

**THE UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF NORTH CAROLINA  
GREENSBORO DIVISION**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>Diverse Label Printing, LLC,</b>	)	<b>Case No. 18-10792</b>
	)	
	)	
<b>Debtor.</b>	)	
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**DEBTOR’S MOTION FOR ENTRY OF ORDERS (A) AUTHORIZING AND SCHEDULING AN AUCTION FOR THE SALE OF SUBSTANTIALLY ALL OF DEBTOR’S ASSETS, (B) APPROVING BIDDING PROCEDURES, (C) APPROVING PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF CONTRACTS AND LEASES; (D) AUTHORIZING THE DEBTOR TO DESIGNATE A STALKING HORSE BIDDER AND APPROVING A BREAK-UP FEE, (E) APPROVING THE FORM AND MANNER OF CERTAIN NOTICES, (F) SETTING A DATE FOR THE SALE HEARING, (G) APPROVING THE SALE OF THE DEBTOR’S ASSETS TO THE HIGHEST OR BEST BIDDER, AND (H) GRANTING RELATED RELIEF**

NOW COMES Diverse Label Printing, LLC (the “Debtor”), pursuant to 11 U.S.C. §§ 105, 363 and 365, and files this motion (the “Motion”)<sup>1</sup> seeking entry of (i) an Order authorizing and scheduling an auction for the sale of substantially all of the Debtor’s assets and approving certain procedures and notices related thereto, and (ii) an Order, after further notice and hearing, approving the sale, transferring liens to proceeds, and authorizing assumption and assignment of designated contracts and leases. In support of this Motion, the Debtor respectfully shows the Court as follows:

**JURISDICTION AND VENUE**

1. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. § 1334. Consideration of this Motion is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue of this proceeding is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Bidding Procedures, Sale Notice and/or Assignment Notice (each defined below).

2. The predicates for the relief requested herein are sections 105, 363 and 365 of chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.* (the “Bankruptcy Code”), Rules 2002, 6004, 6006 and 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

**RELIEF REQUESTED**

3. By this Motion, the Debtor requests that the Court:
- a. conduct an initial hearing on this Motion (the “Sale Procedures Hearing”) to be scheduled on an expedited basis as the Court permits;
  - b. following the Sale Procedures Hearing, enter an order substantially in the form attached hereto as Exhibit A (the “Sale Procedures Order”), which, among other things:
    - i. authorizes and schedules an auction (the “Auction”) at which the Debtor will solicit the highest or best bid for the sale of substantially all the Debtor’s assets (as described in the Bidding Procedures, the “Sale Assets”);
    - ii. approves the proposed bidding procedures substantially in the form attached hereto as Exhibit B (the “Bidding Procedures”) related to the conduct of the Auction;
    - iii. authorizes and establishes a deadline for the Debtor to designate a stalking horse bidder (“Stalking Horse Bidder”) for the Sale Assets, and approves the terms and conditions of the proposed break-up fee (the “Break-Up Fee”) with respect to the Stalking Horse Bidder;
    - iv. approves procedures (the “Assignment Procedures”) for the assumption and assignment of the Debtor’s executory contracts and unexpired leases;
    - v. approves the form and manner of notices of the proposed sale of the Sale Assets, the Auction, any proposed assumption and assignment of executory contracts or

unexpired leases and any cure costs associated therewith, and the Sale Hearing, substantially in the form attached hereto as Exhibit C (the “Sale Notice”) and Exhibit D (the “Assignment Notice”);

vi. sets the time, date and place of a later hearing (the “Sale Hearing”) to consider the sale of the Sale Assets, including any proposed assumption and assignment of executory contracts and unexpired leases and proposed cure costs related thereto; and,

vii. establishes deadlines for objections to any of the foregoing.

4. The Debtor further requests that, following the Sale Hearing, the Court enter an order (the “Sale Order”), which, among other things:

a. authorizes and approves the sale by the Debtor of the Sale Assets to the Prevailing Bidder, and under certain circumstances to the Back-up Bidder;

b. authorizes and approves the assumption and assignment of those executory contracts and unexpired leases, if any, which are designated for assumption and assignment by the purchaser of the Sale Assets;

c. subject to consummation of the sale and payment in full of all consideration under the applicable asset purchase agreement, transfers any and all claims, liens, encumbrances and interests in the Sale Assets to the proceeds of sale, with the same validity and priority as such claims, liens, encumbrances and interests applied against the Sale Assets immediately prior to the consummation of the sale; and,

d. grants such other and further relief as the Court deems just and proper.

### **BACKGROUND**

5. The Debtor is engaged in the production of labels for food, food processing, supermarket, consumer goods, and other uses, and also provides its customers with automation

equipment and/or expertise to assist with the application of labels to products (collectively, the “Business”). The Debtor is based in Burlington, North Carolina and has approximately 58 employees. The Debtor leases warehouse space in Tennessee, California, Kansas, Ohio and Colorado.

6. In January of 2018, a Judgment was entered against an affiliate of the Debtor, as well as the Debtor’s majority owner, in litigation filed in the United States District Court for the Western District of North Carolina (the “District Court Litigation”). As a result, prior to the Petition Date, the Debtor hired The Finley Group, Inc. (“Finley Group”) to provide Edward Bidanset as the Debtor’s interim Chief Executive Officer (“Interim CEO”) to lead the day-to-day operations of the Debtor. The Interim CEO was to report directly to the majority owner of the Debtor.

7. On June 26, 2018, an order was entered in the District Court Litigation directing the majority owner to transfer control of the Debtor to Finley Group. After serving as the Interim CEO for several months and dealing with disruptions to the Business arising out of the District Court Litigation, Finley Group determined, in the exercise of its business judgment, that the financial condition of the Debtor necessitated the reorganization of the Debtor under the protections afforded by Chapter 11 of the Bankruptcy Code.

8. On July 23, 2018 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Middle District of North Carolina (the “Bankruptcy Court”). The Debtor has continued in possession of its assets and has continued to operate its business as a debtor-in-possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

9. An Official Committee of Unsecured Creditors (the “Committee”) has been appointed in this case. As of the date of the filing of this Motion, no request has been made for the appointment of a trustee or examiner.

### **SALE PROCESS**

10. A sale of the Business is necessary at this time to preserve the good will of the Business, its customer relationships and its highly skilled employees. After evaluating its strategic alternatives, the Debtor has determined that a sale of the Debtor’s assets would likely result in the best recovery for creditors of the Debtor’s estate.

11. In connection with a potential sale of the Business, on or about August 29, 2018, the Debtor retained Equity Partners HG LLC (“Equity Partners”) as its investment banker to market its assets and begin a sale process. After its retention, Equity Partners engaged in the following activities, all designed to expose the Debtor’s assets to the greatest number of qualified purchasers:

a. Equity Partners assembled an electronic data room (“Data Room”) containing legal and financial documents relating to the Business. The Data Room includes substantially all documents that Equity Partners, in its professional judgment, determined would be needed to satisfy due diligence requests received from interested parties. The Data Room is substantially complete but will be periodically updated as necessary during the sale process.

b. Equity Partners created a short and succinct investment teaser for the Debtor, which has been approved by the Debtor. The investment teaser has been distributed to approximately 958 prospects that Equity Partners believes are most likely to consider an acquisition of the Business. An email version of the investment teaser will also be distributed to

over 3,400 prospects in Equity Partners' internal database, and approximately 916 additional prospects that Equity Partners believes would have interest in the Sale Assets.

c. Equity Partners has reviewed its proprietary database, consulted with representatives of the Debtor to create a list of parties who may be interested in purchasing the assets of the Debtor, and completed outreach calls to approximately 60 prospects.

d. Equity Partners has finalized a press release to be sent to newspapers, industry specific trade magazines, and mergers and acquisitions related publications.

12. To streamline the sale process, the Debtor believes that it is important that any party interested in purchasing the assets of the Debtor use a common asset purchase agreement template (the "Form APA") to be prepared by counsel for the Debtor and provided to potential bidders.

13. As of the date of this Motion, the Debtor and Equity Partners have not identified a purchaser willing to enter into a binding agreement of sale and serve as the Stalking Horse Bidder. However, the Debtor is seeking authority to designate a Stalking Horse Bidder as set forth herein and in the Bidding Procedures if it, in consultation with the Committee, determines that such designation will enhance the sale process.

14. Any agreement with a Stalking Horse bidder will be "tested" in the marketplace by the sale and bidding process described in the Bidding Procedures to ensure that the estate realizes the maximum value for the Sale Assets. Furthermore, the proposed break-up fee is fair and reasonable and within the range customarily approved by the Bankruptcy Court.

15. The Debtor requests authority to solicit bids for the Sale Assets utilizing Bidding Procedures, substantially in the form attached hereto as Exhibit B. The Bidding Procedures govern the proposed sale, including any auction conducted in connection therewith, and include the following deadlines in connection with the relief sought in this Motion:

- a. Stalking Horse Designation Deadline: November 9, 2018
- b. Bid Deadline: November 30, 2018
- c. Auction Date (if necessary): December 5, 2018
- d. Objection Deadline for Sale Hearing: prior to the commencement of the Sale Hearing
- e. Sale Hearing: December 6, 2018

16. By this Motion, the Debtor intends to liquidate the Sale Assets in order to monetize such assets. The Debtor strongly believes that, in furtherance of this goal, it can and will do all that is reasonably possible to secure the highest or best possible offer for the Sale Assets under the circumstances. For the foregoing reasons, the relief requested in this Motion is a product of sound business judgment and is in the best interests of the Debtor, its creditors, employees, estate and other stakeholders, and should be granted.

17. Accordingly, the Debtor submits that the proposed Bidding Procedures, and any sale presented in accordance therewith, is warranted and appropriate under the terms and provisions of Section 363(b) of the Bankruptcy Code.

18. Further, the proposed Bidding Procedures have been designed to create a fair, open and level playing field. Accordingly, the Debtor requests that the party submitting the Prevailing Bid or Back-up Bid be determined to have acted in good faith and be entitled to the protections of a good faith purchaser under Section 363(m) of the Bankruptcy Code.

#### **SALE FREE AND CLEAR OF LIENS**

19. The Debtor requests that, subject to consummation of the sale and payment in full of all consideration under the applicable asset purchase agreement, the sale and transfer of the Sale Assets be approved free and clear of all liens, claims, encumbrances, or interests in such property (collectively, the “Liens”), and that such Liens attach to the proceeds of sale, with the same validity and priority as such Liens applied against the Sale Assets immediately prior to the consummation of the sale.

20. In this instance, the Debtor believes that First National Bank of Pennsylvania (“FNB”) and Bank Capital Services, dba F.N.B. Equipment Finance (“BCS”) are the only parties holding or asserting a lien upon or security interest in the Sale Assets.

21. The Debtor anticipates that FNB and BCS will consent to the transaction presented for approval at the Sale Hearing, so long as upon the consummation of the sale and payment in full of all consideration under the applicable asset purchase agreement, the liens and security interests of FNB attach to the proceeds of the sale with the same validity and priority as such liens and security interests applied against the Sale Assets immediately prior to the consummation of the sale.

22. The relief requested herein is consistent with the provisions of Section 363(f) of the Bankruptcy Code in this case.

#### **EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

23. The Bidding Procedures contemplate the possible assumption of certain executory contracts and unexpired leases and the assignment of these contracts and leases to the Prevailing Bidder or Back-up Bidder at closing. To the extent any defaults exist under any contracts or leases to be assumed and assigned, such defaults must be cured in accordance with Section 365 of the Bankruptcy Code. Accordingly, it is important that the Debtor determine any cure costs associated with such assumption and assigned prior to the closing.

24. The Debtor proposes the following procedures (the “Assignment Procedures”) for assumption and assignment of executory contracts and unexpired leases and for fixing of amounts to be paid to satisfy obligations to cure defaults pursuant to Section 365(b)(1) of the Bankruptcy Code (the “Cure Obligations”).



25. Within three (3) business days after entry of the Sale Procedures Order, the Debtor will serve on all non-debtor counterparties to executory contracts and unexpired leases the Assignment Notice attached hereto as Exhibit D. The Debtor will attach to the Assignment Notice its calculation of the cure amounts (the “Cure Amount”) that the Debtor believes must be paid to satisfy all Cure Obligations.

26. Unless the counterparty to the executory contract or unexpired lease files an objection by the applicable deadline set forth in the Assignment Notice (the “Assignment Objection Deadline”) and serves such objection on the applicable notice parties, such counterparty will: (a) be forever barred from objecting to the Cure Amount and from asserting any additional Cure Obligations, and (b) be forever barred and estopped from asserting or claiming against the Debtor or the assignee of such executory contract and/or unexpired lease that any additional Cure Obligations are due, or conditions to assumption and assignment (other than demonstration of adequate assurance of future performance) must be satisfied with respect to such executory contracts and/or unexpired leases in order for such contracts or leases to be assumed and assigned.

27. Any objection must set forth the basis for the objection and the amount the party asserts as the Cure Obligation. In the event the Debtor and the counterparty are unable to resolve the objection, the Debtor will segregate any disputed portion of the Cure Obligation pending the resolution of any such dispute by this Court.

28. The counterparty to any executory contract or unexpired lease will be permitted to assert objections to adequate assurance of future performance at the Sale Hearing without the need to first file an objection to the Sale.

29. At the Sale Hearing, the Debtor also will request that the Sale Order include provisions (i) authorizing the Debtor to assume and assign to the Prevailing Bidder or Back-up

Bidder any executory contracts or unexpired leases specified by such Bidders in their respective bids (the “Assigned Contracts”) pursuant to Section 365 of the Bankruptcy Code, (ii) fixing the Cure Amounts identified in the Assignment Notice as the exact amounts that must be paid to the counterparty to the Assigned Contracts, (iii) authorizing and directing the Debtor to pay the Cure Amounts at closing, and (iv) deeming the parties to the Assigned Contracts adequately assured of future performance.

30. The Assigned Contracts are integral assets to the Business, and the Debtor has determined, in the exercise of its business judgment, that the assumption and assignment of the Assigned Contracts in connection with the sale of the Sale Assets is necessary to yield significant value to the Debtor and its estate from the sale of the Sale Assets.

**WAIVER OF BANKRUPTCY RULE 6004(h) and 6006(d)**

31. The Debtor requests that any Sale Order be effective immediately by providing that the fourteen day stays under Bankruptcy Rules 6004(h) and 6006(d) are waived.

**NOTICE**

32. With respect to this Motion and the relief requested herein, the Debtor intends to give notice as follows:

a. serve a copy of this Motion, including any order scheduling the Sale Procedures Hearing, on all known creditors and other parties-in-interest, including without limitation, (i) all parties known by the Debtor to assert a lien or security interest in the Sale Assets, and (ii) all non-debtor parties to the Debtor’s executory contracts and unexpired leases (the “Notice Parties”); and,

b. within three (3) business days after entry of the Sale Procedures Order, serve copies of the Sale Procedures Order, the Bidding Procedures, the Sale Notice and the Assignment Notice on the Notice Parties.

33. The Debtor submits that the foregoing notice is sufficient and proper under the circumstances, and that no other or further notice is required.

WHEREFORE, the Debtor respectfully requests that this Court:

1. Enter an order following the Sale Procedures Hearing, substantially in the form attached hereto as Exhibit A, authorizing and scheduling the Auction, approving the Bidding Procedures and the Assignment Procedures, and approving the form and manner of the Sale Notice and Assignment Notice;

2. Following the Sale Hearing, enter the Sale Order approving the sale of the Sale Assets, approving the assumption and assignment of the Debtor's executory contracts and unexpired leases to the extent so requested, and, subject to consummation of the sale and payment in full of all consideration under the applicable asset purchase agreement, transferring all liens on such assets to the proceeds of sale with the same validity and priority as such liens applied against the Sale Assets immediately prior to the consummation of the sale.

3. Grant the Debtor such other relief as the Court may deem necessary and proper.

Dated: October 1, 2018

Respectfully submitted,

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**THE UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF NORTH CAROLINA  
GREENSBORO DIVISION**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>Diverse Label Printing, LLC,</b>	)	<b>Case No. 18-10792</b>
	)	
	)	
<b>Debtor.</b>	)	
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**ORDER (A) AUTHORIZING AND SCHEDULING AN AUCTION FOR THE SALE OF SUBSTANTIALLY ALL OF DEBTOR’S ASSETS, (B) APPROVING BIDDING PROCEDURES, (C) APPROVING PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF CONTRACTS AND LEASES; (D) AUTHORIZING THE DEBTOR TO DESIGNATE A STALKING HORSE BIDDER AND APPROVING A BREAK-UP FEE, (E) APPROVING THE FORM AND MANNER OF CERTAIN NOTICES, AND (F) SETTING A DATE FOR THE SALE HEARING**

THIS MATTER came before the Court after due notice and hearing on October 10, 2018 for purposes of an interim order establishing bidding procedures and other relief in connection with the Debtor’s Motion For Entry Of Orders (A) Authorizing And Scheduling An Auction For The Sale Of Substantially All Of Debtor’s Assets, (B) Approving Bidding Procedures, (C) Approving Procedures For The Assumption And Assignment Of Contracts And Leases; (D) Authorizing The Debtor To Designate A Stalking Horse Bidder And Approving A Break-Up Fee, (E) Approving The Form And Manner Of Certain Notices, (F) Setting A Date For The Sale Hearing, (G) Approving The Sale Of The Debtor’s Assets

To The Highest Or Best Bidder, And (H) Granting Related Relief (the “Sale Motion”)<sup>1</sup> filed by Diverse Label Printing, LLC (the “Debtor”), pursuant to §§ 105, 363 and 365 of the Bankruptcy Code and Rules 2002, 6004, 6006 and 9006 of the Federal Rules of Bankruptcy Procedure.

Upon consideration of the Sale Motion and the evidence submitted in support thereof, and it appearing that this Court has jurisdiction to consider the Sale Motion; that the relief requested in the Sale Motion is in the best interests of the Debtor, its estate, and all parties in interest; that adequate notice of the Sale Motion has been given; that exigent circumstances exist to justify a sale (the “Sale”) of the Debtor’s assets as defined in the Sale Motion and Bidding Procedures (the “Sale Assets”) pursuant to Section 363 of the Bankruptcy Code, rather than pursuant to a confirmed chapter 11 plan under Section 1129 of the Bankruptcy Code; and that the Sale is within the reasonable business judgment of the Debtor and is in the best interest of the estate, subject to exposing the Sale Assets to bids and after further hearing to confirm the Sale; and sufficient cause appearing therefore:

**IT IS HEREBY ORDERED THAT:**

1. The Sale Motion is GRANTED, to the extent set forth herein.
2. The “Bidding Procedures” attached as Exhibit A are hereby approved by this Court and incorporated by reference as if set forth fully herein. The failure specifically to include any provision of the Bidding Procedures in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of this Court that the Bidding Procedures are authorized and approved in their entirety.
3. The Debtor is authorized to conduct an auction (the “Auction”) with respect to the Sale Assets. The Auction shall be held on **December 5, 2018**, commencing at 10:00 o’clock a.m. Eastern, at the office of Debtor’s counsel, Northen Blue, LLP, 1414 Raleigh Road, Suite 435, Chapel Hill, North Carolina 27517 (or such other location as may be determined by the Debtor and communicated to all Qualified Bidders at least two (2) business days before the Auction), and shall be governed by the Bidding Procedures.
4. The notices contemplated by the Sale Motion are adequate and sufficient notice of the proposed sale of the Sale Assets, the Auction, any proposed assumption and

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Sale Motion, including exhibits attached thereto.

assignment of executory contracts or unexpired leases and any Cure Amounts associated therewith, and the Sale Hearing, and no additional notice need be given. Without limiting the generality of the foregoing, the Court specifically approves the “Sale Notice” attached as Exhibit B and the “Assignment Notice” attached as Exhibit C.

5. The procedures for the assumption and assignment of executory contracts and unexpired leases are approved. Unless the non-Debtor party to an executory contract or unexpired lease files an objection by the Assignment Objection Deadline set forth in the Assignment Notice, such counterparty shall be forever barred from objecting to the Cure Amount and forever barred and estopped from asserting or claiming any Cure Obligation (other than the Cure Amount listed on the Assignment Notice) against the Debtor, any Prevailing Bidder, any Back-up Bidder, or any other assignee of the relevant Contract or Lease.

6. The final hearing (the “Sale Hearing”) to consider the sale of the Sale Assets, including any proposed assumption and assignment of executory contracts and unexpired leases and the Cure Amounts related thereto, shall be held at 2:00 o’clock p.m. Eastern, on **December 6, 2018**, in Courtroom #2, U.S. Bankruptcy Court, 101 S. Edgeworth Street, Greensboro, North Carolina 27401.

7. Within three (3) business days after entry of this Order (the “Sale Procedures Order”), the Debtor shall serve copies of the Sale Procedures Order, the Bidding Procedures, the Sale Notice and the Assignment Notice on all known creditors and other parties-in-interest, (ii) all parties known by the Debtor to assert a lien or security interest in the Sale Assets, and (iii) all non-debtor parties to the Debtor’s executory contracts and unexpired leases.

8. In addition, although not required by the Bankruptcy Code or Rules, the Debtor shall also provide copies of the Sale Procedures Order, the Bidding Procedures and the Sale Notice to any parties who previously have expressed serious interest in acquiring all or a material portion of the Sale Assets.

[End of Document]

EXHIBIT A  
(BIDDING PROCEDURES)



EXHIBIT B  
(SALE NOTICE)

EXHIBIT C  
(ASSIGNMENT NOTICE)

**THE UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF NORTH CAROLINA  
GREENSBORO DIVISION**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>Diverse Label Printing, LLC,</b>	)	<b>Case No. 18-10792</b>
	)	
<b>Debtor.</b>	)	
_____	)	

**BIDDING PROCEDURES**

The following procedures (the “Bidding Procedures”) have been approved and authorized by order (the “Sale Procedures Order”) of the United States Bankruptcy Court for the Middle District of North Carolina (the “Bankruptcy Court”) in the Chapter 11 case (the “Case”) of Diverse Label Printing, LLC (the “Debtor”). These procedures shall govern the proposed sale (the “Sale”), including any auction (the “Auction”) conducted in connection therewith, of substantially all of the assets of the Debtor’s bankruptcy estate pursuant to the Debtor’s motion for an order authorizing the Sale and granting related relief (the “Sale Motion”).

1. **Sale Assets.** The assets to be sold pursuant to these Bidding Procedures (the “Sale Assets”) shall consist of substantially all assets that have not been previously sold, assigned, transferred, or otherwise administered in the Bankruptcy Case; provided however, the Sale Assets do not include the Excluded Assets as defined below. The Sale Assets shall be sold free and clear of all liens to the fullest extent permitted under Section 363 of the Bankruptcy Code, with all liens transferred to proceeds of sale.
  
2. **Excluded Assets.** Specifically excluded from the Sale Assets are (i) cash now or subsequently held in bank accounts by the Debtor on behalf of the bankruptcy estate, (ii) the purchase price to be delivered to the Debtor in connection with any approved sale, (iii) the Debtor’s books and records, (iv) insurance policies or the proceeds thereof, (v) any claims or causes of action which may be asserted by or on behalf of the Debtor against any party, including but not limited to claims or causes of action under Code §§ 544, 547, 548, 549, 550 and 553, and (vi) any assets that are expressly excluded by the Debtor from the Sale (collectively, the “Excluded Assets”).
  
3. **Diligence by Prospective Bidders.** The Debtor shall give notice of the proposed Sale and these Bidding Procedures to prospective bidders, receive and consider unsolicited offers for the Sale Assets, provide information to any such prospective bidder, and allow any such prospective bidder to conduct due diligence in connection with consideration of a potential bid for the Sale Assets; provided, however, that any such prospective bidder desiring to conduct due diligence shall (a) demonstrate the financial ability, as determined by Debtor and the Official Committee of Unsecured Creditors (the “Committee” and together with the Debtor, the “Consulting Parties”) in their reasonable discretion, to consummate a transaction for the purchase of the Sale Assets, and (b) execute a confidentiality agreement in a form acceptable to the Consulting Parties in their

reasonable discretion. The Debtor shall file with the Court, on or before the Bid Deadline (as defined below), a statement identifying any prospective bidder that is not allowed to conduct due diligence because of a determination by the Debtor that said person does not have the financial ability to consummate the purchase.

**4. Form APA.** To facilitate the sale, the Debtor has prepared a template asset purchase agreement (the "Form APA"), which is available upon request. The Form APA includes a mandatory allocation of purchase price that each bidder shall be required to complete with respect to the Sale Assets (the "Purchase Price Allocation").

**5. Stalking Horse Designation.** If the Debtor, in consultation with the Committee, desires to designate a stalking horse bidder (the "Stalking Horse Bidder"), the Consulting Parties must (a) consult with First National Bank of Pennsylvania ("FNB") regarding such designation, (b) enter into an agreement of sale in the form of the Form APA, with changes mutually acceptable to the Consulting Parties, the Stalking Horse Bidder and FNB (the "Stalking Horse Agreement") on or before the Stalking Horse Designation Deadline (as defined below), (c) file a copy of the Stalking Horse Agreement and a blackline reflecting the differences, if any, between the Form APA and the Stalking Horse Agreement on or before the Stalking Horse Designation Deadline, and (d) serve a notice of such designation (with a statement that the Stalking Horse Agreement is on file and is available upon written request to counsel for the Debtor) upon all creditors and parties-in-interest (including all counterparties to executory contracts and unexpired leases proposed to be assumed and assigned to the Stalking Horse Bidder) within three (3) days of the filing of the Stalking Horse Agreement. Any designated Stalking Horse Bidder shall be deemed a Qualified Bidder (as defined below). All parties-in-interest shall be given an opportunity to object to the proposed Stalking Horse Agreement within seven (7) days of the Stalking Horse Agreement being filed with the Court, and, if necessary, a hearing may be held to consider any objections and the need to modify the sale timeline set forth herein. Any modifications to the timeline set forth herein shall be filed with the Court.

**6. Stalking Horse Designation Deadline.** Any Stalking Horse Bidder must be designated by the Debtor, in consultation with the Committee, and the Stalking Horse Agreement filed with the Court on or before **November 9, 2018** (the "Stalking Horse Designation Deadline").

**7. Bid Requirements.** Any entity that is interested in purchasing the Debtor's assets (a "Bidder") must submit to the Debtor a bid (an "Initial Bid") in conformance with this paragraph, in a manner such that the Initial Bid is received by the Debtor no later than the Bid Deadline (as defined below). The Debtor shall provide the Committee, through counsel, with copies of any Initial Bid within one (1) business day of receiving such bid. The Consulting Parties shall review all Initial Bids. The Consulting Parties shall have reasonable discretion in determining whether an Initial Bid is a conforming bid in accordance with the requirements of this paragraph. Every such Initial Bid must:

- a. Include an executed copy of a definitive Asset Purchase Agreement (the "Bidder's Agreement") specifying the assets to be purchased at closing and include a completed Purchase Price Allocation. The Bidder's Agreement shall not include any assets in addition to the Sale Assets. The Bidder's Agreement shall include a marked copy against the Form APA, or, if a Stalking Horse Bidder has been designated, marked against the Stalking Horse Agreement, to show all changes

requested by the Bidder. The Bidder's Agreement also shall specify any executory contracts or unexpired leases which are to be assumed and assigned to the Bidder at closing.

- b. If a Stalking Horse Bidder has been designated, any Initial Bid for the Sale Assets must propose a purchase price (the "Sale Price") that in the Consulting Parties' judgment has a value at least two times the Break-Up Fee (as defined below) greater than the Initial Bid of the Stalking Horse Bidder as set forth in the Stalking Horse Agreement.
- c. Be irrevocable, subject only to final approval of the Bankruptcy Court, and not subject to further due diligence or conditional upon obtaining financing or any third-party approvals.
- d. Be accompanied by admissible evidence in the form of affidavits or declarations establishing the Bidder's good faith, within the meaning of section 363(m) of the Bankruptcy Code.
- e. Be accompanied by (i) financial statements or admissible evidence in the form of affidavits or declarations establishing that the Bidder is ready, willing, authorized, capable, and qualified, financially, legally, and otherwise, of unconditionally performing all obligations under the Bidder's Agreement in the event that it submits the prevailing bid at the Sale Hearing, and (ii) evidence that it is duly authorized and entitled to engage in the transaction contemplated by the Initial Bid without the consent of any entity that has not been obtained.
- f. Be accompanied by a deposit equal to the greater of \$150,000 or two percent (2%) of the fixed purchase price under the Bidder's Agreement (the "Deposit Amount") in the form of a wire transfer or cashier's check payable to the Debtor and to be held in a non-interest-bearing segregated account pending completion of the Auction, and subject to the provisions set forth below.

**8. Bid Deadline.** Any Initial Bid must be delivered to the Debtor by 4:00 o'clock p.m. Eastern, on **November 30, 2018** (the "Bid Deadline").

**9. Non-Conforming Bids.** Any entity that fails to submit a timely, conforming Initial Bid, as set forth above, as determined by Debtor in its reasonable discretion and, in consultation with the Committee, shall be disqualified from bidding for the Sale Assets at the Auction. At least two (2) business days prior to the Auction Date, the Debtor shall file with the Court and serve upon such Bidder a statement explaining the grounds for disqualification ("Statement of Disqualification"). Any party in interest may contest the Debtor's determination as to whether an Initial Bid is conforming, but any such contest must be served upon the Debtor and filed with the Bankruptcy Court by the Objection Deadline (as defined below).

**10. Auction Procedures.** In the event that (a) a Stalking Horse Bidder has been designated and the Debtor receives one or more timely, conforming Initial Bids, or (b) a Stalking Horse Bidder has not been designated and the Debtor receives two or more timely, conforming Initial Bids (the Stalking Horse Bidder, if any, and each person who has submitted such a timely, conforming Initial

Bid shall be referred to herein as a “Qualified Bidder”), the Debtor and its counsel shall conduct the Auction in which only Qualified Bidders may participate. The Auction shall be held on **December 5, 2018** (the “Auction Date”), commencing at 10:00 o’clock a.m. Eastern, at the office of Debtor’s counsel, Northern Blue, LLP, 1414 Raleigh Road, Suite 435, Chapel Hill, North Carolina 27517 (or such other location as may be determined by the Debtor and communicated to all Qualified Bidders at least two (2) business days before the Auction), and shall be governed by the following procedures:

- a. All bidders shall be deemed to have consented to the core jurisdiction of the Bankruptcy Court, to have consented to the Constitutional authority of the Bankruptcy Court to enter a final judgment, and to have waived any right to jury trial in connection with any disputes relating to the Auction and/or the sale of the Sale Assets.
- b. Bidding will commence at an amount of the highest or otherwise best conforming Initial Bid submitted by a Qualified Bidder, as determined by Debtor in its reasonable discretion. The Debtor will conduct the bidding process sequentially or concurrently as it deems appropriate and in the best interests of the estate.
- c. Each subsequent bid by a Qualified Bidder shall be in increments that increase the aggregate consideration above the previous bid in an amount to be determined by the Debtor at the Auction.
- d. Each Qualified Bidder should be prepared to make its best and final offer at the Auction, and the Debtor reserves all rights to grant or deny any request for a continuance or recess of the Auction or the Sale Hearing.
- e. Upon conclusion of the Auction, the Debtor, in consultation with the Committee, shall designate the highest or otherwise best bidder as the prevailing bidder (the “Prevailing Bidder”) and the next highest or otherwise best bidder after the Prevailing Bidder (the “Back-up Bidder”).
- f. The Debtor shall file a Report of Auction upon completion of the Auction, designating the Prevailing Bidder and the Back-up Bidder, if applicable, setting forth in each instance the amount of the respective Bids.

**11. Back-up Bidder.** Any objection to the designation of the Back-up Bidder shall be raised at the Sale Hearing and decided by the Bankruptcy Court. If, for any reason, the Prevailing Bidder is unable or unwilling timely to perform its obligations under the Prevailing Bidder's definitive sale agreement and the Bidding Procedures, the Debtor, in the exercise of its business judgment, may sell the Sale Assets to the Back-up Bidder without further notice or a hearing. The Back-up Bidder's bid shall remain open and binding until the sale to the Prevailing Bidder closes or, if the Prevailing Bidder is unable or unwilling to close and the Debtor elects to sell to the Back-up Bidder, until the sale to the Back-up Bidder closes.

**12. Break-Up Fee.** Solely in the event that (i) the Debtor designates a bidder as a Stalking Horse Bidder, (ii) the Bankruptcy Court enters an order approving the sale to an entity other than the Stalking Horse Bidder, (iii) the Stalking Horse Bidder has not committed a material default

under its Stalking Horse Agreement, and (iv) the Debtor does not sell to the Stalking Horse Bidder, the Debtor shall pay to the Stalking Horse Bidder a break-up fee equal to the lesser of \$150,000 or two percent (2%) of the Sale Price set forth in the Stalking Horse Agreement for its time spent and expenses incurred in connection with negotiating the Stalking Horse Agreement and for the value it brought to the bankruptcy estate by providing a stalking horse bid and entering into the Stalking Horse Agreement. The break-up fee shall be payable only on the closing of the sale to an entity other than the Stalking Horse Bidder. Except as expressly provided herein, the Stalking Horse Bidder shall not be entitled to any other overbid, expense reimbursement, topping or break-up fee of any nature.

**13. Objection.** Any objection to the Sale Motion, a Statement of Disqualification, the Auction, the designation of the Prevailing Bidder or the Back-up Bidder, or entry of the Sale Order (an "Objection") must be filed with the Bankruptcy Court and served upon (i) counsel for the Debtor, John A. Northen, Northen Blue, LLP, P.O. Box 2208, Chapel Hill, North Carolina 27515-2208; (ii) counsel for the Bankruptcy Administrator, Robert E. Price, Jr., 101 S. Edgeworth Street, Greensboro, North Carolina 27401; and (iii) counsel for the Committee appointed in the Bankruptcy Case, David H. Conaway, Shumaker, Loop & Kendrick, LLP, 101 S. Tryon Street, Suite 2200, Charlotte, North Carolina 28280, in a manner such that the Objection is filed and received by such parties and the Bankruptcy Court on or before the commencement of the Sale Hearing (the "Objection Deadline"). The Debtor and other parties-in-interest shall not be required to file responses to any Objection. The foregoing notwithstanding, counterparties to executory contracts and unexpired leases may object to the assumption and assignment of such executory contracts and unexpired leases on the basis of lack of adequate assurance of future performance (but no other basis) by raising such objection at the Sale Hearing and in the absence of a timely written, filed and served Objection.

**14. Sale Hearing.** The final hearing to approve the Prevailing Bidder and the Back-up Bidder (the "Sale Hearing") shall be held before the Bankruptcy Court at 2:00 p.m. Eastern, on **December 6, 2018**, in Courtroom #2, U.S. Bankruptcy Court, 101 S. Edgeworth Street, Greensboro, North Carolina 27401. The Prevailing Bidder and the Back-up Bidder, if one is designated, shall appear at the Sale Hearing, in person or through a duly authorized representative and not solely through counsel. 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. On or before 5:00 p.m. Eastern on **December 11, 2018**, the Prevailing Bidder shall increase its Deposit Amount to ten percent (10%) of the fixed purchase price under the Bidder's Agreement.

**15. Business Judgment.** The Debtor may recommend a sale to any Qualified Bidder pursuant to a bid which the Debtor determines, exercising reasonable business judgment, to be in the best interests of the bankruptcy estate. The Debtor may reject, at any time before the entry of an order of the Bankruptcy Court approving a bid from a Qualified Bidder, any bid that is deemed inadequate or insufficient, not in substantial conformity with the Bankruptcy Code or these Bidding Procedures, or contrary to the best interests of the estate and its creditors. In exercising business judgment as to which bid constitutes the highest or otherwise best bid, the Debtor may consider all factors which it may deem relevant, subject to the parties' right to object and raise any such issues with the Bankruptcy Court. The Debtor, in consultation with the Committee, also may

modify these bidding procedures, exercising reasonable business judgment, if the Debtor determines such modification to be in the best interests of the bankruptcy estate.

**16. Disposition of Deposits.** Promptly following the Bankruptcy Court's determination of the Prevailing Bidder, the deposits submitted by any Bidders shall be refunded to each unsuccessful bidder other than the Back-up Bidder, if any. The deposits of the Prevailing Bidder and the Back-up Bidder shall be retained as earnest money to be used in the following ways:

- a. The deposit of the Prevailing Bidder shall either be (i) applied at closing as a credit toward the purchase price of the Prevailing Bidder or, if the purchase price is paid in full at closing, returned to the Prevailing Bidder, (ii) if the sale to the Prevailing Bidder shall fail to timely close by reason of a breach or default of the Prevailing Bidder, the deposit shall be retained by the Debtor as liquidated damages, or (iii) in the event that the sale to the Prevailing Bidder shall fail to timely close by reason of a breach or default of the Debtor, the deposit shall be returned to the Prevailing Bidder.
- b. The deposit of the Back-up Bidder shall either be (i) returned to the Back-up Bidder upon the closing of the transaction with the Prevailing Bidder, (ii) if the sale to the Prevailing Bidder shall fail to close for any reason, applied at closing as a credit toward the purchase price of the Back-up Bidder, (iii) if the sale to the Back-up Bidder shall fail to timely close by reason of a breach or default of the Back-up Bidder, retained by the Debtor as liquidated damages, or (iv) if the sale to the Back-up Bidder shall fail to timely close by reason of a breach or default of the Debtor, the deposit shall be returned to the Back-up Bidder.

**17. Closing Date.** The closing of the sale of the Sale Assets must occur as soon as practicable but in any event within three (3) days of the date on which the Sale Order becomes a final, non-appealable order (or such later date as the Debtor may agree).

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**THE UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF NORTH CAROLINA  
GREENSBORO DIVISION**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>Diverse Label Printing, LLC,</b>	)	<b>Case No. 18-10792</b>
	)	
	)	
<b>Debtor.</b>	)	
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**SALE NOTICE**

TAKE NOTICE that certain bidding procedures (the “Bidding Procedures”) have been approved and authorized by order (the “Sale Procedures Order”) of the United States Bankruptcy Court for the Middle District of North Carolina (the “Bankruptcy Court”) in the Chapter 11 case of Diverse Label Printing, LLC (the “Debtor”), designated as Case No. 18-10792 (the “Bankruptcy Case”).

The Bidding Procedures govern the proposed sale (the “Sale”), including any auction (the “Auction”) conducted in connection therewith, of substantially all of the assets of the Debtor’s bankruptcy estate pursuant to the Debtor’s motion for an order authorizing the Sale and granting related relief (the “Sale Motion”).

This Notice and the Sale Hearing (as defined below) is subject to the fuller terms and conditions of the Sale Procedures Order, the Bidding Procedures and the Sale Motion, which shall control in the event of any conflict, and the Debtor encourages parties-in-interest to review such documents in their entirety. A copy of the Sale Procedures Order, the Bidding Procedures, the Sale Motion and the Form APA (i.e., the template asset purchase agreement) may be obtained on written request to the Debtor or its counsel.

**Stalking Horse Designation Deadline.** Any Stalking Horse Bidder must be designated by the Debtor, in consultation with the Official Committee of Unsecured Creditors (the “Committee”), and the Stalking Horse Agreement filed with the Court on or before **November 9, 2018.**

**Initial Bid and Bid Deadline.** Any entity that is interested in purchasing the Debtor’s assets must submit to the Debtor a bid in conformance with the Bidding Procedures (an “Initial Bid”). Any Initial Bid must be delivered to the Debtor by 4:00 o’clock p.m. Eastern, on **November 30, 2018.**

**Auction and Bidding Procedures.** In the event that (a) a Stalking Horse Bidder has been designated and the Debtor receives one or more timely, conforming Initial Bids, or (b) a Stalking Horse Bidder has not been designated and the Debtor receives two or more timely, conforming Initial Bids (the Stalking Horse Bidder, if any, and each person who has submitted such a timely, conforming Initial Bid, a “Qualified Bidder”), the Debtor and its counsel shall conduct the Auction

in which only Qualified Bidders may participate. The Auction shall be held on **December 5, 2018**, commencing at 10:00 o'clock a.m. Eastern, at the office of Debtor's counsel, Northen Blue, LLP, 1414 Raleigh Road, Suite 435, Chapel Hill, North Carolina 27517 (or such other location as may be determined by the Debtor and communicated to all Qualified Bidders at least two (2) business days before the Auction), and shall be governed by the Bidding Procedures.

**Sale Hearing.** The final hearing to approve the Prevailing Bidder and, if one is designated, the Back-up Bidder (the "**Sale Hearing**") shall be held before the Bankruptcy Court at 2:00 o'clock p.m. Eastern, on **December 6, 2018**, in Courtroom #2, U.S. Bankruptcy Court, 101 S. Edgeworth Street, Greensboro, North Carolina 27401. The Prevailing Bidder and the Back-up Bidder, if designated, shall appear at the Sale Hearing, in person or through a duly authorized representative and not solely through counsel. 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.

**Objection.** Any objection to the Sale Motion, a Statement of Disqualification (as defined in the Bidding Procedures), the Auction, the designation of the Prevailing Bidder or the Back-up Bidder, or entry of the Sale Order (an "**Objection**") must be filed with the Bankruptcy Court and served upon (i) counsel for the Debtor, John A. Northen, Northen Blue, LLP, P.O. Box 2208, Chapel Hill, North Carolina 27515-2208; (ii) counsel for the Bankruptcy Administrator, Robert E. Price, Jr., 101 S. Edgeworth Street, Greensboro, North Carolina 27401; and (iii) counsel for the Committee appointed in the Bankruptcy Case, David H. Conaway, Shumaker, Loop & Kendrick, LLP, 101 S. Tryon Street, Suite 2200, Charlotte, North Carolina 28280, in a manner such that the Objection is filed and received by such parties and the Bankruptcy Court on or before the commencement of the Sale Hearing. The Debtor and other parties in interest shall not be required to file responses to any Objection. The foregoing notwithstanding, counterparties to executory contracts and unexpired leases may object to the assumption and assignment of such executory contracts and unexpired leases on the basis of lack of adequate assurance of future performance (but no other basis) by raising such objection at the Sale Hearing and in the absence of a timely written, filed and served Objection.

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**THE UNITED STATES BANKRUPTCY COURT  
MIDDLE DISTRICT OF NORTH CAROLINA  
GREENSBORO DIVISION**

<b>In re:</b>	)	<b>Chapter 11</b>
	)	
<b>Diverse Label Printing, LLC,</b>	)	<b>Case No. 18-10792</b>
	)	
	)	
<b>Debtor.</b>	)	
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**NOTICE OF POSSIBLE ASSUMPTION AND ASSIGNMENT OF EXECUTORY  
CONTRACTS AND UNEXPIRED LEASES AND OF CURE AMOUNTS**

TAKE NOTICE that certain bidding procedures (the “Bidding Procedures”) have been approved and authorized by order (the “Sale Procedures Order”) of the United States Bankruptcy Court for the Middle District of North Carolina (the “Bankruptcy Court”) in the Chapter 11 case of Diverse Label Printing, LLC (the “Debtor”), designated as Case No. 18-10792 (the “Bankruptcy Case”).

The Bidding Procedures govern the proposed sale (the “Sale”), including any auction (the “Auction”) conducted in connection therewith, of substantially all of the assets of the Debtor’s bankruptcy estate pursuant to the Debtor’s motion for an order authorizing the Sale and granting related relief (the “Sale Motion”). A copy of the Sale Procedures Order, the Bidding Procedures, and the Sale Motion may be obtained on written request to the Debtor or its counsel.

The Bidding Procedures contemplate the possible assumption and assignment of certain executory contracts and unexpired leases (each, a “Contract or Lease”) listed on Exhibit A in conjunction with the Sale at the Sale Hearing (as defined below). If the Debtor assumes a Contract or Lease to which you are a party, the Debtor is required to promptly cure certain defaults under the Contract or Lease as more specifically set forth in the Bankruptcy Code (such defaults which are required to be cured are hereafter referred to as the “Cure Obligations”).

The Debtor believes that, as to each Contract or Lease identified on Exhibit A, upon payment of any amount listed opposite the name of the non-debtor counterparty (the “Cure Amount”), all Cure Obligations as to such Contract or Lease will be satisfied.

Any objection (an “Objection”) to the Cure Amount or to the Debtor’s assumption and assignment of any Contract or Lease (other than on the basis of lack of adequate assurance of future performance by the Prevailing Bidder or Back-up Bidder) must be filed with the Bankruptcy Court and served upon (i) counsel for the Debtor, John A. Northen, Northen Blue, LLP, P.O. Box 2208, Chapel Hill, North Carolina 27515-2208; (ii) counsel for the Bankruptcy Administrator, Robert E. Price, Jr., 101 S. Edgeworth Street, Greensboro, North Carolina 27401; and (iii) counsel for the Committee appointed in the Bankruptcy Case, David H. Conaway, Shumaker, Loop & Kendrick, LLP, 101 S. Tryon Street, Suite 2200, Charlotte, North Carolina 28280, in a manner such that the Objection is filed and received by such parties and the Bankruptcy Court on or before

**November 21, 2018** (the “Assignment Objection Deadline”). The Objection must be made in writing and (a) state with specificity the basis for such objection, and (b) if you disagree with the Cure Amount, state what amount you believe is required in order to satisfy the Cure Obligation related to the Contract or Lease to which you are a counterparty. The Debtor and other parties in interest shall not be required to file responses to any Objection.

The final hearing to approve the Prevailing Bidder and the Back-up Bidder, and in conjunction therewith the assumption and assignment of Contracts and Leases (the “Sale Hearing”), shall be held before the Bankruptcy Court at 2:00 o’clock p.m. Eastern, on **December 6, 2018**, in Courtroom #2, U.S. Bankruptcy Court, 101 S. Edgeworth Street, Greensboro, North Carolina 27401. If an Objection is timely filed and served, a hearing with respect to the Objection will take place at the Sale Hearing. If an Objection is not timely filed and served, the counterparty to such Contract or Lease will: (a) be forever barred from objecting to the Cure Amount and from asserting any additional Cure Obligations, and (b) be forever barred and estopped from asserting or claiming against the Debtor or the assignee of such Contract or Lease that any additional Cure Obligations are due, or conditions to assumption and assignment (other than demonstration of adequate assurance of future performance) must be satisfied with respect to such Contract or Lease in order for such Contract or Lease to be assumed and assigned.

After the Auction, the Debtor will file, but not serve, a notice that identifies the Prevailing Bidder and any Back-up Bidder.

If the Prevailing Bidder and/or Back-up Bidder propose to have the Debtor assume and assign to such Bidder a Contract or Lease to which you are a counterparty, you will have the opportunity to evaluate and, if necessary, challenge the ability of such Bidder to provide adequate assurance of future performance under such Contract or Lease, whether or not you file an Objection, by appearing at the Sale Hearing and stating such objection on the record. At the Sale Hearing, the Debtor will present evidence necessary to demonstrate adequate assurance of future performance by such Bidder.

YOU WILL NOT RECEIVE A NOTICE BETWEEN THE DATE OF THE AUCTION AND THE SALE HEARING ADVISING WHETHER THE CONTRACT OR LEASE TO WHICH YOU ARE A PARTY HAS BEEN DESIGNATED FOR ASSUMPTION AND ASSIGNMENT TO THE PREVAILING BIDDER AND/OR BACK-UP BIDDER. WHILE THERE IS NO CERTAINTY THAT ANY PARTICULAR CONTRACT OR LEASE WILL BE DESIGNATED FOR ASSUMPTION AND ASSIGNMENT, IF YOU HAVE ANY OBJECTION TO THE ASSUMPTION AND ASSIGNMENT OF YOUR CONTRACT OR LEASE, YOU (1) MUST FILE A TIMELY OBJECTION AS SET FORTH HEREIN, AND (2) AS TO ANY OBJECTIONS BASED ON LACK OF ADQUATE ASSURANCE OF FUTURE PERFORMANCE, APPEAR AT THE SALE HEARING.

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