

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MASSACHUSETTS  
(CENTRAL DIVISION)**

|                                       |   |                        |
|---------------------------------------|---|------------------------|
|                                       | X |                        |
|                                       | : |                        |
| In re                                 | : | Chapter 11             |
|                                       | : |                        |
| THE PAPER STORE, LLC, <i>et al.</i> , | : | Case No. 20-40743-CJP  |
|                                       | : |                        |
| Debtors. <sup>1</sup>                 | : | (Jointly Administered) |
|                                       | : |                        |
|                                       | X |                        |

**ORDER (A) APPROVING AUCTION SALE TIMING AND  
FORMAT, BIDDING PROCEDURES, AND CERTAIN BID PROTECTIONS  
IN THE EVENT A STALKING HORSE BIDDER IS DESIGNATED BY  
THE DEBTORS; (B) APPROVING FORM OF NOTICE TO BE PROVIDED  
TO INTERESTED PARTIES; AND (C) APPROVING PROCEDURES RELATED TO  
THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS  
AND UNEXPIRED LEASES**

Upon the motion (the “Motion”)<sup>2</sup> of The Paper Store, LLC (“The Paper Store”) and its debtor affiliate, TPS Holdings, LLC, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), for an order (a) approving the sale of substantially all of the assets of the Debtors free and clear of liens, claims and encumbrances; (b) approving the form of an asset purchase agreement for prospective bidders; (c) approving an auction sale format and timing, bidding procedures, and certain bid protections in the event that a stalking horse bidder is designated by the Debtors; (c) approving the form of notice to be provided to interested parties; (d) approving procedures related to the assumption and assignment of executory contracts and unexpired leases; (e) scheduling an auction to be held no later than on August 26, 2020; and (f) scheduling a sale hearing (the “Sale Hearing”) for the Court to approve the winning bidder and

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are The Paper Store, LLC (2442) and TPS Holdings, LLC (9193). The Debtors’ corporate headquarters and service address is 20 Main Street, Acton, MA 01720.

<sup>2</sup> Capitalized terms not defined herein shall have the meanings given to such terms in the Motion.

enter an order approving the sale; all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157(a)–(b) and §1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties; and it appearing that no other or further notice need be provided; and the Court having held one or more hearings to consider the relief requested in the Motion; and upon the declaration of Don Van der Wiel [docket No. 3], the declaration of Teresa C. Kohl [docket no. 101], and the records of the hearings on the Motion and all of the proceedings had before this Court; and all objections to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is granted in part as set forth herein.
2. The Bidding Procedures attached hereto as **Exhibit 1** are hereby **APPROVED** and are incorporated herein by reference.
3. The Form APA attached to the Motion as **Exhibit A** is hereby **APPROVED**, and shall be the baseline Purchase Agreement against which bids may be compared.
4. The procedures for the assumption and assignment of assumed executory contracts and unexpired leases as set forth in the Motion and the Bidding Procedures are hereby **APPROVED**.

5. The following forms of notice: (a) the Sale Notice, in the form substantially similar to that attached hereto as **Exhibit 2**, and (b) the Cure Notice, in the form substantially similar to that attached hereto as **Exhibit 3**, are hereby **APPROVED**.

6. The Bid Deadline shall be **August 24, 2020 at 5:00 p.m. (EDT)**.

7. The Debtors are authorized, in their discretion and after consultation with the Consultation Parties, to designate an Opening Bid for the Auction. In addition, the Debtors are authorized, in their discretion and after consultation with the Consultation Parties, to agree that a Bid made by a Qualified Bidder that is not comprised, in whole or in part, directly or indirectly, of any “insider” of a Debtor shall be afforded stalking horse status and protections (such bidder, the “Stalking Horse Bidder”) consisting of a break-up fee and expense reimbursement in an amount not to exceed in the aggregate 2.5% of the proposed bid’s cash Purchase Price (the “Break-Up Fee”). The Debtors are authorized to pay the Break-Up Fee (if any) to the Stalking Horse Bidder as provided in the Bidding Procedures and without further order of this Court in the event that such Break-Up Fee (if any) is payable under any agreement between the Debtors and the Stalking Horse Bidder; provided that, any such payment shall be paid solely from the cash proceeds received by the Debtors at the closing of a sale of the Purchased Assets or the transfer of such Purchased Assets in connection with an alternative transaction.

8. The Auction, if necessary, shall be held on **August 26, 2020 at 10:00 a.m. (EDT)** at a virtual meeting by electronic means at the offices of Mintz Levin Cohn Ferris Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111, or at such other location or by such other means as shall be timely communicated to all entities entitled to attend the Auction.

9. The Sale Hearing shall be held on **August 31, 2020 at 10:30 a.m. (EDT)** before this Court in person at 595 Main Street, Room 311, Worcester, MA 01608-2076, by telephonic

means, or by videoconference as may be directed by the Court in a subsequent order. The Debtors shall file any affidavits or declarations in support of the Sale Hearing no later than **August 28, 2020 at 4:00 p.m. (EDT)**. Any objections to the Sale (other than an Assumption Objection (defined herein)) which shall be governed by the procedures set forth below, must (i) be in writing; (ii) comply with the Bankruptcy Rules and the MLBR; (iii) set forth the specific basis for the Sale Objection; (iv) be filed with this Court no later than **August 24, 2020 at 5:00 p.m. (EDT)** (the “Sale Objection Deadline”), together with proof of service, and (v) be served, so as to be actually received on or before the Sale Objection Deadline, upon the following parties: (a) the Debtors: 20 Main Street, Acton, MA 01720, Attn: Don Van der Wiel (DVanderwiel@gtcap.com); (b) proposed counsel for the Debtors: Mintz Levin Cohn Ferris Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111, Attn: Paul J. Ricotta, Esq. (pjrpicotta@mintz.com), Kevin J. Walsh, Esq. (kwalsh@mintz.com), Timothy J. McKeon, Esq. (tjmckeon@mintz.com), and Kaitlin R. Walsh, Esq. (krwalsh@mintz.com); (c) the Debtors’ Investment Banker: SSG Capital Advisors, LLC, Five Tower Bridge, Suite 430, 300 Barr Harbor Drive, West Conshohocken, PA 19428, Attn: J. Scott Victor (jsvictor@ssgca.com), Teresa C. Kohl (tkohl@ssgca.com), Craig D. Warznak, (cwarznak@ssgca.com), and Matthew R. DiTosto (mditosto@ssgca.com); (e) counsel to any statutory committee appointed to serve in these cases and, if no such committee is appointed, (f) the Office of the United States Trustee, 446 Main Street, 14<sup>th</sup> Floor, Worcester, Massachusetts 01608, Attn: Richard T. King, Assistant United States Trustee (richard.t.king@usdoj.gov), (collectively, the “Objection Notice Parties”).

10. If a Sale Objection is not filed and served on the Objection Notice Parties on or before the Sale Objection Deadline, the objecting party may be barred from objecting to the Sale (other than on account of an Assumption Objection) and may not be heard at the Sale Hearing, and

this Court may enter the Sale Order without further notice to such party. Any party in interest objecting to the lack of compliance with the Bidding Procedures, the conduct of the Auction, or the adequacy of the bid of the Successful Bidder shall file an objection with this Court and shall serve a copy of the objection on the Objection Notice Parties so it is actually filed and received on or before **August 28, 2020 at 5:00 p.m. (EDT)**.

11. 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, and the Debtors shall have the exclusive right, in the exercise of their fiduciary obligations and business judgment, and after consultation with the Consultation Parties, to cancel the Sale at any time in accordance with the terms of this Order.

12. The Debtors shall, within one (1) business day after the entry of this Order, file with the Court and serve a copy of the Sale Notice, on the following entities: (i) counsel to any statutory committee appointed to serve in the Debtors' cases, or, if no such committee has been appointed, upon the Debtors' 25 largest unsecured creditors on a consolidated basis; (ii) the United States Trustee; (iii) all parties with known secured claims against the Purchased Assets; (iv) all parties who have requested notice pursuant to Bankruptcy Rule 2002; (v) all known counter-parties to the Assumed Contracts; and (vi) all potential purchasers known by the Debtors (the "Procedures Notice Parties").

13. Service of the Sale Notice in the form set forth in Exhibit 2 on the Procedures Notice Parties shall constitute proper, timely, adequate and sufficient notice of the Bidding Procedures, the Sale and the Sale Hearing in accordance with Bankruptcy Rules 2002 and 6004, and MLBR 6004-1.

14. The Debtors shall file with the Court and serve the Cure Notice (along with a copy of this Order) upon each counterparty to the Assumed Contracts by no later than **July 24, 2020**. The Cure Notice shall state the date, time and place of the Sale Hearing as well as the date by which any Assumption Objection must be filed and served. The Cure Notice also will identify the amounts, if any, that the Debtors believe are owed to each counterparty to an Assumed Contract in order to cure any defaults that exist under such contract (the “Cure Amounts”).

15. To the extent there is a contract added to the list of contracts to be assumed by the Successful Bidder pursuant to the Successful Bidder’s Purchase Agreement, the Motion constitutes a separate motion to assume and assign that contract to the Successful Bidder pursuant to Section 365 of the Bankruptcy Code; each such contract will be listed on an exhibit to the Successful Bidder’s Purchase Agreement, and shall be given a separate Cure Notice (specifying a separate objection deadline and a separate hearing) that will be served by email or overnight delivery by the Debtors within three (3) business days after selection of the Successful Bidder.

16. The inclusion of a contract, lease, or other agreement on the Cure Notice shall not constitute or be deemed a determination or admission by the Debtors and their estates or any other party in interest that such contract, lease, or other agreement is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code, and any and all rights with respect thereto shall be reserved.

17. If a counterparty to an executory contract or unexpired lease that is proposed to be assumed and assigned wishes to file an objection to the Cure Amount, then (i) in the case of a counterparty to such Assumed Contract that is served with a Cure Notice by **July 24, 2020**, such objection to the Cure Amount must be filed so as to be received by the Objection Notice Parties no later than **August 14, 2020**, or (ii) in the case of a counterparty that is served with a Cure Notice

after **July 24, 2020**, such objection to the Cure Amount must be filed so as to be received by the Objection Notice Parties no later than 21 days after such service; provided, however, any counterparty may make an objection at or before the Sale Hearing to the assumption and assignment of the Assumed Contract solely with respect to the Successful Bidder's ability to provide adequate assurance of future performance under the Assumed Contract. The Court will make any and all determinations concerning adequate assurance of future performance under the Assumed Contracts pursuant to Sections 365(b) and (f)(2) of the Bankruptcy Code at the Sale Hearing.

18. To the extent the Assumed Contract counterparty wishes to object to the Cure Amount, if any, set forth in the Cure Notice, its Assumption Objection must set forth with specificity each and every asserted default in any executory contract or unexpired lease and the monetary cure amount asserted by such counterparty to the extent it differs from the amount, if any, specified by the Debtors in the Cure Notice.

19. Any counterparty to an Assumed Contract that fails to timely file and serve an objection to the Cure Amounts shall be forever barred from asserting that a Cure Amount is owed in an amount in excess of that set forth in the Cure Notice.

20. In the event that the Debtors and the counterparty cannot resolve any Assumption Objection, such dispute may be resolved by the Court at the Sale Hearing or such later date as may be agreed to or ordered by the Court.

21. The Successful Bidder(s) shall be responsible for satisfying any requirements regarding adequate assurance of future performance that may be imposed under section 365(b) of the Bankruptcy Code in connection with the proposed assignment of any Assumed Contract, and the failure to demonstrate adequate assurance of future performance with respect to any Assumed

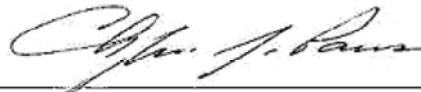
Contract shall not excuse the Successful Bidder(s) from performance of any and all of its obligations pursuant to the Successful Bidder's Purchase Agreement.

22. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 6006, 7062, 9014, or otherwise, this Order shall be immediately effective and enforceable upon its entry.

23. The Debtors are authorized to take all action necessary to effectuate the relief granted in this Order.

24. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: July 24, 2020



---

Christopher J. Panos  
United States Bankruptcy Judge

**EXHIBIT 1**

**BIDDING PROCEDURES**

## **BIDDING PROCEDURES**

Set forth below are the bidding procedures (the “Bidding Procedures”) to be employed in connection with the sale of the assets (the “Purchased Assets”) in connection with the chapter 11 cases of The Paper Store, LLC and TPS Holdings, LLC (the “Debtors”), pending in the United States Bankruptcy Court for the District of Massachusetts (Central Division) (the “Bankruptcy Court”), jointly administered as case number 20-40743 (CJP), in the form to be approved by the Bankruptcy Court, by Order dated July 24, 2020 (the “Bidding Procedures Order”).

The form of asset purchase agreement for the Sale is posted in the Debtors’ on-line data room (the “Form APA”). The Debtors are soliciting bids (“Bids”) for the proposed acquisition of the Purchased Assets in accordance with the procedures below, which require, among other things, that prospective bidders submit an executed asset purchase agreement using as a baseline the Form APA marked to show changes to the Form APA. The Debtors will consider all Bids which comply with the terms of these Bidding Procedures; provided, that, Bids will be evaluated primarily based upon the cash consideration provided by such offer. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the *Expedited Motion Of Debtors For The Entry Of An Order (A) Authorizing And Approving The Sale Of Substantially All Of The Assets Of The Debtors Free And Clear Of All Liens, Claims And Encumbrances; (B) Approving Auction Sale Timing And Format, Bidding Procedures, And Certain Bid Protections In The Event A Stalking Horse Bidder Is Designated By The Debtors; (C) Approving Form Of Notice To Be Provided To Interested Parties; And (D) Approving Procedures Related To The Assumption And Assignment Of Certain Executory Contracts And Unexpired Leases* (the “Sale Motion”) or in the Bidding Procedures Order, as applicable.

### **I. ASSETS TO BE SOLD**

The Debtors seek to complete a sale of substantially all assets of The Paper Store (the “Sale”). For purposes of a Sale, the “Purchased Assets” consist of any or all tangible and intangible real and personal property assets of the Debtors as defined and set forth in the Form APA.

### **II. THE BIDDING PROCEDURES**

In order to ensure that the Debtors receive the maximum value for the Purchased Assets, they intend to hold a sale process for the Purchased Assets pursuant to the procedures and on the timeline proposed herein.

#### **A. Provisions Governing Qualifications of Bidders**

Unless otherwise ordered by the Bankruptcy Court or as set forth in these procedures, in order to participate in the bidding process, each person who wishes to participate in the bidding process must deliver the following to the Debtors:

- a) a written disclosure of the identity of each entity, and disclosure of any connections it or its principals may have with the Debtors, their affiliates or any of their principals, that will be bidding for the Purchased Assets or otherwise participating in connection with such bid; and

- b) an executed confidentiality agreement (to be delivered prior to the distribution of any confidential information by the Debtors) in form and substance satisfactory to the Debtors and which shall inure to the benefit of any purchaser of the Purchased Assets; without limiting the foregoing, each such confidentiality agreement shall contain standard non-solicitation provisions.

A bidder that delivers the documents and information described above and that the Debtors determine, after consultation with (i) their advisors, (ii) Kayne Senior Credit II GP, LLC and City National Bank (the “Lenders”), and (iii) any official statutory committee that may be appointed to serve in these cases, and, (iv) if no such committee is appointed, the United States Trustee (together, the “Consultation Parties”) in their reasonable business judgment, is likely (based on availability of financing, experience, and other considerations) to be able to consummate the sale, will be deemed a potential bidder (“Potential Bidder”).

## **B. Due Diligence**

The Debtors will afford any Potential Bidder such due diligence access or additional information as the Debtors, in consultation with their advisors, deem appropriate, in their reasonable discretion. The due diligence period shall extend through and including the Bid Deadline; provided, however, that any bid submitted under these procedures shall be irrevocable until at least the selection of the Successful Bidder(s) (defined herein) and any Back-Up Bidder(s) (defined herein).

## **C. Bid Deadline**

Potential Bidders must submit their Bids so that such Bids are actually received by the Debtors **no later than 5:00 p.m. (EDT) on August 24, 2020** unless extended as provided herein (the “Bid Deadline”). Potential Bidders must submit their bids to the Debtors and their advisors, as follows: (i) the Debtors, 20 Main Street, Acton, MA 01720, Attn: Don Van der Wiel (DVanderwiel@g2cap.com); (ii) proposed counsel for the Debtors: Mintz Levin Cohn Ferris Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111, Attn: Paul J. Ricotta, Esq. (pjrpicotta@mintz.com), Kevin J. Walsh, Esq. (kwalsh@mintz.com) and Timothy J. McKeon, Esq. (tjmckeon@mintz.com) and Chrysler Center, 666 Third Avenue, New York, NY 10017, Attn: Kaitlin R. Walsh, Esq. (krwalsh@mintz.com); and (iii) the Debtors’ Investment Banker: SSG Capital Advisors, LLC, 300 Barr Harbor Drive, West Conshohocken, PA 19428, Attn: J. Scott Victor (jsvictor@ssgca.com), Teresa C. Kohl (tkohl@ssgca.com), Craig D. Warznak, (cwarznak@ssgca.com, and Matthew R. DiTosto (mditosto@ssgca.com).

Potential Bidders must e-mail their bids to the e-mail addresses listed above so that they are actually received by the Bid Deadline. The Debtors shall have no obligation to consider any other delivery format, such as fax, as being acceptable. The Debtors shall provide the Consultation Parties with the identity of any Potential Bidders and inform the Consultation Parties of any request by a Potential Bidder for an extension of the Bid Deadline. The Debtors may, in their sole discretion after consultation with the Consultation Parties, extend the Bid Deadline until the commencement of the Auction for one or more Potential Bidders without prior notice to any party, but shall have no obligation to do so under any circumstances. For good cause shown, any party in interest may request that the Court extend the Bid Deadline.

Any Consultation Party that submits a Bid and thereby becomes a Potential Bidder or a Credit Bidder shall, upon the submission of such Bid, cease to be a Consultation Party and shall, from the time of submission of such Bid, no longer have any notice, consultation or consent rights under these Bidding Procedures different from those of any other Potential Bidder or Credit Bidder.

**D. Provisions Governing Qualified Bids**

A bid submitted by a Potential Bidder will be considered a Qualified Bid (each, a “Qualified Bid,” and each such Potential Bidder thereafter a “Qualified Bidder”) only if the bid complies with the following requirements, unless waived by the Debtors with the consent of the Consultation Parties:

- a) it states that the applicable Qualified Bidder offers to purchase, in cash, some or all of the Purchased Assets;
- b) it identifies with particularity the portion of the Purchased Assets the Qualified Bidder is offering to purchase;
- c) it includes a signed writing that the Qualified Bidder’s offer is irrevocable until the selection of the Successful Bidder and the Back-Up Bidder, provided that if such bidder is selected as the Successful Bidder or the Back-Up Bidder then the offer shall remain irrevocable until the earliest of (i) the closing of the transaction with the Successful Bidder, (ii) in the case of the Successful Bidder, a termination of the Qualified Bid pursuant to the terms of the Successful Bidder’s Purchase Agreement (defined herein) and (iii) with respect to the Back-Up Bidder, the time specified in Section II (K) below;
- d) it includes confirmation that there are no conditions precedent to the Qualified Bidder’s ability to enter into a definitive agreement and that all necessary internal governance and shareholder approvals have been obtained prior to the bid;
- e) it sets forth each third-party, regulatory and governmental approval, if any, required for the Qualified Bidder to consummate the transaction and the time period within which the Qualified Bidder expects to receive such approvals and establishes a substantial likelihood that the Qualified Bidder will obtain such approvals by the stated time period;
- f) it includes a duly authorized and executed copy of a purchase or acquisition agreement using as a baseline the Form APA (a “Purchase Agreement”), including the purchase price for some or all of the Purchased Assets expressed in U.S. Dollars, together with all exhibits and schedules thereto, together with copies marked to show the changes made to the Form APA (“Marked Agreement”);
- g) it is not subject to any financing contingency and includes written evidence of a firm ability to have the funding necessary to consummate the proposed transaction,

that will allow the Debtors to make a reasonable determination, in consultation with the Consultation Parties, as to the Qualified Bidder's financial and other capabilities to consummate the transaction contemplated by the Purchase Agreement;

- h) [intentionally omitted];
- i) it identifies with particularity which (i) executory contracts and unexpired leases the Qualified Bidder wishes the Debtors to assume and assign to it, and (ii) Purchased Assets subject to purchase money liens or the like, the Qualified Bidder wishes to acquire and therefore pay the associated purchase money financing;
- j) it contains sufficient information concerning the Qualified Bidder's ability to provide adequate assurance of future performance with respect to executory contracts and unexpired leases the Qualified Bidder wishes the Debtors to assume and assign to it ("Adequate Assurance Information"); provided that, absent further order of the Court, at any evidentiary hearing concerning adequate assurance of future performance, the Qualified Bidder's evidence in support of its position shall be limited to the Adequate Assurance Information provided by the Bid Deadline and any additional information supplied at the request of any counterparty to executory contracts and unexpired leases; examples of Adequate Assurance Information may include (i) copies of three (3) years' of recent tax returns or financial statements, (ii) information concerning any credit support or guaranties that will be offered by the Qualified Bidder, (iii) financial projections of the sales that the Qualified Bidder expects to achieve at the leased premises, (iv) information concerning the number of retail stores operated by the Qualified Bidder or its experience in operating retail stores, and/or (v) any other or different information that the Qualified Bidder believes will be sufficient to prove adequate assurance of future performance with respect to the executory contracts and unexpired leases that the Qualified Bidder wishes the Debtors to assume and assign to it;
- k) it includes an acknowledgement and representation that the Qualified Bidder: (A) has had an opportunity to conduct any and all required due diligence regarding the Purchased Assets prior to making its offer and that the offer is not subject to any further due diligence or the need to raise capital/financing to consummate the proposed transaction; (B) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets in making its bid; (C) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Purchased Assets or the completeness of any information provided in connection therewith or with the Auction (defined below), except as expressly stated in the Purchase Agreement; and (D) is not entitled to any expense reimbursement, break-up fee, or similar type of payment in connection with its bid;
- l) unless it is a Credit Bid (as defined below), it is accompanied by (i) a good faith deposit in the form of a wire transfer (to a bank account specified by the Debtors), certified check or such other form of cash or cash equivalent acceptable to the

Debtors, payable to the order of the Debtors (or such other party as the Debtors may determine) in an amount equal to 10% of purchase price (the “Good Faith Deposit”), which Good Faith Deposit shall be forfeited if such bidder is the Successful Bidder and breaches its obligation to close; and (ii) if the Qualified Bid is a bid made by a secured creditor of the Debtors (a “Credit Bidder”) who intends to make a credit bid (each, a “Credit Bid”), evidence of (a) the basis for and property covered by such Credit bidder’s secured claim, (b) the amount of such Credit bidder’s claim that is secured by the property in question, and (c) the Credit bidder’s authority to make the Credit Bid and its lien or distributions priority, including copies of any intercreditor agreement or agreement among lenders demonstrating such Credit bidder’s authority and lien or distribution priority;

- m) it identifies the person(s) and their title(s) who will attend the Auction, and confirms that such person(s) have authority to make binding Overbids (defined below) at such Auction;
- n) it contains such other information reasonably requested by the Debtors; and
- o) it is received by the Debtors and their advisors prior to the Bid Deadline.

The Debtors, in consultation with the Consultation Parties, may qualify any bid that meets the foregoing requirements as a Qualified Bid. Notwithstanding the foregoing, any designated Stalking Horse Bidder shall be deemed a Qualified Bidder and its Stalking Horse APA shall be deemed a Qualified Bid, for all purposes in connection with the Bidding Process, the Auction, and the Sale.

The Debtors shall notify the Consultation Parties, any Stalking Horse Bidder, and all Qualified Bidders in writing as to whether or not any bids constitute Qualified Bids (and with respect to each Qualified Bidder that submitted a bid as to whether such Qualified Bidder’s bid constitutes a Qualified Bid) and provide copies of the Purchase Agreements relating to any such Qualified Bid solely to the Consultation Parties. Within one (1) business day of their receipt, the Debtors shall provide to the Consultation Parties copies of (i) all bids, whether or not the bids constitute Qualified Bids, and (ii) any confidentially agreement executed by a Potential Bidder.

#### **E. Discretionary Determination of Stalking Horse Bidder**

The Debtors, in their sole discretion, after consultation with the Consultation Parties, may agree that a Qualified Bidder that is not comprised, in whole or in part, directly or indirectly, of any “insider” of a Debtor shall be afforded stalking horse status and protections (the “Stalking Horse Bidder”), consisting of a break-up fee and expense reimbursement in an amount not to exceed in the aggregate 2.5% of the proposed Purchase Price under such Qualified Bidder’s Qualified APA (the “Break-Up Fee”). Any Break-Up Fee, to the extent payable, shall only be paid from the cash proceeds received by the Debtors at the closing of a Sale with a Qualified Bidder other than the Stalking Horse Bidder. Upon designation of a Stalking Horse Bid, the Debtors shall file a notice with the Court, including a copy of the Purchase Agreement. The designation of a Stalking Horse Bidder may occur without further notice or order of the Bankruptcy Court. In the event that the Debtors intend to designate a Qualified Bidder that is comprised, in whole or in part,

directly or indirectly, of any “insider” of a Debtor, the Debtors shall file a motion with the Court, with notice to the Consultation Parties, seeking authority to make such stalking horse designation and setting forth any proposed stalking horse bid protections.

**F. Credit Bidding**

Any party with a valid, properly perfected security interest in any of the Purchased Assets may credit bid (“Credit Bid”) for such Purchased Assets in connection with the Sale in accordance with and pursuant to section 363(k) of the Bankruptcy Code, except as otherwise limited by the Debtors for cause; provided, however, that any party seeking to credit bid (“Credit Bidder”) may not Credit Bid unless such bid provides that all secured creditors with security interests on such Purchased Assets that are senior to such junior security interest are to be paid in cash in connection with such junior creditor’s bid. Any party seeking to Credit Bid shall be required to provide proof of its authority to Credit Bid and proof of its lien priority or distribution priority pursuant to any applicable intercreditor agreement or agreement among lenders. Any Credit Bids made by secured creditors shall not impair or otherwise affect any Stalking Horse Bidder’s entitlement to the benefits of the Bidding Procedures and related protections granted under the Bidding Procedures Order. Kayne Senior Credit II GP LLC, as administrative agent for the Debtors prepetition secured credit facility, is entitled to Credit Bid in accordance with the terms hereof and any orders entered by the Court with respect to the Debtors’ use of cash collateral.

**G. Evaluation of Competing Bids**

A Qualified Bid will be valued based upon several factors including, without limitation: (i) the amount of such bid; (ii) the risks and timing associated with consummating such bid; (iii) any proposed revisions to the form of Form APA; and (iv) any other factors deemed relevant by the Debtors in their reasonable discretion, in consultation with the Consultation Parties, including the amount of cash included in the bid.

**H. Auction Process**

If the Debtors receive one or more Qualified Bids, the Debtors will conduct an auction of the Purchased Assets (the “Auction”) on **August 26, 2020** (the “Auction Date”), **at 10:00 a.m.** (prevailing eastern U.S. time), at a virtual meeting by electronic means at the offices of Mintz Levin Cohn Ferris Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111, or at such other location or by such other means as shall be timely communicated to all entities entitled to attend the Auction.

The Auction shall be conducted in accordance with the following procedures:

- a) only the Debtors, any designated Stalking Horse Bidder, Qualified Bidders who have timely submitted a Qualified Bid, the U.S. Trustee, and the Consultation Parties, and their respective advisors may attend the Auction;
- b) only any designated Stalking Horse Bidder and the Qualified Bidders who have timely submitted Qualified Bids will be entitled to make subsequent bids at the Auction;

- c) each Qualified Bidder shall be required to confirm that it has not engaged in any collusion with respect to the bidding or the Sale and is not in violation of section 363(n);
- d) the actual identity of each Qualified Bidder will be disclosed on the record at the Auction; provided that all Qualified Bidders wishing to attend the Auction must have at least one individual representative with authority to bind such Qualified Bidder attending the Auction as a live participant;
- e) the Debtors, after consultation with the Consultation Parties, may employ and announce at the Auction additional procedural rules that are (i) reasonable under the circumstances for conducting the Auction, (ii) in the best interest of the Debtors' estates; provided, however, that any such rules (i) are disclosed to each Qualified Bidder participating in the Auction, and (ii) are not inconsistent with the Bid Protections, the Bankruptcy Code, or any order of the Court entered in connection herewith;
- f) prior to the commencement of the Auction, representatives of the Debtors and/or the Consultation Parties may have discussions with each Qualified Bidder with respect to the terms and conditions of such Qualified Bids, and the Debtors will have selected, in consultation with the Consultation Parties, a Qualified Bid to become the opening bid at the Auction (the bid submitted by such Qualified Bidder shall be referred to as the "Opening Bid") and the Qualified Bidder shall be referred to as the "Opening Bidder");
- g) bidding shall commence at the amount of the Opening Bid. The Opening Bid shall be announced by the Debtors at or before the commencement of the Auction, and the Purchase Agreement applicable to the Opening Bid shall be disseminated to all other Qualified Bidders. The Auction will continue in bidding increments established by the Debtors in consultation with the Consultation Parties, which increments may be modified at the beginning of each round of bidding at the discretion of the Debtors, in consultation with the Consultation Parties (each bid in such bidding increment, an "Overbid"), and all material terms of each Overbid, shall be fully disclosed to all other Qualified Bidders who submitted Qualified Bids and are in attendance at the Auction;
- h) Additional consideration in excess of the amount set forth in the Opening Bid must include: (i) cash and/or (ii) in the case of a Qualified Bidder that is a Credit Bidder that has a valid and perfected lien on any of the Purchased Assets, a Credit Bid of up to the full amount of such Credit Bidder's allowed perfected lien, subject to section 363(k) of the Bankruptcy Code and any other restrictions set forth herein;
- i) To the extent any Stalking Horse Bidder submits higher bids, such Stalking Horse Bidder shall have the right (but not the obligation) to increase its Stalking Horse Bid by using, as a credit, the amount of the Break-Up Fee when determining whether such Stalking Horse Bidder has topped the previous bid by the required amount;

- j) Qualified Bidders shall have the right to submit additional bids that include modifications to their Purchase Agreement at the Auction, consistent herewith, provided that any such modifications to the Purchase Agreement, on an aggregate basis and viewed in whole, shall not be less favorable to the Debtors than any prior bid by such party (as determined by the Debtors, following consultation with the Consultation Parties). The Debtors, in consultation with the Consultation Parties, reserve the right to separately negotiate the terms of any Qualified Bids at the Auction, provided the terms are fully disclosed at the time such Qualified Bid is formally submitted;
- k) the bidding will be transcribed by a certified court reporter employed by the Debtors to ensure an accurate recording of the bidding at the Auction, and, to the extent practicable, if the Auction is conducted by virtual meeting, the Debtors will arrange for the Auction to be recorded using features available through the virtual meeting platform; and
- l) absent irregularities in the conduct of the Auction, the Debtors will not consider any Potential Bids made after the Auction is closed.

**I. Selection of Successful Bid**

Prior to the conclusion of the Auction, the Debtors, in consultation with the Consultation Parties, will review and evaluate each Qualified Bid in accordance with the procedures set forth herein and determine which offer or offers are the highest or otherwise best from among the Qualified Bids submitted at the Auction (one or more such bids, collectively the “Successful Bid” and the bidder(s) making such bid, collectively, the “Successful Bidder”), and communicate to the Qualified Bidders the identity of the Successful Bidder by filing the Qualified Bid on the docket of the Debtors’ bankruptcy cases as soon as practical after the Successful Bidder is determined, but, in any event, by no later than twenty-four (24) hours prior to the deadline established for parties to object to the conduct of the Auction. The determination of the Successful Bid by the Debtors at the conclusion of the Auction shall be subject to approval by the Court.

If selected as the Successful Bidder or the Back-Up Bidder (as defined herein) at the conclusion of the Auction, each of the Successful Bidder and the Back-Up Bidder shall, within forty-eight (48) hours, increase its Good Faith Deposit to the sum of ten percent (10%) of the Successful Bid or Back-Up Bid, as applicable. If the Successful Bidder fails to increase the Good Faith Deposit within forty-eight (48) hours of the conclusion of the Auction, then (1) the Successful Bidder forfeits its Good Faith Deposit, and (2) the Successful Bid is nullified (*i.e.*, the Back-Up Bidder becomes the Successful Bidder in the amount of its last bid).

Unless otherwise agreed to by the Debtors and the Successful Bidder, within one (1) business day after the conclusion of the Auction, the Successful Bidder shall complete and execute all agreements, contracts, instruments, and other documents evidencing and containing the terms and conditions upon which the Successful Bid was made, and the Debtors shall file copies of such agreements and documents on the docket of the Debtors’ bankruptcy cases as soon as practical after they are fully executed. As soon as practical following the conclusion of the Auction, the

Debtors shall file a notice identifying the Successful Bidder(s) and Back-Up Bidders with the Court and shall serve such notice by fax, email, or if neither is available, by overnight mail to all counterparties whose contracts are to be assumed and assigned.

The Debtors will sell the Purchased Assets to the Successful Bidder pursuant to the terms of the Successful Bid upon the approval of such Successful Bid by the Court at the Sale Hearing and satisfaction of any other closing conditions set forth in the Successful Bidder's Purchase Agreement.

**J. Return of Deposits**

All deposits shall be returned to each bidder not selected by the Debtors as the Successful Bidder or the Back-Up Bidder (defined herein) no later than five (5) business days following the conclusion of the Auction.

**K. Back-Up Bidder**

If an Auction is conducted, the Qualified Bidder with the next highest or otherwise best Qualified Bid, as determined by the Debtors in the exercise of their business judgment, in consultation with the Consultation Parties, shall be required to serve as a back-up bidder (the "Back-Up Bidder") and keep such bid open and irrevocable until the earlier of (i) thirty (30) days after the entry of the Sale Order, and (ii) the closing of the sale to the Successful Bidder (the "Back-Up Period"). If during the Back-Up Period, the Successful Bidder fails to consummate the approved sale because of a breach or failure to perform on the part of such Successful Bidder, the Back-Up Bidder will be deemed to be the new Successful Bidder, and the Debtors will be authorized, but not required, to consummate the sale with the Back-Up Bidder without further order of the Court; provided that if the Back-Up Bidder is the Stalking Horse Bidder, the Debtors will be authorized and required to consummate the sale to the Stalking Horse Bidder.

**L. Payment of Break-Up Fee**

If any Stalking Horse Bidder is not the Successful Bidder, the Debtors shall pay the Break-Up Fee to such Stalking Horse Bidder as set forth in the agreement between the Debtors and the Stalking Horse Bidder providing for such Break-Up Fee, but in no event shall payment be made any earlier than the time of the consummation of the sale of the Purchased Assets or transfer thereof in the context of an Alternative Transaction, and shall only be paid from the cash proceeds of such sale or upon the transfer of such Purchased Assets. Notwithstanding the foregoing, a Break-Up Fee will only be payable if the Debtors have previously determined pursuant to Paragraph E of these Bidding Procedures that a bid merits stalking horse designation.

**M. Delivery of Adequate Assurance Information.**

As soon as practical after determining the Successful Bidder, *i.e.*, after the Bid Deadline if there is only one Qualified Bidder, or after the conclusion of the Auction if there is more than one Qualified Bidder, the Debtors will deliver the Adequate Assurance Information of the Successful Bidder (and of any Back-Up Bidder if there is an Auction) to each counterparty to an executory contract and unexpired lease which the Successful Bidder intends to assume. Such delivery shall

be made to each such counterparty by email, if a counterparty has provided its email address to the Debtors, or otherwise by overnight delivery to the address of such counterparty listed on such executory contract or unexpired lease. All Adequate Assurance Information shall be treated by each counterparty as confidential, shall not be disseminated to any other person or entity, and shall be used by each counterparty solely in connection with determining whether the Successful Bidder has provided adequate assurance of future performance as required by 11 U.S.C. § 365.

### **III. SALE HEARING**

The Debtors will seek entry of the Sale Order, at the Sale Hearing on **August 31, 2020, at 10:30 a.m. (EDT)** (or at another date and time convenient to the Court), to approve and authorize the sale transaction to the Successful Bidder(s) on terms and conditions determined in accordance with the Bidding Procedures. The Debtors may submit and present such additional evidence, as they may deem necessary, at the Sale Hearing demonstrating that the Sale is fair, reasonable, and in the best interest of the Debtors' estates and all interested parties, and satisfies the standards necessary to approve a sale of the Purchased Assets.

### **IV. SALE ORDER**

The Sale Order will provide Court approval of (i) the Sale to the Successful Bidder, free and clear of all liens, claims, interests, and encumbrances, pursuant to 11 U.S.C. § 363 with all liens, claims, interests, and encumbrances to attach to the sale proceeds with the same validity and in the same order of priority as they attached to the Purchased Assets prior to the Sale, and the assumption by the Debtors and assignment to the Successful Bidder of the all assumed executory contracts and unexpired leases pursuant to 11 U.S.C. § 365 (the "Assumed Contracts").

### **V. RESERVATION OF RIGHTS**

The Debtors reserve the right, as they may determine in their discretion and in accordance with their business judgment to be in the best interest of their estates, in consultation with their professionals and the Consultation Parties to: (i) modify these Bidding Procedures to discontinue incremental bidding and then require that any and all bidders or potential purchasers submit their sealed, highest and best offer for the Purchased Assets; (ii) determine which Qualified Bid is the highest or otherwise best bid and which is the next highest or otherwise best bid; (iii) waive terms and conditions set forth herein with respect to all Potential Bidders; (iv) impose additional terms and conditions with respect to all Potential Bidders; (v) extend the deadlines set forth herein; (vi) continue or cancel the Auction and/or Sale Hearing in open court without further notice; and (vii) implement additional procedural rules that the Debtors determine, in their reasonable business judgment and in consultation with the Consultation Parties will better promote the goals of the bidding process; provided that such modifications are disclosed to each Qualified Bidder participating in the Auction.

The Consultation Parties may file a motion with the Court in order to challenge any decision made by the Debtors with respect to effectuating these Bidding Procedures. The Debtors may file a motion with the Court to challenge the Consultation Parties' exercise of consent rights under these Bidding Procedures.

**EXHIBIT 2**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MASSACHUSETTS  
(CENTRAL DIVISION)**

|                                       |   |                                  |
|---------------------------------------|---|----------------------------------|
|                                       | X |                                  |
|                                       | : |                                  |
| In re                                 | : | Chapter 11                       |
|                                       | : |                                  |
| THE PAPER STORE, LLC, <i>et al.</i> , | : | Case No. 20-40743 (CJP)          |
|                                       | : |                                  |
| Debtors. <sup>1</sup>                 | : | (Joint Administration Requested) |
|                                       | : |                                  |
|                                       | X |                                  |

**NOTICE OF INTENDED SALE OF ESTATE PROPERTY**

**AUGUST 31, 2020 IS THE DATE OF THE PROPOSED SALE HEARING**

**AUGUST 24, 2020 IS THE DATE BY WHICH OBJECTIONS MUST BE MADE**

NOTICE IS HEREBY GIVEN, pursuant to 11 U.S.C. § 363, Fed. R. Bankr. P. 2002(a)(2) and 6004, and MLBR 2002-5 and 6004-1, that The Paper Store, LLC and TPS Holdings, LLC (the “Debtors”) intend to sell at public sale the Debtors’ right, title and interest in substantially all of the Debtors’ assets.

PLEASE TAKE FURTHER NOTICE that on July 14, 2020, the Debtors filed a motion in the United States Bankruptcy Court for the District of Massachusetts (the “Court”) for entry of (i) an order (A) approving form of asset purchase agreement; (B) approving auction sale format, bidding procedures, and stalking horse bid protections, (C) approving form of notice to be provided to interested parties; (D) scheduling a court hearing to consider approval of the sale to the highest bidder; and (E) approving procedures related to the assumption of certain executory contracts and unexpired leases; and (ii) an order authorizing the sale of property free and clear of all claims, liens and encumbrances (the “Motion”).

PLEASE TAKE FURTHER NOTICE that on July 24, 2020, the Court, having jurisdiction over the Debtors’ chapter 11 cases, entered an order granting the relief sought in the Motion (the “Bidding Procedures Order”). The Bidding Procedures Order sets an auction date for August 26, 2020 and a hearing on the proposed sale on August 31, 2020.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bidding Procedures Order, copies of the Motion, the Biding Procedures Order, the Bidding Procedures, and any exhibits thereto are available online at the Debtors’ restructuring website: <https://www.donlinrecano.com/tps> or by calling the restructuring information center toll free at 1

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are The Paper Store, LLC (2442) and TPS Holdings, LLC (9193). The Debtors’ corporate headquarters and service address is 20 Main Street, Acton, MA 01720.

(888) 777-0317, or by sending a written request to [tpsinfo@donlinrecano.com](mailto:tpsinfo@donlinrecano.com). **You will not receive further notice of the Sale.** If you require additional information regarding the Motion, Bidding Procedures Order, or any notice of sale or hearing, please make a request in writing to [tpsinfo@donlinrecano.com](mailto:tpsinfo@donlinrecano.com).

Dated: July 24, 2020  
Boston, Massachusetts

---

Paul J. Ricotta, Esq. (BBO# 552028)  
Kevin J. Walsh, Esq. (BBO# 629984)  
Timothy J. McKeon, Esq. (BBO# 569395)  
MINTZ LEVIN COHN FERRIS  
GLOVSKY AND POPEO, P.C.  
One Financial Center  
Boston, MA 02111  
Tel: 617-542-6000  
[pjricotta@mintz.com](mailto:pjricotta@mintz.com)  
[kwalsh@mintz.com](mailto:kwalsh@mintz.com)  
[tjmckeon@mintz.com](mailto:tjmckeon@mintz.com)

-and-

Kaitlin R. Walsh, Esq. (*pro hac vice* pending)  
Chrysler Center  
666 Third Avenue  
New York, NY 10017  
Tel: 212-935-3000  
[krwalsh@mintz.com](mailto:krwalsh@mintz.com)

*Proposed Attorneys for Debtors  
and Debtors-in-Possession*

**EXHIBIT 3**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MASSACHUSETTS  
(CENTRAL DIVISION)**

|                                       |   |                                  |
|---------------------------------------|---|----------------------------------|
|                                       | X |                                  |
|                                       | : |                                  |
| In re                                 | : | Chapter 11                       |
|                                       | : |                                  |
| THE PAPER STORE, LLC, <i>et al.</i> , | : | Case No. 20-40743 (CJP)          |
|                                       | : |                                  |
| Debtors. <sup>1</sup>                 | : | (Joint Administration Requested) |
|                                       | : |                                  |
|                                       | X |                                  |

**NOTICE TO COUNTERPARTIES  
TO EXECUTORY CONTRACTS AND UNEXPIRED LEASES  
THAT MAY BE ASSUMED AND ASSIGNED**

**PLEASE TAKE NOTICE** that on July 14, 2020, the above-captioned debtors and debtors in possession (the “Debtors”) filed the *Expedited Motion Of Debtors For The Entry Of An Order (A) Authorizing And Approving The Sale Of Substantially All Of The Assets Of The Debtors Free And Clear Of All Liens, Claims And Encumbrances; (B) Approving Auction Sale Timing And Format, Bidding Procedures, And Certain Bid Protections In The Event A Stalking Horse Bidder Is Designated By The Debtors; (C) Approving Form Of Notice To Be Provided To Interested Parties; And (D) Approving Procedures Related To The Assumption And Assignment Of Certain Executory Contracts And Unexpired Leases* (the “Motion”).<sup>2</sup>

**PLEASE TAKE FURTHER NOTICE** that, on July 24, 2020 the Bankruptcy Court entered an Order (the “Bidding Procedures Order”) approving, among other things, the Bidding Procedures requested in the Motion, which Bidding Procedures Order governs (i) the bidding process for the sale of certain assets (the “Assets”) of the Debtors and (ii) procedures for the assumption and assignment of certain of the Debtors’ executory contracts and unexpired leases.

**PLEASE TAKE FURTHER NOTICE** that the Motion also seeks Bankruptcy Court approval of the sale (the “Sale”) of the Assets to the Successful Bidder(s), free and clear of all liens, claims, interests and encumbrances pursuant to Section 363 of the Bankruptcy Code, including the assumption by the Debtors and assignment to the buyer(s) of certain executory contracts and unexpired leases pursuant to Section 365 of the Bankruptcy Code (the “Executory Contracts Subject to Assumption”), with such liens, claims, interests and encumbrances to attach to the proceeds of the Sale with the same priority, validity and enforceability as they had prior to such Sale. As soon as practical following determination of the Successful Bidder, the Debtors shall (i) file a notice identifying the Successful Bidder(s) with the Bankruptcy Court, (ii) deliver information provided by the Successful Bidder demonstrating adequate assurance of future

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are The Paper Store, LLC (2442) and TPS Holdings, LLC (9193). The Debtors’ corporate headquarters and service address is 20 Main Street, Acton, MA 01720.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

performance under the Executory Contracts Subject to Assumption, and (iii) serve such notice and information by email or overnight mail to all counterparties whose contracts are to be assumed and assigned. Any counterparty to an Executory Contract Subject to Assumption that wishes to receive such notice and information by email, must provide their email address to Mintz Levin Cohn Ferris Glovsky and Popeo, P.C., Attn: Timothy McKeon, Esq. ([tjmckeon@mintz.com](mailto:tjmckeon@mintz.com)), and Kaitlin Walsh, Esq. ([krwalsh@mintz.com](mailto:krwalsh@mintz.com)), before August 21, 2020.

**PLEASE TAKE FURTHER NOTICE** that an evidentiary hearing (the “Sale Hearing”) to approve the Sale and authorize the assumption and assignment of the Assumed Contracts will be held on **August 31, 2020 at 10:30 a.m. (EDT)**, before the United States Bankruptcy Court for the District of Massachusetts in person at 595 Main Street, Room 311, Worcester, MA 01608-2076, by telephonic means, or by videoconference as may be directed by the Court in a subsequent order. 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.

**PLEASE TAKE FURTHER NOTICE** that, consistent with the Bidding Procedures Order, the Debtors may seek to assume an executory contract or unexpired lease to which you may be a party. The Executory Contracts Subject to Assumption are described on Exhibit A attached to this Notice. The amount shown on Exhibit A hereto as the “Cure Amount” is the amount, if any, which the Debtors assert is owed to cure any defaults existing under the Assumed Contract.

**PLEASE TAKE FURTHER NOTICE** that if you disagree with the Cure Amount shown for the Executory Contract(s) Subject to Assumption on Exhibit A to which you are a party, you must file in writing with the United States Bankruptcy Court for the District of Massachusetts (Central Division), 595 Main Street, Room 311, Worcester, MA 01608-2076, an objection on or before **August 14, 2020 at 5:00 p.m. (EDT)**. Any objection must set forth the specific default or defaults alleged and set forth any cure amount as alleged by you. If a contract or lease is assumed and assigned pursuant to a Court order approving same, then unless you properly file and serve an objection to the Cure Amount contained in this Notice, you will receive at the time of the closing of the sale (or as soon as reasonably practicable thereafter), the Cure Amount set forth herein, if any. Any counterparty to an Executory Contract Subject to Assumption that fails to timely file and serve an objection to the Cure Amounts shall be forever barred from asserting that a Cure Amount is owed in an amount in excess of the amount, if any, set forth in the attached Exhibit A.

**PLEASE TAKE FURTHER NOTICE** that if you have any other objection to the Debtors’ assumption and assignment of the Executory Contract Subject to Assumption to which you may be a party, including with respect to the ability of the Successful Bidder to provide adequate assurance of future performance under the Assumed Contract, you must make that objection at or before the Sale Hearing on **August 31, 2020**.

**PLEASE TAKE FURTHER NOTICE** that any objection you may file must be served so as to be received by the following parties by the applicable objection deadline date and time: (a) the Debtors: 20 Main Street, Acton, MA 01720, Attn: Don Van der Wiel ([DVanderwiel@g2cap.com](mailto:DVanderwiel@g2cap.com)); (b) proposed counsel for the Debtors: Mintz Levin Cohn Ferris Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111, Attn: Paul J. Ricotta, Esq. ([pjricotta@mintz.com](mailto:pjricotta@mintz.com)), Kevin J. Walsh, Esq. ([kjwalsh@mintz.com](mailto:kjwalsh@mintz.com)), Timothy McKeon, Esq.

([tjmckeon@mintz.com](mailto:tjmckeon@mintz.com)), and Kaitlin R. Walsh, Esq. ([krwalsh@mintz.com](mailto:krwalsh@mintz.com)); (c) the Debtors' Investment Banker: SSG Capital Advisors, LLC, Attn: J. Scott Victor ([jsvictor@ssgca.com](mailto:jsvictor@ssgca.com)), Teresa C. Kohl ([tkohl@ssgca.com](mailto:tkohl@ssgca.com)), Craig D. Warznak, ([cwarznak@ssgca.com](mailto:cwarznak@ssgca.com)), and Matthew R. DiTosto ([mditosto@ssgca.com](mailto:mditosto@ssgca.com)); (d) counsel to Kayne Senior Credit II GP, LLC, Mayer Brown, 71 South Wacker Drive, Chicago, Illinois 60606, Attn: Aaron Gavant ([AGavant@mayerbrown.com](mailto:AGavant@mayerbrown.com)), Sean Scott ([stscott@mayerbrown.com](mailto:stscott@mayerbrown.com)); (e) counsel to City National Bank, Loeb & Loeb, 345 Park Avenue, New York, NY, Attn: Vadim J. Rubinstein ([vrubinstein@loeb.com](mailto:vrubinstein@loeb.com)), Lance Jurich ([ljurich@loeb.com](mailto:ljurich@loeb.com)); (f) counsel to any statutory committee appointed to serve in these cases and, if no such committee is appointed, the Office for the United States Trustee, 446 Main Street, 14<sup>th</sup> Floor, Worcester, Massachusetts 01608, Attn: Richard T. King, Assistant United States Trustee ([richard.t.king@usdoj.gov](mailto:richard.t.king@usdoj.gov)).

**PLEASE TAKE FURTHER NOTICE** that the Successful Bidder shall be responsible for satisfying any requirements regarding adequate assurance of future performance that may be imposed under sections 365(b) and (f) of the Bankruptcy Code, 11 U.S.C. § 101, *et seq.*, in connection with the proposed assignment of any Assumed Contract. The Court may make its determinations concerning adequate assurance of future performance under the Assumed Contracts pursuant to 11 U.S.C. §§ 365(b) and (f) at the Sale Hearing.

**PLEASE TAKE FURTHER NOTICE** that Assumption Objections may be resolved by the Court at the Sale Hearing, or at a separate hearing either before or after the Sale Hearing.

**PLEASE TAKE FURTHER NOTICE** that, except to the extent otherwise provided in the Purchase Agreement with the Successful Bidder(s), pursuant to section 365(k) of the Bankruptcy Code, the Debtors and their estates shall be relieved of all liability accruing or arising after the effective date of assumption and assignment of the Assumed Contracts.

**PLEASE TAKE FURTHER NOTICE** that nothing contained herein shall obligate the Debtors to assume any Assumed Contracts or to pay any Cure Amount.<sup>3</sup>

**PLEASE TAKE FURTHER NOTICE THAT IF YOU DO NOT TIMELY FILE AND SERVE AN OBJECTION AS STATED ABOVE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITH NO FURTHER NOTICE.**

**ANY COUNTERPARTY TO ANY ASSUMED CONTRACT WHO DOES NOT FILE A TIMELY OBJECTION TO THE CURE AMOUNT FOR SUCH ASSUMED CONTRACT IS DEEMED TO HAVE CONSENTED TO SUCH CURE AMOUNT.**

Dated: July 24, 2020

---

<sup>3</sup> “Executory Contracts Subject to Assumption” are those Contracts and Leases that the Debtors believe may be assumed and assigned as part of the orderly transfer of the Assets; however, the Successful Bidder may choose to exclude certain of the Debtors' Contracts or Leases from the list of Assumed Contracts as part of their Qualifying Bid, causing such Contracts and Leases not to be assumed by the Debtors.