



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

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THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed August 22, 2018


United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
LUBBOCK DIVISION**

In re

LE-MAR HOLDINGS, *et al.*¹

Debtors.

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CASE NO. 17-50234-RLJ

Chapter 11

(Jointly Administrated)

**ORDER APPROVING SALE AND BIDDING PROCEDURES AND
BID PROTECTIONS IN CONNECTION WITH SALE OF REAL
PROPERTY OF THE DEBTORS AND GRANTING RELATED RELIEF**

¹The Debtors in these Chapter 11 cases are: Le-Mar Holdings, Inc. (Case No. 17-50234-RLJ), Edwards Mail Service, Inc. (Case No. 17-50235-RLJ), and Taurean East, LLC (Case No. 17-50236-RLJ).

On August 15, 2018, the Court² conducted a hearing to consider the *Debtors'* *Motion Pursuant to Bankruptcy Code Sections 105(a) and 363, and Bankruptcy Rules 2002 and 6004, for Entry of (A) an Order Approving the Granting of an Easement to the City of Carrollton and (B) an Initial Order Approving Sale and Bidding Procedures and Bid Protections in Connection with Sale of Real Property of the Debtors, and a Subsequent Order Authorizing the Sale of Real Property Free and Clear of all Liens, Claims, Encumbrances and Other Interests* (the "Motion") filed by the above-captioned debtors (the "Debtors"). The Court finds that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Motion is in the best interests of the Debtors, their estates, and their creditors; (iv) proper and adequate notice of the Motion has been given and no other or further notice is necessary; and (v) upon the record herein after due deliberation thereon, good and sufficient cause exists for the granting of the relief as set forth herein.

Therefore,

IT IS HEREBY FOUND THAT:

1. This Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334. This proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper in this district and in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
2. The statutory bases for the relief requested in the Motion are: (i) Sections 105 and 363 of the Bankruptcy Code and (ii) Rule 6004 of the Federal Rules of Bankruptcy Procedure.

² Capitalized terms not defined herein shall have the meanings set forth in the Motion.

3. Notice of the Motion, having been given to all parties set forth in the Debtors' Master Service List maintained in these cases, is sufficient in light of the circumstances and the nature of the relief requested in the Motion.

4. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

5. The Debtors have articulated good and sufficient reasons for this Court to: (i) approve the Bidding Procedures, attached hereto as **Exhibit 1**; and (ii) approve the scheduling of an Auction and set the Sale Hearing and approve the manner of notice of the Auction and Sale Hearing.

6. Notice of Sale. This Order and the Auction and Sale Notice, substantially in the form attached as **Exhibit 2** to this Order, are reasonably calculated and sufficient to provide interested parties with timely and proper notice of the proposed Sale, including, without limitation: (i) the date, time, and place of the Auction (if one is held); (ii) the Bidding Procedures; (iii) the deadline for filing objections to the Sale and entry of the Sale Order, and the date, time, and place of the Sale Hearing; (iv) reasonably specific identification of the Real Property to be sold; and (v) a description of the Sale as being free and clear of liens, claims, encumbrances and other interests, with all such liens, claims, encumbrances and other interests attaching with the same validity and priority to the Sale proceeds.

7. Based upon the foregoing findings and conclusions, the Motion and the record before the Court with respect to the Motion, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as provided herein. All capitalized terms used herein but otherwise not defined shall have the meanings set forth in the Motion or the Bidding Procedures, as applicable.

2. All objections to the relief requested in the Motion that have not been withdrawn, waived, or settled as announced to the Court at the hearing on the Motion, are overruled.

A. Important Dates and Deadlines

3. Bid Deadline. All bids by any third party that is interested in acquiring some or all of the Real Property must be actually received by the parties specified in the Bidding Procedures on or prior to **September 5, 2018 at 12:00 p.m.** (Central Time) (the “Bid Deadline”). If the Debtors do not receive any Qualified Bids, other than the Stalking Horse Bid, the Debtors shall file a notice announcing that the Credit Bidder is the Successful Bidder as soon as reasonably practical, but by no later than **5:00 p.m. (Central Time) on September 6, 2018**.

4. Notice of Qualified Bids. The Debtors shall notify bidders if their bid constitutes a “Qualified Bid” by **5:00 p.m. (Central Time) on September 6, 2018**.

5. Auction. If necessary, an Auction with respect to the Real Property will be held at the offices of Underwood Perkins P.C. 5420 LBJ Freeway, Two Lincoln Centre, Suite 1900, Dallas, Texas 75240 on **September 7, 2018 at 10:00 a.m.** (Central Time). As set forth more fully in the Bidding Procedures, only Creditors’ Committee counsel, counsel for the lenders who assert a security interest in the Real Property, City Bank’s counsel, and Qualified Bidders and their legal and financial advisors shall be entitled to attend, and in the case of Qualified Bidders, bid at the Auction. The Auction shall be conducted in the presence of a certified court reporter who shall transcribe the Auction.

6. Notice of Successful Bidder. As soon as reasonably practical after the conclusion of the Auction, but no later than **September 10, 2018 at 12:00 p.m.** (Central Time), the Debtors shall file on the docket a notice identifying the Successful Bidder and the Successful Backup Bidder, if applicable.

7. Objection Deadline. Objections, if any, to the Sale of the Real Property must be: (a) in writing; (b) signed by counsel or attested to by the objecting party; (c) in conformity with the Bankruptcy Rules and applicable local rules; (d) filed with the Bankruptcy Court, by no later than **5:00 p.m. (Central Time) on September 10, 2018**, prevailing Central Time (the “Objection Deadline”); and (e) served in accordance with applicable local rules so as to be received on or before the relevant objection deadline by the following (collectively, the “Objection Notice Parties”): (i) counsel for the Debtors, Mark N. Parry and Jessica K. Bonteque, Moses & Singer LLP, 405 Lexington Avenue, New York, New York 10174; mparry@mosessinger.com and jbonteque@mosessinger.com; (ii) counsel for the Burkey, Brynie Bass, Compass Bank Building, 4716-4th Street, Suite 100, Lubbock, Texas 79416, bbass@bbass@bbasslaw.com; (iii) counsel for the Creditors’ Committee, Eric Wilson and Maeghan McLoughlin, Kelley Drye & Warren LLP, 101 Park Avenue, New York, NY 10178, ewilson@kelleydrye.com, mmcloughlin@kelleydrye.com, (iv) Office of the United States Trustee for the Northern District of Texas, 1100 Commerce St, # 976, Dallas, TX 75242, nancy.s.resnick@usdoj.gov. Each objection shall state the legal and factual basis of such objection.

8. Only those objections made in compliance with the Objection Procedures will be considered by the Court at the Sale Hearing. The failure of any objecting person or entity to file its objections by the Objection Deadline and in accordance with the Objection Procedures will be a bar to the assertion, at the Sale Hearing or thereafter, of any objection (including to the Sale of

Real Property free and clear of liens) and shall be deemed to constitute any such party's consent to the entry of the Sale Order and consummation of the Sale and all transactions related thereto.

9. Sale Hearing. The Sale Hearing shall commence on **September 12, 2018, at 2:00 p.m.** (Central Time) before this Court at the George Mahon Federal Building, 1205 Texas Ave., Room 314, Lubbock, Texas 79401-4002. The Debtors may adjourn the Sale Hearing without further notice other than by announcement in open Court or on the Court's calendar.

B. Auction, Bidding Procedures, and Related Relief

10. The Bidding Procedures, attached hereto as **Exhibit 1**, are hereby authorized, approved and made part of this Order as if fully set forth herein. The Bidding Procedures shall govern the submission, receipt, and analysis of all Bids relating to the proposed Sale of the Real Property. Any party desiring to bid on the Real Property shall comply with the Bidding Procedures and this Order. The Debtors are authorized to take any and all actions necessary to implement the Bidding Procedures.

11. A Qualified Bidder shall confirm that it has not engaged in any collusion with respect to the bidding or the Sale.

12. For the avoidance of doubt the Credit Bid shall be deemed a Qualified Bid.

13. In the event that the Debtors timely receive one or more Qualified Bids, in addition to the Credit Bid, the Debtors shall schedule an Auction to request additional competitive Bids from Qualified Bidders with respect to the Real Property in accordance with the Bidding Procedures.

14. If the Debtors do not receive any Qualified Bids, other than the Credit Bid, the Debtors shall report the same to the Court. In such circumstances, the Debtors shall promptly proceed to seek entry of the appropriate orders approving the Sale Agreement.

15. Subject to the final determination of this Court, the Debtors are authorized to determine, in their business judgment and pursuant to the Bidding Procedures, and in consultation with the Creditors' Committee, the highest or otherwise best Bid and the Successful Bidder or Backup Successful Bidder.

C. Auction and Sale Notice

16. The Auction and Sale Notice is hereby approved. On or within three (3) business days following the entry of this Order, the Debtors shall cause the Auction and Sale Notice to be served by first-class mail, postage prepaid, facsimile, electronic transmission, or overnight mail upon: (i) all entities known by the Debtors to have expressed an interest in a transaction with respect to the Real Property, including all Qualified Bidders; (ii) all state and local taxing authorities or recording offices which have a reasonably known interest in the relief requested; (iii) all insurers; (iv) all non-debtor parties to relevant contracts or leases (executory or otherwise); (v) all parties who are known or reasonably believed, after reasonable inquiry, to have asserted any lien, encumbrance, claim, or other interest in the Real Property; and (vi) upon all parties set forth in the Debtors' Master Service List maintained in these cases.

D. Miscellaneous

17. The Debtors are authorized to take all actions necessary and appropriate to implement and effectuate the relief granted pursuant to this Order in accordance with the Motion and to expend such sums of money and do other things as may be necessary and appropriate to comply with the requirements established by the Bidding Procedures and this Order.

18. The Debtors are authorized to conduct the Sale without the necessity of complying with any state or local bulk transfer laws or requirements.

19. The Debtors shall submit to the Court the proposed Sale Order approving the Sale at least seven days prior to the Sale Hearing. The Debtors shall submit the proposed Sale Order to the Creditors' Committee at least three business days prior to submitting the Sale Order to the Court.

20. In the event of any conflict between this Order and any applicable sale agreement, the terms of this Order shall control.

21. Any stay of this Order, whether arising from Rules 6004 and/or 6006 of the Federal Rules of Bankruptcy Procedure or otherwise, is hereby expressly waived and the terms and conditions of this Order shall be effective and enforceable immediately upon its entry.

22. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

###End of Order###

Exhibit 1

Bidding Procedures

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
LUBBOCK DIVISION**

In re	§	
	§	
LE-MAR HOLDINGS, et al.¹	§	CASE NO. 17-50234-RLJ
	§	Chapter 11
	§	
Debtors.	§	(Jointly Administrated)
	§	
	§	

BIDDING PROCEDURES

On August 15, 2018, the United States Bankruptcy Court for the Northern District of Texas (the “Court”) entered the *Order Approving Sale and Bidding Procedures and Bid Protections in Connection with Sale of Real Property of the Debtors and Granting Related Relief* (Docket No. _____) (the “Bidding Procedures Order”), in which the Court approved the following procedures (the “Bidding Procedures”) setting forth the process by which Taurean East LLC is authorized to conduct a sale (the “Sale”) of the real property located at 3485 Roy Orr Blvd., Grand Prairie, Texas.

1. Property to be Sold

The real property located at the 900 W. Crosby Road, Carrollton, Texas 75006 (the “Real Property”).

2. Due Diligence

Any party willing to submit any proposal, solicitation or offer (each, a “Bid”) for the Real Property (such party, a “Potential Bidder”) may gain information regarding the Real Property by contacting Debtors’ real estate broker at Colliers International, Attention: Zack Rutland, 1717 McKinney Avenue, Suite 900, Dallas, TX 75202; zack.rutland@colliers.com; Direct: 214 217 8336

3. “As is, Where is”

Other than as specifically provided in a Qualified Sale Agreement (as defined below), as applicable, any Sale of the Real Property shall be without representation or warranties of any kind, nature or description by the Debtors, their agents or their estates, except as set forth in the Sale Agreement. All of the Real Property shall be transferred “as is,” “where is” and “with all faults.”

¹The Debtors in these Chapter 11 cases are: Le-Mar Holdings, Inc. (Case No. 17-50234-RLJ), Edwards Mail Service, Inc. (Case No. 17-50235-RLJ), and Taurean East, LLC (Case No. 17-50236-RLJ).

THE DEBTORS EXPRESSLY DISCLAIM ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE NATURE, QUALITY, VALUE OR CONDITION OF THE REAL PROPERTY. Except as otherwise provided in the Sale Agreement or applicable Qualified Sale Agreement, all of the Debtors' right, title, and interest in and to the Real Property will be transferred free and clear of all liens, claims, encumbrances and other interests in accordance with Section 363(f) of the Bankruptcy Code.

Each Potential Bidder for any of the Real Property will be deemed to acknowledge and represent that it: (a) has had an opportunity to conduct due diligence regarding the Real Property prior to making its Bid; (b) has relied solely upon its own independent review, investigation, and inspection of any document including, without limitation, executory contracts and unexpired leases, in making its Bid; and (c) did not rely upon or receive any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied by operation of law, or otherwise, with respect to the Real Property, or the completeness of any information provided in connection with the Sale or the Auction.

4. Qualified Bids

In order to constitute a Qualified Bid, any Bid submitted by a bidder (each, a "Bidder") must (i) be submitted in writing prior to **September 5, 2018 12:00 p.m.** (Central Time) (the "Bid Deadline") to the parties identified in section 4(h) and (ii) satisfy the following requirements (collectively, the "Bid Requirements"), as determined by the Debtors in their reasonable business judgment (a "Qualified Bid"):

a. Contain a signed definitive purchase and sale agreement in substantially the form of the Sale Agreement (together with a copy of the signed agreement that is marked to show changes from the Sale Agreement) and shall: (i) contain the form of and total consideration to be paid by such Bidder, including the amount of proposed cash consideration and the liabilities to be assumed, (ii) include cash consideration of at least \$425,000 – which represents the minimum overbid over the Credit Bid, and (iii) be firm and unconditional and not be subject to any: (a) financing contingency, (b) contingency relating to due diligence after the Bid Deadline, (c) contingency relating to the approval of the Bidder's board of directors or other internal approvals or non-governmental third-party consents or approvals, or (d) material conditions precedent to Bidder's obligation to close.

b. Be accompanied by the provision of a certified or bank check or wire transfer in the amount of \$25,000 (the "Good Faith Deposit"). The Good Faith Deposit shall be held in escrow and credited to the closing payment if the Bidder is ultimately determined to be the Successful Bidder (as defined below), if any closing payment is due, or to be returned to the Bidder in whole or in part as applicable if the Bidder is not the Successful Bidder or the Backup Successful Bidder (as defined below). In the event that a Bidder is selected as the Backup Successful Bidder, the Good Faith Deposit shall be returned to the Backup Successful Bidder within three (3) business days following the closing of a Sale to the Successful Bidder.

c. Contain a written statement that the Bidder agrees to be bound by the terms of the Bidding Procedures and the Bidding Procedures Order and include a commitment that the Bidder

shall consummate the purchase of the Real Property within 15 days after the Sale Order becomes a final non-appealable order.

d. Be accompanied by a financial statement demonstrating the Bidder's financial ability to close within the time frame set forth in the Motion and/or the source of funds for the Bidder's proposed purchase of the Real Property.

e. Be accompanied by a signed statement that the Bidder is willing, authorized (including by such Bidder's board of directors or comparable governing body), capable and qualified financially, operationally, legally and otherwise, of unconditionally performing all obligations under the Qualified Bid and to consummate the purchase of the Real Property promptly upon approval of the Bankruptcy Court.

f. Provide (i) that the Bidder agrees to serve as the Backup Successful Bid (as defined in the Bidding Procedures) if it is selected as the next highest and best bid for the Real Property after the Successful Bid is determined in accordance with the Bidding Procedures and (ii) that the Bidder's Bid shall remain open and irrevocable until at least thirty (30) days after the entry of an order by the Court approving a definitive agreement providing for the Sale of the Real Property.

g. Fully disclose the identity of each entity that will be bidding in any Auction scheduled by the Debtors and such entities' management.

h. Be submitted via email to (i) counsel to the Debtors, Mark Parry, mparry@mosessinger.com; Jessica Bonteque, jbonteque@mosessinger.com, (ii) the Debtor's real estate broker, Zack Rutland, zack.rutland@colliers.com; (iii) counsel for the Credit Bidder, Brynie Bass, bbass@bbass@bbasslaw.com, and (iv) counsel to the Creditors' Committee, Eric Wilson, ewilson@kelleydrye.com and Maeghan McLoughlin, mmcloughlin@kelleydrye.com; so as to be received not later than the Bid Deadline.

5. Qualified Bidders

The Debtors shall determine in their business judgment which bids qualify as Qualified Bids and which bids shall be rejected as non-conforming bids, and the Debtors shall consult with the Creditors' Committee in good faith in determining whether a bid is a Qualified Bid. The Debtors shall notify each Qualified Bidder that such party is a Qualified Bidder by **September 6, 2018 at 5:00 p.m.** (Central Time). The Credit Bid shall be deemed a Qualified Bid and the Credit Bidder shall be deemed a Qualified Bidder for all purposes in connection with the Bidding Procedures and Auction.

If any Bid is determined by the Debtors not to be a Qualified Bid, the Debtors shall cause such Bidder to be refunded its Good Faith Deposit and all accumulated interest thereon on or within three (3) business days after the Bid Deadline.

Between the date that the Debtors notify a Potential Bidder that it is a Qualified Bidder and the Auction, the Debtors may discuss, negotiate, or seek clarification of any Qualified Bid from a Qualified Bidder. Except as otherwise set forth in a Qualified Sale Agreement, a Qualified Bidder

may not modify, amend, or withdraw its Qualified Bid without the written consent of the Debtors, except for proposed amendments to increase the consideration contemplated by, or otherwise improve the terms of, the Qualified Bid, during the period that such Qualified Bid remains binding as specified herein; provided, that any Qualified Bid may be improved at the Auction as set forth herein. Any improved Qualified Bid must continue to comply with the requirements for Qualified Bids herein.

If the Debtors do not receive any Qualified Bids, other than the Stalking Horse Bid, the Debtors shall file a notice announcing that the Stalking Horse Bidder is the Successful Bidder as soon as reasonably practical, but by no later than **5:00 p.m. (Central Time) on September 6, 2018.**

6. Notice Procedures

a. Notice of Auction and Sale Hearing

No later than three (3) business days after entry of the Bidding Procedures Order, the Debtors will cause the Notice of Auction and Sale Hearing, substantially in the form attached as Exhibit 2 to the Bidding Procedures Order (the “Auction and Sale Notice”), to be served by first-class mail, postage prepaid, facsimile, electronic transmission, or overnight mail upon: (i) all entities known by the Debtors to have expressed an interest in a transaction with respect to the Real Property; (ii) all state and local taxing authorities or recording offices which have a reasonably known interest in the relief requested; (iii) all insurers; (iv) all parties who are known or reasonably believed, after reasonable inquiry, to have asserted any lien, encumbrance, claim, or other interest in the Real Property; and (v) upon all parties set forth in the Debtors’ Master Service List maintained in these cases (to the extent any party to receive notice thereby would not receive notice pursuant to sections (i) through (iv) above).

7. Auction

In the event the Debtors receive one or more Qualified Bids, other than the Stalking Horse Bid, the Debtors shall conduct the Auction.

The Debtors, in consultation with the Creditors’ Committee, shall determine which Qualified Bid shall constitute the “Baseline Bid” for purposes of the Auction. The Debtors shall notify each Qualified Bidder of the contents of the Baseline Bid. The Baseline Bid shall be subject to higher and better Bids at the Auction.

In making the determination of which Qualified Bid constitutes the Successful Bid, the Debtors may take into account any factors the Debtors reasonably deem relevant to the value of the Qualified Bid to the Debtors’ estate, including, among other things: (a) the number, type, and nature of any changes to the Sale Agreement requested by the Qualified Bidder; (b) the amount and nature of the total consideration; (c) the likelihood of the Bidder’s ability to close a transaction and the timing thereof; and (d) the tax consequences of such Qualified Bid (collectively, the “Bid”).

Assessment Criteria”).² The Debtors will evaluate competing Bids in a manner that will maximize the aggregate value to the estates.

In the event the Debtors receive any Qualified Bids other than the Credit Bid, the Auction shall take place at **September 7, 2018 at 10:00 a.m.** (Central Time) at the offices of Underwood Perkins P.C., 5420 LBJ Freeway, Two Lincoln Centre, Suite 1900, Dallas, Texas 75240, or such later date and time as selected by the Debtors. The Auction shall be conducted in a timely fashion according to the following procedures:

a. The Debtors Shall Conduct the Auction.

The Debtors and their professionals shall direct and preside over the Auction. At the start of the Auction, the Debtors shall describe the terms of the Baseline Bid. All incremental Bids made thereafter shall be Overbids (as defined herein) and shall be made and received on an open basis, and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders. The Debtors shall maintain a written transcript of all Bids made and announced at the Auction, including the Baseline Bid, all Overbids, and the Successful Bid.

In order to participate in the Auction, each prospective purchaser must be a Qualified Bidder. Each Qualified Bidder must have at least one individual representative with authority to bind the Qualified Bidder attend the Auction in person. Only Creditors' Committee counsel, counsel for the lenders who assert a security interest in the Real Property, City Bank's counsel, and Qualified Bidders and their legal and financial advisors shall be entitled to attend and, in the case of Qualified Bidders, bid at the Auction. The Auction shall be conducted in the presence of a certified court reporter who shall transcribe the Auction.

b. Auction Procedures.

A Qualified Bidder wishing to submit a Bid at the Auction must submit a Bid containing aggregate consideration of at least \$25,000 more than the total consideration contained in the Baseline Bid (the "Minimum Overbid").

Qualified Bidders shall submit successive Overbids in increments of no less than \$25,000 (the "Incremental Bid Amount") for the purchase of the Real Property (each an "Overbid"). All Overbids shall comply with the Bid Procedures and the requirements for Qualified Bids herein.

During the course of the Auction, the Debtors shall, after the submission of each Overbid, promptly inform each Qualified Bidder which Overbid reflects, in the Debtors' view, the highest or otherwise best Bid for some or all of the Real Property.

c. Consideration of Overbids.

² For avoidance of doubt, the Bid Assessment Criteria listed herein are not exhaustive and are provided for illustrative purposes only, and the Debtors, in their sole discretion, may consider any additional criteria that they consider reasonably relevant to the value of any Qualified Bid. The Debtors shall consult with the Committee in determining any additional criteria.

The Debtors reserve the right to, in their reasonable business judgment, and in consultation with the Committee, adjourn the Auction to, among other things: facilitate discussions between the Debtors and Qualified Bidders and allow Qualified Bidders to consider how they wish to proceed.

d. Closing the Auction.

- (i) The Auction shall continue until there is only one offer that the Debtors determine, and in consultation with the Creditors' Committee, subject to Court approval, is the highest and/or best offer for the purchase of the Real Property (the "Successful Bidder"), at which point, the Auction will be closed. The Auction shall not close unless and until all Qualified Bidders have been given a reasonable opportunity to submit an Overbid at the Auction to the then-existing Overbid. Such acceptance by the Debtors of the Successful Bid is conditioned upon approval by the Court of the Successful Bid. The second highest bid, to the extent determined to be acceptable to the Debtors, and in consultation with the Creditors' Committee, shall be deemed to be the backup bid (the "Backup Successful Bid" and such Bidder, the "Backup Successful Bidder").
- (ii) The identity of the Backup Successful Bidder and the amount and material terms of the Backup Successful Bid shall be announced by the Debtors at the conclusion of the Auction at the same time the Debtors announce the identity of the Successful Bidder. The Backup Successful Bidder shall be required to keep its or their Qualified Bid (or if the Backup Successful Bidder submitted one or more Overbids at the Auction, its final Overbid) open and irrevocable until the earlier of (a) the closing of the transaction with the Successful Bidder, or (b) 30 days after the entry of the Sale Order.
- (iii) For the avoidance of doubt, nothing in these Bidding Procedures shall prevent the Debtors from exercising their fiduciary duties under applicable law.
- (iv) The Debtors shall not consider any Bids or Overbids submitted after the conclusion of the Auction and any and all such Bids and Overbids shall be deemed untimely and shall under no circumstances constitute a Qualified Bid.
- (v) As soon as reasonably practicable after closing the Auction, the Debtors shall cause the definitive sale agreement for the Successful Bid to be filed with the Court.
- (vi) As soon as reasonably practical after the conclusion of the Auction, but no later than **September 10, 2018 at 12:00 p.m.** (Central Time), the Debtors shall file on the docket a notice identifying the Successful Bidder and the Successful Backup Bidder, if applicable.

e. No Collusion; Good Faith Bona Fide Offer.

Each Qualified Bidder participating at the Auction will be required to confirm on the record that: (i) it has not engaged in any collusion with respect to the bidding; and (ii) its Qualified Bid is a good faith bona fide offer and it intends to consummate the proposed transaction if selected as the Successful Bidder.

8. Backup Successful Bidder

If a Successful Bidder fails to consummate the Sale contemplated by its Successful Bid, the Debtors may select the applicable Backup Successful Bidder as the Successful Bidder, and such Backup Successful Bidder shall be deemed a Successful Bidder for all purposes. The Debtors will be authorized, but not required, to consummate the Sale contemplated by the Bid of such Backup Successful Bidder without further order of the Court or notice to any party.

9. Highest or Otherwise Best Bid.

At all times during the Proposed Sale Process, the Debtors (in consultation with the Creditors' Committee) shall retain the right to determine which Bid constitutes the highest or otherwise best offer for the purchase of the Real Property, and which Bid should be selected as the Successful Bid, if any, all subject to final approval by the Court pursuant to the provisions of Section 363(b) of the Bankruptcy Code. The Debtors may adopt rules for the Auction that, in their judgment, will better promote the goals of the Auction and that are not inconsistent in any material respect with any of the other material provisions hereof or of any Court order.

10. Proceeds

All valid and properly perfected liens against the Debtors' Real Property shall attach to the proceeds of the Sale of the Real Property.

11. Consent to Jurisdiction

All Qualified Bidders at the Auction shall be deemed to have consented to the jurisdiction of the Court and waived any right to a jury trial in connection with any disputes relating to the Auction, the construction and enforcement of these Bidding Procedures.

12. Sale Hearing

A hearing to consider approval of the Sale of the Real Property to the Successful Bidder (or, as applicable, to approve the Sale Agreement if no Auction is held) (the "Sale Hearing") is presently scheduled to take place on **September 12, 2018, at 2:00 p.m.** (Central Time), or as soon thereafter as counsel may be heard, before this Court at the George Mahon Federal Building, 1205 Texas Ave., Room 314, Lubbock, Texas 79401-4002.

The Sale Hearing may be continued to a later date by the Debtors by sending notice prior to, or making an announcement at, the Sale Hearing. No further notice of any such continuance will be required to be provided to any party.

At the Sale Hearing, the Debtors shall present the Successful Bid to the Court for approval. Following the approval of the Successful Bid at the Sale Hearing, the Debtors will be authorized to take any and all actions necessary and appropriate to complete and implement the Sale contemplated by the Successful Bid, including, without limitation, seeking entry of one or more orders approving such Sale.

13. Return of Good Faith Deposits

The Good Faith Deposit of the Successful Bidder shall be applied to the purchase price of such transaction at Closing. The Good Faith Deposits for each Qualified Bidder shall be held in one or more non-interest bearing escrow accounts on terms acceptable to the Debtors in their sole discretion and shall be returned (other than with respect to the Successful Bidder and the Backup Successful Bidder) on or within three (3) business days after the Auction.

If a Successful Bidder fails to consummate the Sale because of a breach by such Successful Bidder of the Sale Agreement, such Successful Bidder's Good Faith Deposit shall be forfeited to the Debtors and may be retained by the Debtors, in addition to any and all rights, remedies, and/or causes of action that may be available to the Debtors for breach of the Sale Agreement under applicable law, all of which are specifically reserved.

14. No Modification of Bidding Procedures

Except as otherwise provided herein, these Bidding Procedures may not be modified.

Exhibit 2

Auction and Sale Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
LUBBOCK DIVISION**

In re	§	
	§	CASE NO. 17-50234-RLJ
LE-MAR HOLDINGS, et al.³	§	Chapter 11
	§	
Debtors.	§	(Jointly Administrated)
	§	
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**NOTICE OF (I) SOLICITATION OF INITIAL BIDS; (II) BIDDING PROCEDURES;
(III) AUCTION; (IV) SALE HEARING AND (V) RELATED RELIEF AND DATES**

TO ALL CREDITORS AND OTHER PARTIES IN INTEREST:

PLEASE TAKE NOTICE that the Debtors are soliciting offers for the purchase of certain real property located at 900 W. Crosby Road, Carrollton, Texas 75006 (the “Real Property”) consistent with the bidding procedures (the “Bidding Procedures”) approved by the Bankruptcy Court by entry of an order dated _____, 2018 (Docket No. __) (the “Bidding Procedures Order”). Potential Bidders interested in bidding on Real Property should contact the Debtors’ real estate broker at Colliers International, Attention: Zack Rutland, 1717 McKinney Avenue, Suite 900, Dallas, TX 75202; zack.rutland@colliers.com; Direct: 214 217 8336. All interested bidders should carefully read the Bidding Procedures and Bidding Procedures Order. To the extent that there are any inconsistencies between this notice and the Bidding Procedures or Bidding Procedures Order, the Bidding Procedures or Bidding Procedures Order, as applicable, shall govern in all respects.

PLEASE TAKE FURTHER NOTICE that if you are interested in acquiring the Real Property, you must submit a bid on or prior to **September 5, 2018 at 12:00 p.m.** (Central Time) (the “Bid Deadline”) and such bid must be actually received by the parties specified in section 4(h) of the Bidding Procedures by the Bid Deadline. Only bids submitted in conformity with the Bidding Procedures will be deemed “Qualified Bids.”

PLEASE TAKE FURTHER NOTICE that, if the Debtors receive one or more qualified bids by the Bid Deadline, in addition to the Stalking Horse Bid, within the requirements frame specified by the Bidding Procedures, the Debtors will hold an auction (the “Auction”) for the Sale of the Real Property on **September 7, 2018 at 10:00 a.m.** (Central Time), at the offices of Underwood Perkins P.C. 5420 LBJ Freeway, Two Lincoln Centre, Suite 1900, Dallas, Texas 75240, or such later date and time as selected by the Debtors. The Auction shall be conducted in a timely fashion according to the Bidding Procedures.

³ The Debtors in these Chapter 11 cases are: Le-Mar Holdings, Inc. (Case No. 17-50234-RLJ), Edwards Mail Service, Inc. (Case No. 17-50235-RLJ), and Taurean East, LLC (Case No. 17-50236-RLJ).

PLEASE TAKE FURTHER NOTICE that a hearing to consider approval of the Sale of the Real Property (the "Sale Hearing") is presently scheduled to take place on **September 12, 2018 at 2:00 p.m.** (Central Time), or as soon thereafter as counsel may be heard, before this Court at the George Mahon Federal Building, 1205 Texas Ave., Room 314, Lubbock, Texas 79401-4002.

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Sale of the Real Property, other than the relief granted by this Court in the Bidding Procedures Order, must be: (a) in writing; (b) signed by counsel or attested to by the objecting party; (c) in conformity with the Bankruptcy Rules and applicable local rules; (d) filed with the Bankruptcy Court, by no later than 5:00 p.m. (Central Time) on **September 10, 2018**, prevailing Central Time (the "Objection Deadline"); and (e) served in accordance with applicable local rules so as to be received on or before the relevant objection deadline by the following: (i) counsel for the Debtors, Mark N. Parry and Jessica K. Bonteque, Moses & Singer LLP, 405 Lexington Avenue, New York, New York 10174; mparry@mosessinger.com and jbonteque@mosessinger.com; (ii) counsel for the Credit Bidder, Brynie Bass, Compass Bank Building, 4716-4th Street, Suite 100, Lubbock, Texas 79416, bbass@bbass@bbasslaw.com; (iii) counsel for the Creditors' Committee, Eric Wilson and Maeghan McLoughlin, Kelley Drye & Warren LLP, 101 Park Avenue, New York, NY 10178, ewilson@kelleydrye.com, mmcloughlin@kelleydrye.com, (iv) Office of the United States Trustee for the Northern District of Texas, 1100 Commerce St, # 976, Dallas, TX 75242, nancy.s.resnick@usdoj.gov. Each objection shall state the legal and factual basis of such objection.

CONSEQUENCES OF FAILING TO TIMELY MAKE AN OBJECTION

ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO THE SALE ON OR BEFORE THE OBJECTION DEADLINE IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE REAL PROPERTY FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, EXCEPT AS SET FORTH IN THE APPLICABLE PURCHASE AND SALE AGREEMENT RELATED THERETO. IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT CERTAIN OF THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

PLEASE TAKE FURTHER NOTICE that copies of the Motion, and any exhibits thereto, including the Bidding Procedures Order, Bidding Procedures, and the Stalking Horse Sale Agreement, are available upon request to counsel for the Debtors, Mark N. Parry and Jessica K. Bonteque, Moses & Singer LLP, 405 Lexington Avenue, New York, New York 10174; mparry@mosessinger.com and jbonteque@mosessinger.com.

Dated: _____, 2018

/s/ draft _____
David L. Campbell (03698500)
Eli Pierce (24092972)
Underwood Perkins, P.C.

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- and -

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*Counsel for the Debtors and
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