wheels  
Parts For Dryers 1-5  
Metering Pump & Valve Rebuild Kit  
Prep For New Washer & Dryers  
Jensen Tunnel Washer  
Jensen Press  
Jensen Wash Shuttles & Conveyors  
Jensen Control For Braun Dryers  
Jensen Gas Dryers  
Jensen Dryer Shuttles & Conveyors  
Ductwork For New Dryers  
Jensen Ss Top Drainage On Press  
Jensen Update Senking Controls  
Prep For New Washer & Dryers  
Aluminum Catwalk  
Perimeter Guard Fencing+Safety Locks  
Dryer Screen Lint Remover  
Plumbing & Elec For Pumps  
Inverter For O.P. Washer  
Dryer Conveyors



Braun Op Washers - Upgrades  
Marlo Water Softener  
Vfd Install & Programming  
Boards For Braun  
Chicago Dryer Amplifier  
Cushion & Shaft For Senking Tunnel  
Braun Board Processor  
Kolstad Softener Repairs  
Rollers For Dryer Conveyor  
Belt For Tunnel Press  
Braun Dryer Rebuild  
New Tank For Water Re-Use  
Dryer Door Panels & Access Doors  
Rollers For Dryer Conveyor  
Soil Load Cells  
Jensen Valve For Tunnel  
Jensen Digital Dryers Controller  
Jensen Ipc For Tunnel  
Braun Ring Basket For 500pt Dryer  
Power Drive For Shuttles  
Gear Motor For Shuttles  
Gear Motor For Braun Dryer  
Jensen Valve For Press  
Jensen Valve For Tunnel  
Electric Ball Valve For Tunnel  
Press 1 Discharge Belt  
Jensen Slide For Press 2  
Weldment, Left Hand, Blower  
Press 2 Chain Guards  
Tunnel Water Fill Valves  
Bearing Rebuild Kit  
Transmission Seal /MRCI 80.UO3A112M.4  
Metric Chain  
Shaft/Driving Ejector  
48 trolly hangers  
Heat Exchanger  
40 Trolly Hangers  
Trinity equipment-2 milnor washers  
Clinical Move  
Tunnel support wheels  
Cart Dumper  
Soil Conveyer  
Cart Dumper  
Soil Hoppers  
Press cushion  
Pusher on press

Open Pocket Repair  
Ellis Z842C Washer from Self Regional  
Jensen Tunnel drive chaing  
Tunnel-1 Re-use pump  
Drum Drive  
Boilder  
Soil Ring Assy

*Flatwork Department:*

Braun Spf, Sigma R To F  
Edge Maxx Folder  
Chicago Edge Spreader Feeder  
Chicago Edge Spreader Feeder  
Air Cylinder Repair Kits For Iron 3  
Motor For Iron 1  
Inverter For Iron 1  
Omega Folder  
The Edge Feeder  
Installation  
New Lights  
Iron 2 Gear Box  
Rw Martin Feeder / Folder  
Duct For Iron 3 Fan  
Stacker Repl Board  
Steam Chest For Iron 2  
Steam Header Iron 1 & 2  
Repairs To Steam Trap  
Boards For Blanket Stacker  
Stacker Motor & Gearbox  
Shafts For Stack Machine  
Repair Roll #8 On Iron #1  
Braun Sheet Folder  
Braun Sheet Stacker  
Replumb Iron #1  
Iron #1 Feeder Air Cylinders  
Transformer For Strapper  
Refurbish Ironer 1  
Spf Upgrade For Spf  
Roller Chain For Ironer  
Sensors Emitters Receivers For Feeders  
Ironer Gaskets Bushings Drives  
Braun Spf Control W/ Chip  
Braun Omega Program Board  
Air Cylinder For Edge Feeder  
Counters & Enclosures  
Roller uhmw white

Recover Iron

*Dry Work Department:*

Mosca Strapping Machine  
Braun Sigma Sm Folder  
Theta Blanket Folder  
Typac Strapper  
Used Hypro Chest  
Eam-Mosca Strapping Mach  
Braun Sigma Sp Folder  
Braun Sigma Sp Folder  
Bath Blkt Fldr Control Board  
Conveyor Ribbons  
Speed Reducer  
Roller Chain  
Folding Guards  
Replaced drive roller on press 1  
Folder/cross-folder prec series  
Vacuum/Bushing Refurbishment

*Power Plant:*

Rotary Screw Compressor  
Air Dryer  
Motorized Ball Valve For Boiler  
Pump To Empty T.E.A.  
Steam Line Insulation  
Self-Priming Pump  
Replace Shelf & New Refractory  
Boiler Stack Ductwork  
New Air Compressor  
Tea Heat Reclaimer  
Gas & Electric Upgrades  
Boiler Condensate Pump  
Repair Boiler Stack Economizer  
Johnston Boiler  
Wall Exhaust Fans  
6 Gal Condensate Pump W/Tank  
Installation - Boiler  
Inverter  
Cylinder  
Compressor Duct  
Rebed softeners  
Cleaver Brooks 200 hp from Winchester  
Industrial Boiler 150hp from Winchester  
Boiler from Winchester  
Boiler from Winchester

Atlas Copco Air Compressor Drive Motor

*Other Syracuse Assets:*

Lanceray Bronze Trailer  
Ty-Pac Strap Machine  
Ty-Pac Strapping Machine  
Fire Alarm System Upgrade  
Heater For Shipping Dept  
Rail System  
Security / Entry System  
Card Access Upgrade  
Sprinkler System Upgrade  
Bench Scale  
Bench Scale  
Replace Wiring For Fire Alarm  
Singer Industrial Sewing Machine  
Singer Industrial Sewing Machine  
Singer Industrial Sewing Machine  
New Time Clocks (2)  
Juki Sewing Machine  
Surveillance Cameras  
Inverter  
Car Computer work station  
10 TON ROOF TOP UNIT  
Forklift rebuild  
Scissors Lift  
Band Saw  
Shelving For Parts Room  
Cogz Mgmt Program  
Greenlee Conveyor Sheave  
Haun Welder  
Floor Scrubber Repairs  
Shelving For Parts Room  
Carts '86 Setup  
Base Stock Carts  
Metal Barcodes For Carts  
Metal Barcodes For Carts  
Carts  
Cart Bases  
24 Carts P72 - The Laundry List  
Meese Carts For Production Area  
Leebaw Carts 7" Lower Cutout - 100  
Advance Piping  
Doors For New Shipping Dock  
Railing For Clean Dock  
Sprinkler System

Mp Employee Entrance Door  
Sprinkler System Upgrade  
Air Conditioning Ductwork  
Sprinkler System Upgrade  
Upgrade Sprinkler System  
Repair Rooftop Heating Unit  
New Carpet In Office  
Employee Entrance Door At 320  
H.D. 5' Wide Swinging Door  
Decals For New Trailer  
Cafeteria Stairs  
Cafeteria duct work  
Cafeteria Work  
Cornerstone Telephones  
Copier / Scanner For Plant Office  
Office Furniture  
File Server For Quick Bks-Pro Rata Share  
Communications Upgrade- Pro Rata Share  
New Phone System- Pro Rata Share  
Windows & Quickbook Upgrade-Pro Rata  
Set-Up For Linen Master  
Set-Up For Linen Master  
Symantec System Back-Up  
Fishbowl Purchasing Software  
Barcode Handhelds For St E  
Barcode Handhelds For Kaleida  
Jb Kane - New E-Mail Server  
Barcode Handhelds  
Wireless Mobile Computer@Loretto  
Handhelds For Buffalo  
Handhelds For Customers  
Hp Probook and 4300 W/21.5"Monitor  
Hp Lj Ent 600 M602n Printer  
Hp Lj Ent 600 M602n Printer  
Datalogic Powerscan Kit  
Hp 4300 Pro I3-3220,Monitor,Powerscan Kit  
MC55A0 complete kit  
MC55A0 complete kit  
MC55A0 complete kit  
Computers  
Onboarding computers from Centerstone  
Computers from Centerstone  
HP Probook 14" LED Notebook  
Ellis Handheld Printers  
CDW BKQ4840  
Maxon Hd Lift Gate

Trailer 25  
Trailer 25  
27' box truck graphics

Buffalo:

Stainless Steel Drain Assembly  
Capitalize transportation and installation costs for fixed assets from Winchester  
Card Module/Switch  
Cable, trolley; membrane  
Computer

*Wash Room:*

Cart Dumper  
Soil Heat  
Soil Heat  
Soil Heat  
Hook up and repaired Steam Tunnel  
Tunnel 1 Drive Wheel  
Feed Tank  
Sorting Station XBOX Controllers  
Computer Upgrade Tunnel Washer  
Air Dryer Glauber Equipment Inv 5118204 and 5118354  
Capitalize Dryer Motors\_Volland Electrical InvPSI286915  
Membrane\_Lavatech Laundry inv 70654  
Keyboard\_Lavatech Laundry inv 70949  
Friction wheel Lavatec Invoice 71224  
Main membrane- Lavatec inv 71539  
Main membrane- Lavatec inv 71540  
Hi-perm poly Tingue Brown inv 231136  
Lavatec Laundry Technology Inc. quote 15-6834  
Capitalize clutch, brake, display board  
Capitalize power panel for washroom  
Reclass to CIP Lavatec Inv #67261  
Reclass to CIP Lavatec Inv #67509  
Reclass to CIP Tingue, Brown Inv #200453  
Washroom-upgrade rail system-Lavatec Laundry invoice #67539  
Gear Plate for Drainage  
Bearing for Conveyor  
Tunnel #1 Tank Water Probes  
Dryer  
Main Water Pump  
Manifold w/10 valves

*Dryfold Department:*

New Shuttle Electric Chain

*Power Plant:*

5.5 kw ATB AC Motor  
Air Compressor  
Diesel Farm  
Centrifugal pump  
Upgraded Compressor

*Other Buffalo Assets:*

3 PROLIANT RSI GT 400 TIMECLOCKS  
Ice Machine  
Laundry Carts  
Carts  
Supervisors Office Furniture  
Locker Banks  
Service Charge for Weighing System  
Computers - 6 Probooks and 2 Monitors  
BARCODES - 2 BLUETOOTH+POWER SPLY  
Computer Equipment  
HP ProBook 4440s i3-3110M PC  
Computers from Centerstone  
Zebra ZT410 Thermal Printer  
New laptop for new hire  
Laptop and Handheld Printer  
Laptop for Mike Donaldson  
Backup Desktop Computers  
HP LaserJet Pro Printer  
RFID Project  
Computer Upgrade Tunnel Equipment  
Powerscan

Other Assets:

Vaspian Phone System  
Time Clock from Troy  
Server for corporate  
Transfer of computers to Pit  
Computer equipment  
Computer - Giardino  
Computers for Corporate  
Computer equipment  
Computer - Clarus on Call  
Laptops for PSR's: Steve Crowley  
2 of 5 laptops for PSRs  
Computer  
2 HP Probook 14" LED Notebook & 2 HP docking stations  
Corporate back-up computers  
HP ZBOOK Mobile Workstation

HP Probook 14: LED Notebook (5CG5032PJ7)  
Jake Hawkins HP ProBook  
New Laptop for COO and spare laptop  
Computers for Corporate  
Computers for Corporate  
AIRWATCH SOFTWARE  
Joy Robertson HP Computer  
Zebra RW220 Printer (# XRDJ153000140)  
5 HP SB 600 Mini Computers  
4 HP 600 desktops  
Zebra ZT230 Label Printer  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment  
Computer Equipment - JE #2211  
Computer Equipment - JE #2211  
Computer Equipment - JE #2211  
Computer Equipment - JE #2211  
Computer Equipment - JE #2211  
Computer Equipment - JE #2211  
Computer Equipment - JE #2211  
Computer Equipment - JE #2211  
HP Laserjet Enterprise 700 Color MFP  
Furniture - New - Austell  
Furniture - Used - Austell  
Cubicles - Austell  
Chairs and tables - Austell  
Furniture - various - Austell  
Guest chairs - Austell  
Cubicles from Aaron Rents - Austell  
Phone equipment - Austell  
Corporate Office Furniture



**Schedule 2.1(f)**

**Seller Intellectual Property**

To be determined.

**Schedule 2.2**

**Assigned Contracts**

To be determined.

**Schedule 2.3(i)**

**Excluded Assets**

To be determined.

**Schedule 2.4(c)**

**Assumed Liabilities and Cure Obligations**

To be determined.

**Schedule 4.3**

**Consents**

None.

**Schedule 4.6**

**Permits**

1. Onondaga County Industrial Wastewater Discharge Permit, Permit # 65, issued July 23, 2018.
2. Authorization to Discharge Under the Buffalo Pollutant Discharge Elimination System, Permit # 17-08-BU270, effective August 1, 2017.

**Schedule 4.7**

**Litigation**

<b>Plaintiff</b>	<b>Defendant(s)</b>	<b>Date Complaint Served</b>	<b>Court</b>	<b>Amount Demanded</b>	<b>Status</b>
American Zurich Ins. Co.	Atlas Centerstone	May 2018	NYS Sup. Ct., Erie County	\$22,673.75	Pending – no judgment entered
Midway Industrial Supply	Clarus Systems (Troy)	10/24/18 Demand Letter	Buffalo City Ct.	\$3,564.89	Unknown if claim was filed with court
Tamiko Favors	Centerstone	10/15/18	Fulton County, GA	Unknown	Pending (harassment claim defended by ins. co.)
Troy Boiler Works, Inc.	Clarus Linen Systems	11/20/18	NYS Sup. Ct. Rensselaer Co.	\$12,458.23	Pending
ACA Enterprises, LLC	Atlas	11/15/18	Court of Common Pleas, Sandusky, OH	\$45,339.00	Pending
Teems Electric Company	Centerstone	12/05/18	Catoosa County, GA	\$48,674.73	Pending
ACN Companies, LLC	Centerstone	09/07/18	Syracuse City Court	\$172,726.87 and Eviction	Pending

**Schedule 4.9**

**Employees and Collective Bargaining Agreements**

See attached employee lists.

Collective Bargaining Agreements:

1. Agreement between Teamster Union Local 294 and Clarus Linen Services Drivers dated October 1, 2016.
2. Agreement between Teamster Local Union 182 and Atlas Health Care Linen Services Maintenance dated July 1, 2014, as amended.
3. Agreement between Clarus Linen Systems and Local 2607 Rochester Regional Joint Board, Workers United, an affiliate of SEIU, dated September 4, 2014, as amended.
4. Collective Bargaining Agreement between Clarus Linen Systems and International Union of Operating Engineers, Local 17-17S AFL-CIO, effective April 13, 2016.
5. Agreement between Clarus Linen Systems and Rochester Regional Joint Board, Local 51, effective November 1, 2016.
6. Agreement between Atlas Health Care Linen Services Co., LLC, d/b/a Clarus Linen Systems and International Union of Operating Engineers, Local 95-95A AFL-CIO, effective June 1, 2015, as amended.
7. Tentative Agreement between Clarus Linen Systems and Laundry, Distribution & Food Service Joint Board, effective January 1, 2015, as amended.



Employee Roster as of 2019-03-04  
Source: EmployeeCensus.accdB

Employee Status	Employee Type	PlantName	Hire Date	First Name	Middle Name	Last Name	Sex	Department	DepartmentName	Title	Union Code
A	FT	Corporate	4/9/2013	Anne	K	Dinatale	F	125	Corporate Accounting	Assistant Controller	
A	FT	Corporate	4/1/2013	Jamie	Leigh	Giardino	F	105	Executive	Director of Communications and Public Relations	
A	FT	Corporate	6/18/2013	Karen	A.	Lanigan	F	125	Corporate Accounting	Accounts Payable Clerk	
A	FT	Corporate	3/7/2016	Emily	Katherine	Carlino	F	125	Corporate Accounting	Executive Assistant	
A	FT	Corporate	5/1/2018	Robert	D	Potter	M	125	Corporate Accounting	Sales Analyst	
A	FT	Corporate	2/25/2015	Twyla	Shondra	Hardy	F	125	Corporate Accounting	Benefits Specialist	
A	FT	Corporate	10/22/1996	Angel		Ashley	F	110	Plant Management	Regional Operations Director	
A	FT	Corporate	12/16/2013	Nicole	Kristine	Lojek	F	125	Corporate Accounting	Billing Specialist	
A	FT	Corporate	6/12/2017	Dina	Louise	DiGiuseppe	F	125	Corporate Accounting	Procurement Analyst	
A	FT	Corporate	5/23/2016	Tracey	Renee	Thomas	F	125	Corporate Accounting	Payroll Supervisor	
A	FT	Corporate	12/14/2015	Tami	Lynn	Allen	F	125	Corporate Accounting	North Regional Systems Specialist	
A	FT	Corporate	2/2/2015	Paul	A	LaFave	M	125	Corporate Accounting	Director of Enterprise Systems	
A	FT	Corporate	10/6/2014	Sara	Marie	Frank	F	152	Service	Clarus On Call Manager	
A	FT	Corporate	2/15/2016	Allta		Terry	F	125	Corporate Accounting	Senior Staff Accountant	
A	FT	Corporate	5/3/2016	Kevin	P	McDonough	M	105	Executive	Environmental Health & Safety Director	
A	PT	Corporate	6/7/2016	Kaylee	Jae	Konczal	F	125	Corporate Accounting	File Clerk	
A	FT	Corporate	10/1/2012	John		Giardino	M	105	Executive	Chief Executive Officer	
A	FT	Corporate	12/19/2016	Darlene	C	Ziembra	F	125	Corporate Accounting	Collections Specialist	
A	FT	Corporate	11/27/2012	Marc	E	Yonkers	M	125	Corporate Accounting	Director of Finance & Accounting	
A	FT	Corporate	8/21/2015	Hellen	Isabel	Villagran	F	152	Service	Manager of Client Services	
A	FT	Corporate	12/4/2017	Pooja	Devendrabhal	Patel	F	125	Corporate Accounting	Staff Accountant	
A	FT	Corporate	9/1/2014	Billy	Austin	Fowler	M	153	Sales	Manager of Client Services - South Region	
A	FT	Corporate	10/2/2013	Lauren	B	Hutchison	F	154	Patient Service Rep	Regional Patient Serv Rep South	
A	FT	Corporate	6/1/2008	Titilayo Jordinia		Robertson	F	125	Corporate Accounting	Manager of Linen/Master Support & Training	
A	FT	Corporate	7/30/2018	Kendric	K	McCarty	M	110	Plant Management	Operations Manager	
A	FT	Corporate	3/14/2017	Gregg	Andrew	Thomas	M	152	Service	Manager of Business Development	

Employee Roster as of 2019-03-04  
Source: EmployeeCensus.accdB

Employee Status	Employee Type	PlantName	Hire Date	First Name	Middle Name	Last Name	Sex	Department	DepartmentName	Title	Union Code
A	FT	Buffalo	7/26/2016	Arthur	William	Jefferson	M	209	Mount St. Marys	Linen Distribution Technician	
A	FT	Buffalo	5/27/2016	Tiblets	Kidane	Meheretab	F	186	Clean Processing	Biller	RBUF
A	FT	Buffalo	4/15/2013	John	D	King Jr.	M	200	BUFFALO GENERAL	Linen Distribution Manager	
A	FT	Buffalo	4/15/2013	Sandra	N	Mullen	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/4/2018	Timothy	L	Sikes	M	200	BUFFALO GENERAL	Linen Distribution Technician	
A	FT	Buffalo	6/13/2016	Amber	J	Arricale	F	120	Plant Admin	Operations Administrative Assistant	
A	FT	Buffalo	2/6/2017	Orlondra	Amertise Doniesha	Clark	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Michael	D	McCray	M	180	Soil Processing	Soil Sorter	RBUF
A	PT	Buffalo	5/26/2014	Jaclyn	L	Guerra	F	203	DEGRAFF	Linen Distribution Technician	
A	FT	Buffalo	4/9/2018	Nyaganza		Jolie	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Sapreena	A	Williams	F	186	Clean Processing	Biller	RBUF
A	FT	Buffalo	4/15/2013	Monique		Sanders	F	186	Clean Processing	Biller	RBUF
A	FT	Buffalo	5/4/2017	Kevin	Jamaal	Maddox	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	12/1/2013	Osmany		Gonzalez	M	150	Drivers	Transportation Supervisor	
A	FT	Buffalo	4/15/2013	Derek	Lamont	Lewis	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	3/1/2013	Isiah	F	paige	M	186	Clean Processing		
A	FT	Buffalo	4/15/2013	Christine	M	Lewis	F	207	SUBURBAN	Linen Distribution Technician	
A	FT	Buffalo	11/8/2016	Annette		Bray	F	207	SUBURBAN	Linen Distribution Technician	
A	FT	Buffalo	5/8/2017	Terry	P	Dixon	M	130	Engineering - Non Union	Maintenance Manager	
A	FT	Buffalo	4/15/2013	Curtis		Flakes	M	160	Floor Supervision	Production Supervisor	
A	FT	Buffalo	7/22/2016	Ryan	Lamoine Matthew	Foster	M	186	Clean Processing	Laundry Operator	
A	FT	Buffalo	4/15/2013	Baltazar		Michael	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	7/2/2018	Kayla	R	Williams	F	200	BUFFALO GENERAL	Linen Distribution Technician	
A	FT	Buffalo	4/15/2013	Berhane		Alem	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Tesfahannes	Teklemariam	Legesse	M	186	Clean Processing	Packer	RBUF
A	FT	Buffalo	4/15/2013	Kevin		Walker	M	129	Engineering Union	Maintenance Mechanic 2	EN17
A	FT	Buffalo	2/1/2016	Nan Mui		Kyi	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	2/26/2015	Roseda		Browne	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	8/19/2013	Dayvonna		Tocker	F	186	Clean Processing	Biller	RBUF
A	FT	Buffalo	8/16/2017	Anthony	Dwayne	Miller	M	200	BUFFALO GENERAL	Linen Distribution Technician	
A	FT	Buffalo	8/5/2013	Alice	B	Nowlin	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Shmendi		Welday	M	129	Engineering Union	Maintenance Mechanic 2	EN17
A	FT	Buffalo	4/15/2013	Tesfaye		Adebebe	M	186	Clean Processing	Dryer Operator	RBUF
A	FT	Buffalo	8/16/2016	Tewelde	Tesfagaber	Tewidemedhin	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	12/15/2016	Moises		Zabala-Melja	M	150	Drivers	Driver	
A	FT	Buffalo	7/7/2017	Jerry	Dave	Staufenberger	M	150	Drivers	Driver	
A	FT	Buffalo	11/8/2016	Mue		Tee	F	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	4/15/2013	Saeed		Idris	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Yosef	Nwaya	Berhie	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	4/15/2013	Barbara		Hayes	F	186	Clean Processing	Biller	RBUF
F	FT	Buffalo	5/27/2016	Mamakon		Kamara	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Berhane	Ghebremariam	Oqbaslassie	M	160	Floor Supervision	Production Supervisor	
A	FT	Buffalo	4/15/2013	Melvin		Easley	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	8/1/2012	Kathleen	L	Wojna	F	200	BUFFALO GENERAL	Linen Distribution Technician	
A	FT	Buffalo	4/15/2013	Angela	M	Lofton	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	9/7/2016	Moe		Kit	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	8/6/2018	Devika	R	Szymanski-Lynch	F	207	SUBURBAN	Linen Distribution Technician	
A	FT	Buffalo	10/2/2013	Kelley	A	Canazzi	F	154	Patient Service Rep	Patient Services Representative	
A	FT	Buffalo	4/15/2013	Jesse		Miller	M	186	Clean Processing	Biller	RBUF
A	FT	Buffalo	4/15/2013	Bu		Meh	F	186	Clean Processing	Biller	RBUF
A	PT	Buffalo	4/15/2013	Aaron		McElroy	M	129	Engineering Union	Maintenance Mechanic 2	EN17
A	FT	Buffalo	4/15/2013	Tam La		Htoo	M	129	Engineering Union	Maintenance Helper	EN17
A	FT	Buffalo	12/11/2014	Jean Nepomuscene		Sekanyana	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Robert	D	McNab	M	186	Clean Processing	Team Lead	RBUF
A	FT	Buffalo	5/10/2016	Johir		Ahmed	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	12/4/2015	Dorris		Waplo	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	5/7/2018	Ma	Nuay	Leh	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	8/27/2018	David	R	Schreiber	M	129	Engineering Union	Maintenance Mechanic 2	EN17
A	FT	Buffalo	4/15/2013	Melissa	N	Taylor	F	160	Floor Supervision	Plant Manager	
A	FT	Buffalo	4/15/2013	Rashard	D	Randle	M	129	Engineering Union	Maintenance Mechanic 3	EN17
A	FT	Buffalo	2/23/2016	Jamaine	O	Cranford	M	200	BUFFALO GENERAL	Linen Distribution Technician	
A	FT	Buffalo	4/15/2013	Veola		Brown	F	175	Scrubs /OR Processing	Packer	RBUF
A	FT	Buffalo	5/15/2018	Karl	L	Miller	M	200	BUFFALO GENERAL	Linen Distribution Technician	
A	FT	Buffalo	5/10/2016	Tufayel		Ahmed	M	186	Clean Processing	Laundry Operator	RBUF
A	PT	Buffalo	2/4/2016	MD Abdul		Ahad	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Matilda		Brown	F	175	Scrubs /OR Processing	Packer	RBUF
A	FT	Buffalo	9/8/2016	Charlisa	Marie	Cameron	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Brianna		Newkirk	F	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	4/15/2013	Bianca	K	Newkirk	F	152	Service	Client Service Specialist	
A	FT	Buffalo	4/15/2013	Raymond		Brunson	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Antoinette		Williams	F	186	Clean Processing	Packer	RBUF
A	FT	Buffalo	11/28/2017	Alain	M	Ituma	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	11/28/2017	Zakoria		Hussain	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	2/20/2017	Mohammed	Nazmul	Islam	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/27/2017	John	Joseph	Edel	M	150	Drivers	Driver	
A	FT	Buffalo	6/26/2017	Heldit		Soe	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	4/15/2013	Derrick	B	King	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	2/21/2019	Dante	L	Jacobs	M	200	BUFFALO GENERAL		
A	FT	Buffalo	4/15/2013	Robert	D	Turner	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	2/25/2019	Carl	R	McCloud	M	130	Engineering - Non Union	Maintenance Mechanic 3	
A	FT	Buffalo	4/15/2013	Ma San		Ye	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Brandon		Brown	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	8/18/2014	Anthony	C	Rathbun	M	207	SUBURBAN	Linen Distribution Supervisor	
A	FT	Buffalo	5/3/2012	James		Allen	M	208	WOMEN & CHILDREN'S	Linen Distribution Technician	
A	FT	Buffalo	4/12/2018	Mu		Po	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	10/20/2015	Marsha		Young	F	200	BUFFALO GENERAL	Linen Distribution Technician	
A	FT	Buffalo	9/23/2015	Devonte	M	Funderburg	M	180	Soil Processing	Soil Sorter	
A	FT	Buffalo	5/8/2017	Rolando	G	Scott	M	131	Housekeeping	Janitor	RBUF
A	FT	Buffalo	7/24/2017	Willette	Marie	Szymanski	F	208	WOMEN & CHILDREN'S	Linen Distribution Technician	
A	FT	Buffalo	5/10/2016	Shahin		Ahmed	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	12/28/2017	Kevin	Mark	Skibinski	M	129	Engineering Union	Maintenance Mechanic 1	EN17
A	PT	Buffalo	3/28/2017	Mamie	Lavell	Hooks	F	203	DEGRAFF	Linen Distribution Technician	
A	FT	Buffalo	5/8/2017	Isatu		Mansaray	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	6/1/2017	Brigina	T	Green	F	209	Mount St. Marys	Linen Distribution Technician	
A	FT	Buffalo	12/29/2011	Dawit		Gehrezgheir	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	10/6/2015	Christer		Law	M	180	Soil Processing	Washer Operator	RBUF
A	FT	Buffalo	10/11/2016	Mue		Mue	F	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	6/30/2014	Franklin	Thomas	Smith	M	110	Plant Management	Operations Manager	
A	FT	Buffalo	4/15/2013	Kenneth		Wright	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Catherine		Davis	F	160	Floor Supervision	Production Supervisor	
A	FT	Buffalo	7/11/2017	Antwane	Darnell	Simmons	M	200	BUFFALO GENERAL	Linen Distribution Technician	

Employee Roster as of 2019-03-04  
Source: EmployeeCensus.accdB

Employee	Employee Type	PlantName	Hire Date	First Name	Middle Name	Last Name	Sex	Department	DepartmentName	Title	Union Code
WC	FT	Buffalo	12/12/2014	Michael	D	Taylor	M	208	WOMEN & CHILDREN'S	Linen Distribution Technician	
A	FT	Buffalo	4/15/2013	Mohamed		Hussian	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	4/15/2013	Musa Juma		Waledi	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	3/27/2018	Shwe		Thein	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	7/17/2017	Abeba	Negasi	Tesfamikael	F	186	Clean Processing	Laundry Operator	RBUF
A	PT	Buffalo	11/15/2018	Fernando	B	CORDOVA	M	150	Drivers	Driver	
A	FT	Buffalo	12/1/2013	John	E	Hunter	M	150	Drivers	Driver	
A	FT	Buffalo	12/28/2017	Berhanot	Alem	Araya	M	180	Soil Processing	Soil Sorter	RBUF
L	FT	Buffalo	6/8/2015	Hiwot	Welemariym	Gebregergs	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	7/27/2017	Carls	Alain	Balan	M	150	Drivers	Driver	
A	FT	Buffalo	11/30/2018	Mark	E	Cook	M	200	BUFFALO GENERAL	Linen Distribution Manager	
A	FT	Buffalo	6/30/2017	Aimee		Nyinawumwami	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	11/16/2018	Birhane	k	Hintsa	M	180	Soil Processing	Soil Sorter	
A	FT	Buffalo	1/23/2018	Kiza		Tchambundjwa	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	11/27/2018	Martha		Irakoze	F	200	BUFFALO GENERAL	Linen Distribution Technician	
A	FT	Buffalo	3/4/2015	Yin Aye		Hlaing	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	2/23/2015	Donatille		Ayinkamiye	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	5/12/2018	Trhas		Araya	F	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	3/29/2018	Yerom	E	Yimer	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	3/27/2018	Abdul	M	Salek	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	7/25/2016	Genet	Guesh	Woldegebriel	F	131	Housekeeping	Janitor	RBUF
A	FT	Buffalo	10/11/2016	Azim	Abdul	Mohammad	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	8/26/2013	Vaz		Manuel	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	8/16/2016	Kidane	Mehereta	Gedey	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	11/12/2015	Siddig		Adam	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	5/17/2016	Iqbal		Hussain	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	8/26/2013	Rosa		Kumba	F	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	6/26/2017	Mohammad	S	Islam Shah	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Buffalo	8/5/2013	Kassahun	S	Abebe	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	5/10/2018	Hagos	G	Gebremariam	M	180	Soil Processing	Soil Sorter	RBUF
A	FT	Buffalo	6/30/2017	Iqbal		Hussain	M	186	Clean Processing	Laundry Operator	RBUF
A	FT	Pittsburgh	4/1/2012	Samuel	G	Heckla	M	129	Engineering Union	Maintenance Mechanic 3	AFICIO
A	FT	Syracuse	12/18/2015	Bleh		Htoo	M	180	Soil Processing	Laundry Operator	RSYR
A	FT	Syracuse	8/16/2013	Kevin	Michael	Montreal	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	12/12/2012	Jennifer	R	Lopez	F	173	Specialty Processing	Packer	
A	FT	Syracuse	2/17/2014	Kyaw		Kyaw	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	6/26/2009	Pah		Klay	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	6/9/2003	Guy R.		Dingman	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	12/22/2015	Richard	L	Spier	M	160	Floor Supervision	Production Manager	
A	FT	Syracuse	3/7/2011	Eh Ka Lu		Moon	F	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	2/12/2016	Jeffrey	J	Gordon	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	3/20/2017	Min	Min	Oo	M	131	Housekeeping	Janitor	
A	FT	Syracuse	5/16/2005	Stephen		Mangano	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	7/25/2008	Pako		Na	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	6/29/2008	Jine		Nar	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	4/20/2006	Levern	L	Williams	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	11/29/2010	Paw		Paw	F	175	Scrubs /OR Processing	Packer	
A	FT	Syracuse	8/28/2008	Saw		Yeh	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	7/17/2017	Stephen	B	Wirsig	M	129	Engineering Union	Maintenance Mechanic 1	TEAM
A	FT	Syracuse	1/4/2019	Thomas	G	Peters	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	2/15/2019	Noemi		Morales	F	173	Specialty Processing	Packer	
A	FT	Syracuse	4/2/2018	Ma		Kue	F	186	Clean Processing	Packer	RSYR
A	FT	Syracuse	9/6/2009	Dee		Tu	M	180	Soil Processing	Soil Sorter	RSYR
A	PT	Syracuse	12/17/2015	Sulema		Baptiste Echevarria	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	8/7/1993	Richard D.		Shoop	M	129	Engineering Union	Maintenance Mechanic 3	TEAM
A	FT	Syracuse	10/19/2016	Richard	G	Martin	M	175	Scrubs /OR Processing	Laundry Operator	
A	FT	Syracuse	8/29/2010	Mar		Jury	F	171	Mending / Refurbish	Mender	RSYR
A	FT	Syracuse	3/28/2012	Than		Way	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	7/10/2018	Kyat		Kan	M	186	Clean Processing	Packer	RSYR
A	FT	Syracuse	5/3/2012	Lar		Ku	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	3/7/2013	Isabelle	M	Crossman	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	6/18/2013	Htoo		Tha	F	186	Clean Processing	Laundry Operator	RSYR
WC	FT	Syracuse	3/13/2011	Juan A		Almarales	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	8/12/2014	Kaw Lar		Mu	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	9/16/1977	Brenda L		Howe	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	1/28/2019	Jonathan	R	Wright-Jamison	M	150	Drivers	Driver	
A	PT	Syracuse	11/28/2007	Theresa		Bolognone	F	186	Clean Processing	Laundry Operator	RSYR
A	PT	Syracuse	2/10/2012	Pamela	R	Evans	F	173	Specialty Processing	Laundry Operator	RSYR
A	FT	Syracuse	1/9/2013	Bah Sho		Gay	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	5/9/2011	Gregorina		Morel	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	12/24/2018	Brian	C	Snow	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	8/4/2016	James	R	Gray	M	173	Specialty Processing	Washer Operator	RSYR
A	PT	Syracuse	8/20/2013	Tilhona		Lee	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	8/15/2018	Thadah		Say	F	175	Scrubs /OR Processing	Laundry Operator	
A	FT	Syracuse	9/15/2005	Ana A.		Pino Jordan	F	173	Specialty Processing	Laundry Operator	RSYR
A	FT	Syracuse	8/28/2002	Kevin D.		Parsons	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	7/11/2017	Zaw		Wait	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	10/31/2011	Tho Mu		Paw	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	3/1/2018	Marc	W	Snow	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	6/4/2012	Ta		Mia	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	6/6/2018	Po	S	Hay	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	5/3/2016	Roxanne	M	Deel	F	175	Scrubs /OR Processing	Packer	
WC	FT	Syracuse	5/8/2002	Clemente I Montero		Alarcon	M	173	Specialty Processing	Washer Operator	RSYR
A	FT	Syracuse	4/1/2015	Ryan		Franz	M	150	Drivers	Driver Helper	TEAM
A	FT	Syracuse	4/23/1999	Angelo J.		Selmon	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	7/10/2017	Adam	M	Proper	M	129	Engineering Union	Maintenance Mechanic 1	TEAM
A	FT	Syracuse	7/5/2016	Kyle	D	Radley	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	9/3/2011	Ni		Thaw	M	131	Housekeeping	Janitor	
A	FT	Syracuse	11/20/2013	Matthew	John	Donella	M	173	Specialty Processing	Laundry Operator	RSYR
A	FT	Syracuse	7/10/2017	Emily	M	Trumble	F	152	Service	Linen Asset Mgr	
A	FT	Syracuse	9/5/2007	Yoanna		Herrera	F	186	Clean Processing	Packer	RSYR
A	FT	Syracuse	8/1/1988	John E.		Barnum Jr	M	180	Soil Processing	Washer Operator	RSYR
A	FT	Syracuse	8/2/2016	Carl	J	VanBuren	M	150	Drivers	Transportation Manager	
A	FT	Syracuse	1/25/2016	Keith	R	Proper	M	129	Engineering Union	Maintenance Mechanic 2	TEAM
A	FT	Syracuse	8/20/2009	Ka Law		Paw	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	8/15/2010	Dah		Gay	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	2/2/2016	Maria	J	Curral	F	173	Specialty Processing	Laundry Operator	RSYR
A	FT	Syracuse	10/24/2010	Eh		Moo	M	186	Clean Processing	Packer	RSYR
A	FT	Syracuse	1/30/2008	Pae		Bu	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	7/17/1996	Sonia I.		Galdon	F	175	Scrubs /OR Processing	Team Lead	
A	PT	Syracuse	4/8/2016	Anna	M	Darcy	F	186	Clean Processing	Laundry Operator	RSYR

Employee Roster as of 2019-03-04  
Source: EmployeeCensus.accd

Employee Status	Employee Type	PlantName	Hire Date	First Name	Middle Name	Last Name	Sex	Department	DepartmentName	Title	Union Code
A	FT	Syracuse	2/11/2019	Charles	W	Piquet	M	130	Engineering - Non Union	Maintenance Manager	
A	FT	Syracuse	11/28/2007	Hsanyo		Hswe	M	180	Soil Processing	Laundry Operator	RSYR
A	FT	Syracuse	7/20/2015	Jesse	George	Jackowski	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	3/30/2015	Radelle	James	Days	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	8/22/2010	Khin		Win	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	7/11/2018	Ehkpaw	H	Sunshine	M	186	Clean Processing	Biller	RSYR
A	FT	Syracuse	11/28/2007	Naing		Soe	M	186	Clean Processing	Biller	RSYR
A	FT	Syracuse	2/13/2008	Eh Ka		Lu	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	2/22/2009	Michael C		Fiore	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	8/29/2005	Robert H.		Cummings	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	9/11/2017	Anthony	John	Berube	M	129	Engineering Union	Maintenance Mechanic 1	TEAM
A	FT	Syracuse	2/11/2019	Xandar	Z	Burke	M	150	Drivers	Driver	
A	FT	Syracuse	12/14/2015	Timothy	Patrick	O'Donnell	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	2/20/2019	Janet		Newman	F	186	Clean Processing	Laundry Operator	
A	FT	Syracuse	4/1/2012	Robert	J	Reeder	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	8/6/2007	Paul	F	Delaski	M	129	Engineering Union	Maintenance Mechanic 2	TEAM
A	FT	Syracuse	11/11/2002	Maria		Gomez	F	173	Specialty Processing	Laundry Operator	RSYR
A	FT	Syracuse	2/22/2019	Law Rah		Kah	F	186	Clean Processing	Laundry Operator	
A	FT	Syracuse	3/23/1976	Sharon L.		Bazen	F	160	Floor Supervision	Production Manager	
A	PT	Syracuse	11/29/2010	Michael L		Weeks	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	12/3/2018	Leeandra	M	Torrance	F	120	Plant Admin	Operations Administrative Assistant	
A	FT	Syracuse	9/17/2018	Karen	A	Parkhurst	F	120	Plant Admin	Operations Administrative Assistant	
A	FT	Syracuse	2/27/2008	Ka		Toe	M	186	Clean Processing	Biller	RSYR
A	FT	Syracuse	2/7/2018	James	S	Baxtron	M	202	CROUSE	Linien Distribution Technician	
A	FT	Syracuse	12/15/2014	Eduardo	M	Barrot	M	150	Drivers	Driver	TEAM
A	FT	Syracuse	9/11/2006	Nurys H		Cedeno	F	173	Specialty Processing	Biller	RSYR
A	FT	Syracuse	2/25/2013	Paw		Eh	F	186	Clean Processing	Packer	RSYR
A	FT	Syracuse	11/15/2018	Eh		Ler	M	186	Clean Processing	Laundry Operator	
A	FT	Syracuse	6/6/2018	Kue		Dee	F	175	Scrubs /OR Processing	Packer	
A	FT	Syracuse	4/19/2015	Maw		Lit	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	1/2/2013	Jah		Lah	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	9/2/2014	Ah		Kit	M	186	Clean Processing	Soil Sorter	RSYR
A	FT	Syracuse	8/5/2014	Say	May	Htoo	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	8/12/1991	George L		Holden	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	2/19/2014	Htoo		Hel	F	186	Clean Processing	Packer	RSYR
A	FT	Syracuse	4/25/2017	Car		Toon	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	11/28/2018	George		Picklesimer	M	129	Engineering Union	Maintenance Mechanic 3	TEAM
A	FT	Syracuse	8/5/2014	Tu		Ter	M	186	Clean Processing	Packer	RSYR
A	FT	Syracuse	8/5/2013	Blay Blaw		Wah	M	186	Clean Processing	Packer	RSYR
A	FT	Syracuse	2/13/2018	Julian		Rodriguez-Quinones	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	6/15/2006	Julian		Parrilla	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	1/2/2019	Carlos		Cruz	M	201	COMMUNITY	Packer	
A	FT	Syracuse	11/29/2012	Kenny		Escalera	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	1/23/2019	Miguel	A	Martinez-Jimenez	M	186	Clean Processing	Laundry Operator	
A	FT	Syracuse	7/27/2006	Luis	Antonio	Orozco-Martinez	M	160	Floor Supervision	Production Manager	
A	FT	Syracuse	12/22/2014	Jazmin		Medina Alomar	F	160	Floor Supervision	Plant Manager	
A	FT	Syracuse	9/30/2014	Hector	L	Canales Manso	M	180	Soil Processing	Washer Operator	RSYR
A	FT	Syracuse	8/30/2010	Jonathan		Sanchez	M	202	CROUSE	Linien Distribution Technician	
WC	FT	Syracuse	7/27/2009	Eduardo Hernandez		Carrasquillo	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	9/20/2004	Oswaldo		Carrasquillo	M	201	COMMUNITY	Linien Distribution Technician	RSYR
A	FT	Syracuse	10/31/2016	Jose	R	Moreno	M	186	Clean Processing	Packer	RSYR
A	FT	Syracuse	6/11/2012	Brenda	L	Monserrate	F	202	CROUSE	Linien Distribution Technician	
A	FT	Syracuse	9/16/2015	Carmen	N	Medina Alomar	F	202	CROUSE	Linien Distribution Technician	
A	FT	Syracuse	7/10/2006	Jacqueline		Brito Dejesus	F	173	Specialty Processing	Packer	RSYR
A	FT	Syracuse	10/11/2016	Iartiza	E	Orozco	F	171	Mending / Refurbish	Mender	RSYR
A	FT	Syracuse	12/11/2009	Edwin Torres		Escalera	M	180	Soil Processing	Washer Operator	RSYR
A	FT	Syracuse	4/3/2014	Eh		No	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	8/19/2009	David		Escalera	M	150	Drivers	Dock Helper	TEAM
A	FT	Syracuse	2/6/2018	Hector	Esteban	Lacen Perez	M	180	Soil Processing	Laundry Operator	RSYR
A	FT	Syracuse	9/11/2018	Jose	A	Cabrera Rivera	M	173	Specialty Processing	Clinical Soil Sorter	
A	FT	Syracuse	10/3/2018	Luis	E	Ramos Diaz	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	12/22/2015	Luis	E	Alvira	M	173	Specialty Processing	Clinical Packer	RSYR
A	FT	Syracuse	2/22/2019	Pedro	A	Boria	M	186	Clean Processing	Laundry Operator	
A	FT	Syracuse	3/28/2011	Luis	J	Ayala Escalera	M	180	Soil Processing	Washer Operator	RSYR
A	FT	Syracuse	9/25/2018	Ingrid	M	Carrasquillo Hance	F	173	Specialty Processing	Clinical Soil Sorter	
A	FT	Syracuse	1/10/2019	Hector	M	Matos-Acevedo	M	180	Soil Processing	Soil Sorter	
A	FT	Syracuse	4/7/2014	Kelvin		Medina Osorio	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	5/4/2012	Michael	O	Cirino	M	180	Soil Processing	Laundry Operator	RSYR
A	FT	Syracuse	11/20/2018	Jesus	M	Pizarro Osorio	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	6/14/2011	Julissa M B		Pizarro	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	1/10/2018	Christopher	Anibal	Lopez-Ortiz	M	202	CROUSE	Linien Distribution Technician	
A	FT	Syracuse	8/9/2009	Susana		Mateo	F	175	Scrubs /OR Processing	Packer	
A	FT	Syracuse	5/29/2018	Luis	A	Gutierrez Hernandez	M	110	Plant Management	Operations Manager	
A	FT	Syracuse	3/1/2019	Myo		Chek	M	186	Clean Processing	Laundry Operator	
A	FT	Syracuse	11/19/2012	Timothy		Shwe	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	4/25/2017	Ta		Lay	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	4/2/2018	Sae	M	Paw	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	12/8/2015	Lar		Salay	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	1/23/2018	Paw	Pa	Htoo	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	9/25/2002	Gladys		Creaches	F	171	Mending / Refurbish	Mender	RSYR
A	FT	Syracuse	10/20/2014	Isnaide		Garcia Estrada	F	175	Scrubs /OR Processing	Packer	
A	FT	Syracuse	11/2/2016	Pwe		Htoo	M	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	6/6/2018	Htoo Tha	B	Paw	F	186	Clean Processing	Laundry Operator	RSYR
A	FT	Syracuse	9/25/2018	Abu Siddiq Bin		Muzafar Hussin	M	173	Specialty Processing	Clinical Soil Sorter	
A	FT	Syracuse	1/12/2015	Bob	S	Kpelsaye	M	129	Engineering Union	Maintenance Helper	TEAM
A	FT	Syracuse	9/2/2014	Boe		Loe	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	4/26/2016	Day	PI	Sie	M	180	Soil Processing	Soil Sorter	RSYR
A	FT	Syracuse	10/12/2017	Mwe		Htoo	M	180	Soil Processing	Packer	RSYR

**Schedule 7.3**

**Allocation**

To be determined.