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Karen A. Yarbrough
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Prepared By
mael 40
Mintz Edwin Cahn ETAC
Allan Caputo
One Financial Center
Boston MA 02111

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IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:)
)
 ALSIP ACQUISITION, LLC., et al.,¹)
)
 Debtors.)
 _____)

Chapter 11
 Case No. 14-12596(KJC)
 (Jointly Administered)
 Re: Docket No. 11, 122

CERTIFIED:
 AS A TRUE COPY:
 ATTEST:

DAVID D. BIRD, CLERK
 U.S. BANKRUPTCY COURT

David D. Bird
 Deputy Clerk 1/8/2015

**ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105(A), 363, 365, 503 AND
 BANKRUPTCY RULES 2002, 6004, 6006 APPROVING THE SALE OF CERTAIN OF
 THE DEBTOR'S ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS,
 ENCUMBRANCES AND INTERESTS AND GRANTING CERTAIN RELATED
RELIEF**

Upon consideration of the motion (the "Motion")² of the Debtors for, among other things, entry of an order, pursuant to sections 105(a), 363, 365 and 503 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 2002, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (i) approving the sale of certain assets of the Debtors (the "Sale") free and clear of all Claims, Liens and Encumbrances, except Permitted Encumbrances to the extent set forth in that certain Asset Purchase Agreement (attached hereto as Exhibit 1, and as may be amended, supplemented or restated, the "APA"), and (ii) granting certain related relief; and upon the Declaration of Stephen A. Silver (the "Declaration") [D.I. 4]; and the Court having held a hearing on January 8, 2015 (the "Sale Hearing") to approve the Sale; and the Court having reviewed and considered (a) the Motion, (b) the objections to the Motion, if any, and (c) the arguments of counsel made, and the evidence proffered or adduced at the Sale Hearing; and it appearing that the relief requested in the Motion is in the best interests of the

¹ The Debtors in these proceedings and the last four digits of each Debtor's federal taxpayer identification number are as follows: Alsip Acquisition, LLC (Tax ID No. 27-0514908), and APCA, LLC (Tax ID No. 27-1033005).

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion, the Bidding Procedures Order, the Bidding Procedures or the APA, as applicable.

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Debtors, their estates and creditors and other parties in interest; and upon the record of the Sale Hearing and the Chapter 11 Cases; and after due deliberation thereon; and good cause appearing therefor, it is hereby,

FOUND AND DETERMINED THAT:³

A. **Jurisdiction and Venue.** This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of this case and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

B. **Statutory Predicates.** The statutory predicates for the relief sought in the Motion are sections 105(a), 363, 365 and 503 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006 and 9014 and the applicable Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules").

C. **Petition Date.** On November 20, 2014 (the "Petition Date"), the Debtors commenced the Chapter 11 Cases by filing petitions for relief under chapter 11 of the Bankruptcy Code.

D. **Entry of Bidding Procedures Order.** On December 11, 2014, this Court entered an order (the "Bidding Procedures Order") [D.I. 128] (i) approving the proposed auction and bidding procedures (the "Bidding Procedures") for the sale of certain real estate and equipment of the Debtors (the "Purchased Assets")⁴; (ii) approving the Bid Protections; and (iii) approving the form and manner of the Sale Notice; and (iv) scheduling the Sale Hearing.

E. **Compliance with Bidding Procedures Order.** As demonstrated by (i) the Declaration, (ii) the testimony and other evidence proffered or adduced at the hearing on the

³ Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact to the fullest extent of the law. See Fed. R. Bankr. P. 7052 and 9014.

⁴ The Purchased Assets shall have the meaning ascribed in Section 1.1(a) of the APA. Assets do not include the Excluded Assets as referenced in section 1.1(b) of the APA or any assets of the Debtors not subject to the APA.

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Bidding Procedures and at the Sale Hearing, and (iii) the representations of counsel made on the record at the Sale Hearing, the Debtors have marketed the Purchased Assets and conducted the sale process in compliance with the Bidding Procedures Order, and any Auction was duly noticed and conducted in a non-collusive, fair and good faith manner. The Debtors and their professionals conducted the sale process in compliance with the Bidding Procedures Order, and have afforded potential purchasers a full and fair opportunity to make higher and better offers. In accordance with the Bidding Procedures, an Auction was held on January 7, 2015 and the Debtors determined that the bid submitted by Paper Mill Acquisition, LLC (the "Purchaser") and memorialized by the APA is the Prevailing Bid (as defined in the Bidding Procedures). The APA constitutes the highest and best offer for the Purchased Assets, and will provide a greater recovery for the Debtors' estates than would be provided by any other available alternative. The Debtors' determination that the APA constitutes the highest and best offer for the Purchased Assets constitutes a valid and sound exercise of the Debtors' business judgment.

F. **Notice.** As evidenced by the affidavits of service and publication previously filed with the Court, and based on the representations of counsel at the Sale Hearing, (i) proper, timely, adequate and sufficient notice of the Motion, the Auction, the Sale Hearing, and the Sale has been provided in accordance with sections 102(1), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9007 and the Local Bankruptcy Rules and in compliance with the Bidding Procedures Order, (ii) such notice was good and sufficient, and appropriate under the particular circumstances, and (iii) no other or further notice of the Motion, the Sale Hearing, or the Sale is or shall be required. With respect to entities whose identities are not reasonably ascertained by the Debtors, publication of the Sale Notice (as defined in the

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Bidding Procedures Order) in the Chicago Tribune on December 21, 2014 and December 28, 2014, was sufficient and reasonably calculated under the circumstances to reach such entities.

G. **Corporate Authority.** The Debtors (i) have full corporate power and authority to execute the APA and all other documents contemplated thereby (collectively, the "Transaction Documents"), and the Sale has been duly and validly authorized by all necessary corporate action of the Debtors, (ii) have all of the corporate power and authority necessary to consummate the transactions contemplated by the APA and the other Transaction Documents, (iii) have taken all corporate action and formalities necessary to authorize and approve the APA and the other Transaction Documents and the consummation by the Debtors of the transactions contemplated thereby, including as required by their organizational documents and (iv) no government, regulatory or other consents or approvals, other than those expressly provided for in the APA and the other Transaction Documents, are required for the Debtors to enter into the APA and the other Transaction Documents and consummate the Sale.

H. **Opportunity to Object.** A fair and reasonable opportunity to object and to be heard with respect to the Motion and the relief requested therein, has been given to all interested persons and entities, including the following: (a) all entities known to have expressed an interest in a transaction with respect to some or all of the Purchased Assets at any time; (b) all entities known to have asserted any lien, claim, interest or encumbrance in or upon any of the Purchased Assets; (c) all federal, state and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief requested by this Motion; (d) the United States Attorney's office; (e) the Securities and Exchange Commission; (f) the Internal Revenue Service; (g) legal and financial advisors to any statutory committee appointed in this case; (h) the parties included on the Debtor's list of twenty-five (25) largest unsecured creditors; (i) those parties who

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have filed the appropriate notice requesting notice of all pleadings filed in the Chapter 11 Case; (j) all other known creditors of the Debtor; and (k) the Office of the United States Trustee.

I. **Sale in Best Interest.** Consummation of the Sale of the Purchased Assets to the Purchaser at this time is in the best interests of the Debtors, their creditors, their estates and other parties in interest.

J. **Business Justification.** Sound business reasons exist for the Sale. Entry into the APA, the other Transaction Documents and the consummation of the transactions contemplated thereby constitutes the Debtors' exercise of sound business judgment and such acts are in the best interests of the Debtors, their estates, and all parties in interest. The Court finds that the Debtors have articulated good and sufficient business reasons justifying the Sale. Such business reasons include, but are not limited to, the following: (i) the APA constitutes the highest and best offer for the Purchased Assets; (ii) the APA and the closing thereon will present the best opportunity to realize the value of the Purchased Assets and avoid decline and devaluation of the Purchased Assets; (iii) unless the Sale and all of the other transactions contemplated by the APA are concluded expeditiously, as provided for in the Motion and pursuant to the APA, recoveries to creditors may be diminished; and (iv) any plan would not likely have yielded as favorable an economic result.

K. The Debtors and their professionals actively marketed the Purchased Assets to potential purchasers, both before and during the Chapter 11 Cases, as set forth in the Motion and in accordance with the Bidding Procedures Order. The bidding and auction process set forth in the Bidding Procedures Order and the Bidding Procedures afforded a full and fair opportunity for any entity to make a higher or otherwise better offer to purchase the Purchased Assets. Based

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upon the record of these proceedings, all creditors and other parties in interest and all prospective purchasers have been afforded a reasonable and fair opportunity to bid for the Purchased Assets.

L. No other person or entity or group of persons or entities has offered to purchase the Purchased Assets for an amount that would give equal or greater economic value to the Debtors than the value being provided by the Purchaser pursuant to the APA. Among other things, the Sale is the best alternative available to the Debtors to maximize the return to their creditors. The terms and conditions of the APA, including the consideration to be realized by the Debtors, are fair and reasonable. Approval of the Motion, the APA, and the transactions contemplated thereby, is in the best interests of the Debtors, their estates and creditors, and all other parties in interest.

M. **Arm's-Length Sale.** The APA and the other Transaction Documents were negotiated, proposed and entered into by the Debtors and the Purchaser without collusion, in good faith, and from arm's-length bargaining positions. Neither the Debtors nor the Purchaser has engaged in any conduct that would cause or permit the APA and the other Transaction Documents to be avoided under 11 U.S.C. § 363(n). Specifically, the Purchaser has not acted in a collusive manner with any person and the purchase price was not controlled by any agreement among bidders. The Purchaser is not an "insider" of any Debtor as defined in Bankruptcy Code section 101(31).

N. **Good Faith Purchaser.** The Purchaser is a good faith purchaser for value and, as such, is entitled to all of the protections afforded under 11 U.S.C. § 363(m) and any other applicable or similar bankruptcy and non-bankruptcy law. Specifically: (i) the Purchaser recognized that the Debtors were free to deal with any other party interested in purchasing the Purchased Assets; (ii) the Purchaser complied in all respects with the provisions in the Bidding

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Procedures Order; (iii) the Purchaser agreed to subject its bid to the competitive bid procedures set forth in the Bidding Procedures Order; (iv) all payments to be made by the Purchaser in connection with the Sale have been disclosed; (v) no common identity of directors, officers or controlling stockholders exists among the Purchaser and the Debtors; (vi) the negotiation and execution of the APA and the other Transaction Documents was at arm's-length and in good faith, and at all times each of the Purchaser and the Debtors were represented by competent counsel of their choosing; (vii) the Purchaser did not in any way induce or cause the chapter 11 filing of the Debtors; and (viii) the Purchaser has not acted in a collusive manner with any person. The Purchaser has been and will be acting in good faith within the meaning of 11 U.S.C. § 363(m) in closing the transactions contemplated by the APA and the other Transaction Documents.

O. **Free and Clear.** With the exception of only any Permitted Encumbrances (as defined in the APA), the Debtors may sell the Purchased Assets free and clear of all obligations, Excluded Liabilities (as defined in the APA), including any encumbrance, Lien, Claim, Liability, interest, right, demand, charge, mortgage, deed of trust, option, pledge, *lis pendens*, security interest or similar interest, title defects, claims of ownership or similar claims, hypothecations, easements, rights of way, restrictive covenants, encroachments, rights of first refusal, preemptive rights, judgments, conditional sale or other title retention agreements and other impositions, imperfections or defects of title or restrictions on transfer or use of any nature whatsoever (collectively, the "Encumbrances"). Such Encumbrances include but are not limited to those asserted by: 1) Wells Fargo Bank, National Association (revolving credit mortgage and assignment of rents and leases and fixture filing recorded as Document No. 1010944006); 2) Graybar Electric (lien recorded at Document No. 1430108448); 3) Tal-Mar Custom Metal

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Fabricators, Inc. (*lis pendens* recorded at Document No. 1427244026); 4) Pumping Solutions, Inc. (lien recorded at Document No. 1426644051); 5) Engineered Constructors, Inc. (lien recorded at Document No. 1425834037); 6) Hasse Construction Company, Inc. (lien recorded at Document No. 1425545072); 7) Tal-Mar Custom Metal Fabricators, Inc. (lien recorded at Document No. 1425350038); 8) Matrix Service Company (lien recorded at Document No. 1425229108); 9) P&M/Mercury Mechanical Corp. (lien recorded at Document No. 1424734101); 10) P&M/Mercury Mechanical Corp. (lien recorded at Document No. 1424734102); 11) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded at Document No. 1419944123); 12) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded at Document No. 1419944124); 13) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded at Document No. 1412244082); 14) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded at Document No. 1412244084); 15) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded as Document No. 1412244083); 16) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded as Document No. 1423944064); 17) Hayes Mechanical, LLC (lien recorded as Document No. 1423946083); 18) American Combustion Services, Inc. (lien recorded as Document No. 1424554012); 19) Linear Electric Inc. (lien recorded as Document No. 1425413050); 20) Englewood Electrical Supply, Division of WESCO Distribution Inc. (lien recorded as Document No. 1425445053); 21) Gabriel Environmental Services (lien recorded as Document No. 1431829004); 22) Wells Fargo Bank, N.A. (amendment to revolving credit mortgage and assignment of rents and leases and fixture filing recorded as Document No. 1119531059); 23) Wells Fargo Bank, National Association (amendment to revolving credit mortgage and assignment of rents and leases and fixture filing recorded as Document 1026016039); 24) Wells Fargo Bank, National Association (second

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amendment to revolving credit mortgage and assignment of rents and leases and fixture filing recorded as Document No. 1136410014); 25) American Precision Services, Inc. (judgment entered in case number 14L9291 recorded as Document No. 1431113017); 26) GDF Suez Energy Resources NA, Inc. (memorandum of judgment lien recorded as Document No. 1432313067); 27) Wells Fargo Bank, National Association (amendment to UCC recorded as Document No. 1227042058); 28) Wells Fargo Bank, National Association (security interest UCC recorded as Document No. 1010944007); 29) claims of the Village of Alsip, Illinois, whether or not recorded, and 30) any parties asserting liens in any assets constituting Purchased Assets.⁵ Because, with respect to each creditor asserting an Encumbrance, one or more of the standards set forth in Bankruptcy Code § 363(f)(1)-(5) has been satisfied. Those holders of Encumbrances who did not object or withdrew objections to the Sale are deemed to have consented to the Sale pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of Encumbrances who did object fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code. The Purchaser would not have entered into the APA and the other Transaction Documents and would not consummate the transactions contemplated hereby, (i) if the transfer of the Purchased Assets were not free and clear of all Encumbrances, except as set forth herein, of any kind or nature whatsoever, including rights or claims based on any successor or transferee liability, or (ii) if the Purchaser would, or in the future could, be liable for any Encumbrances, including rights or claims based on any successor or transferee liability. The Purchaser will not consummate the transactions contemplated by the APA and the other Transaction Documents unless this Court expressly orders that none of the Purchaser, its affiliates, its present or contemplated members or shareholders, or the Purchased Assets will have any liability whatsoever with respect to, or be required to satisfy in any manner, whether at

⁵ Unless otherwise noted, all Encumbrances are recorded in the Cook County Recorder of Deeds.

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law or equity, or by payment, setoff, or otherwise, directly or indirectly, any Encumbrances, including rights or claims based on any successor, products liability, or transferee liability. Not transferring the Purchased Assets free and clear of all Encumbrances of any kind or nature whatsoever, except as set forth herein, including rights or claims based on any successor or transferee liability, would adversely impact the Debtors' efforts to maximize the value of their estates, and the transfer of the Purchased Assets other than pursuant to a transfer that is free and clear of all liens, claims, encumbrances, and other interests of any kind or nature whatsoever (other than Permitted Encumbrances) would be of substantially less benefit to the Debtors' estates.

P. **No Fraudulent Transfer.** The APA and the other Transaction Documents were not entered into for the purpose of hindering, delaying or defrauding creditors under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia. The Sale does not amount to a consolidation, merger or *de facto* merger of the Purchaser and the Debtors. The consideration provided by the Purchaser for the Purchased Assets pursuant to the APA (i) is fair and reasonable, (ii) is the highest and best offer for the Purchased Assets, (iii) will provide a greater recovery for the Debtors' creditors than would be provided by any other practical available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia (including the Uniform Fraudulent Conveyance Act and the Uniform Fraudulent Transfer Act).

Q. **Purchaser Not an Insider; No Successor Liability.** Immediately prior to the Closing Date, the Purchaser was not an "insider" or "affiliate" of any Debtor, as those terms are defined in the Bankruptcy Code, and no common identity of incorporators, directors or

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stockholders existed between the Purchaser and the Debtors. The transfer of the Purchased Assets (including any individual elements of the Sale) to the Purchaser, except as otherwise expressly set forth in the APA, does not, and will not, subject the Purchaser to any liability whatsoever, with respect to the operation of the Debtors' business prior to the closing of the Sale or by reason of such transfer under the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, in any theory of law or equity including any laws affecting antitrust, successor, transferee, products liability, or vicarious liability. Pursuant to the APA, the Purchaser is not purchasing all of the Debtors' assets in that the Purchaser is not purchasing any of the Excluded Assets or assuming any of the Excluded Liabilities, and the Purchaser is not holding itself out to the public as a continuation of the Debtors. The Sale does not amount to a consolidation, merger or *de facto* merger of the Purchaser and the Debtors and/or the Debtors' estates. There is not substantial continuity between the Purchaser and the Debtors, there is no continuity of enterprise between the Debtors and the Purchaser, and the Purchaser is not holding itself out as a mere continuation of the Debtors or the Debtors' estates. The Purchaser does not constitute a successor to the Debtors or the Debtors' estates.

R. **Legal, Valid Transfer.** The transfer of the Purchased Assets to the Purchaser will be a legal, valid, and effective transfer of the Purchased Assets, and will vest the Purchaser with all right, title, and interest of the Debtors to the Purchased Assets free and clear of all Encumbrances (other than Permitted Encumbrances), as set forth in the APA. The Purchased Assets constitute property of the Debtors' estates and good title is vested in the Debtors' estates within the meaning of section 541(a) of the Bankruptcy Code. The Debtors are the sole and

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rightful owners of the Purchased Assets, and no other person has any ownership right, title, or interests therein, except as otherwise provided in the APA.

S. **APA Fair and Reasonable.** The terms of the APA and the other Transaction Documents, including any amendments, supplements, and modifications thereto, are fair and reasonable in all respects.

T. **Not a Sub Rosa Plan.** The Sale does not constitute a *sub rosa* chapter 11 plan for which approval has been sought without the protections that a disclosure statement would afford. The Sale neither impermissibly restructures the rights of the Debtors' creditors, nor impermissibly dictates a liquidating plan of reorganization for the Debtors.

U. **Legal and Factual Bases.** The legal and factual bases set forth in the Motion and at the Sale Hearing establish just cause for the relief granted herein.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED EFFECTIVE IMMEDIATELY THAT:

General Provisions

1. The Motion and the relief requested therein is **GRANTED** and **APPROVED** as set forth herein.
2. Objections that have not been withdrawn, waived, or settled, or not otherwise resolved pursuant to the terms hereof, if any, hereby are denied and overruled on the merits with prejudice.

Approval of the Sale of the Purchased Assets

3. The APA and the other Transaction Documents, including any amendments, supplements and modifications thereto, and all of the terms and conditions therein, are hereby approved in all respects.

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4. Pursuant to 11 U.S.C. § 363(b), the Sale of the Purchased Assets to the Purchaser free and clear of all Encumbrances, except as provided herein, and the transactions contemplated by the APA and the other Transaction Documents are approved in all respects.

Sale and Transfer of Purchased Assets

5. Pursuant to 11 U.S. C. § 363(b), the Debtors are hereby authorized and directed to sell the Purchased Assets to the Purchaser and consummate the Sale in accordance with, and subject to the terms and conditions of, the APA and the other Transaction Documents, and to transfer and assign all right, title and interest (including common law rights) to all property, licenses and rights to be conveyed in accordance with and subject to the terms and conditions of the APA and the other Transaction Documents, and are further authorized and directed to execute and deliver, and are empowered to perform under, consummate and implement, the APA and the other Transaction Documents, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the APA and the other Transaction Documents, including without limitation the related documents, exhibits and schedules, and to take all further actions as may be reasonably requested by the Purchaser for the purposes of assigning, transferring, licensing, granting, conveying and conferring to the Purchaser or reducing to possession, the Purchased Assets, or as may be necessary or appropriate to the performance of the Debtors' obligations as contemplated by the APA and the other Transaction Documents. Provided, however, except as otherwise provided in the APA, that nothing in this Order shall require the Debtors to pay any assignment fees and/or cure amounts, participate in any litigation related to such transfers, or pay any out of pocket expenditures, except for professional fees and expenses that are consistent with the budget attached to the order authorizing debtor in possession financing or use of cash collateral.

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6. Pursuant to 11 U.S.C. § 363(b) and 363(f), the Purchased Assets shall be transferred to the Purchaser upon consummation of the APA (the "Closing Date") free and clear of all Encumbrances of any kind or nature, except as provided herein, whatsoever, including rights or claims (for purposes of this Order, the term "claim" shall have the meaning ascribed to such term in Bankruptcy Code section 101(5)) based on any successor or transferee liability, including without limitation all claims and/or interests arising in any way in connection with any agreements, acts, or failures to act, of the Debtors or any of the Debtors' predecessors or affiliates, whether known or unknown, contingent or otherwise, whether arising before or subsequent to the commencement of these Chapter 11 Cases, and whether imposed by agreement, understanding, law, equity or otherwise, including claims otherwise arising under federal or state laws or doctrines of successor or transferee liability.

7. Following the Closing (as defined in the APA), the Purchaser is authorized to execute and file a certified copy of this Order, which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all Encumbrances in the Purchased Assets of any kind or nature whatsoever, except as provided herein. On the Closing Date, this Order will be construed, and constitute for any and all purposes, a full and complete general assignment, conveyance and transfer of the Purchased Assets or a bill of sale transferring title in "as is, and where is" condition, in such Purchased Assets to the Purchaser. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA and the other Transaction Documents.

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8. All entities who are presently, or on the Closing Date may be, in possession of some or all of the Purchased Assets are hereby directed to surrender possession of the Purchased Assets to the Purchaser on the Closing Date.

9. All persons and entities are prohibited and enjoined from taking any action to adversely affect or interfere with the ability of the Debtors to transfer the Purchased Assets to the Purchaser in accordance with the APA and this Order; provided, however, that the foregoing restriction shall not prevent any party from appealing this Order in accordance with applicable law or opposing any appeal of this Order.

10. Except as expressly permitted by the APA, the other Transaction Documents or this Order, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade creditors, dealers, employees, litigation claimants, and other creditors, holding Encumbrances of any kind or nature whatsoever, except as set forth herein, including rights, interests or claims based on any successor, products liability, or transferee liability, against or in a Debtors or the Purchased Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or noncontingent, senior or subordinated), arising under or out of, in connection with, or in any way relating to, the Debtors, the Purchased Assets or the operation of the Purchased Assets before the Closing Date, or the transactions contemplated by the APA and the other Transaction Documents, are forever barred, estopped, and permanently enjoined from asserting against the Purchaser, its respective successors and assigns, its respective property and the Purchased Assets, such persons' or entities' Encumbrances, except as set forth herein, including such rights, interests or claims based on any successor or transferee liability.

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11. On the Closing Date, each of the Debtors' creditors is authorized and directed to execute such documents and take all other actions as may be necessary to release its Encumbrances on the Purchased Assets, except as set forth herein, if any, as such Encumbrances may have been recorded or otherwise exist.

12. No governmental unit may deny, revoke, suspend, or refuse to renew any permit, license or similar grant relating to the operation of the Purchased Assets on account of the filing or pendency of the Chapter 11 Cases or the consummation of the transactions contemplated by the APA and the other Transaction Documents.

13. Subject to the terms and conditions of this Order, the APA and the other Transaction Documents, the transfer of the Purchased Assets to the Purchaser pursuant to the APA and the other Transaction Documents constitutes a legal, valid, and effective transfer of the Purchased Assets, and shall vest the Purchaser with all right, title, and interest of the Debtors in and to the Purchased Assets free and clear of all Encumbrances of any kind or nature whatsoever, except as set forth herein.

No Successor Liability

14. The Purchaser is not a "successor" to the Debtors or their estates by reason of any theory of law or equity, and the Purchaser shall not assume, or be deemed to assume, or in any way be responsible for any liability or obligation of the Debtors and/or their estates with respect to the Purchased Assets or otherwise, including, but not limited to, under any bulk sales law, doctrine or theory of successor liability, products liability, or similar theory or basis of liability. Neither the purchase of the Purchased Assets by the Purchaser nor the fact that the Purchaser is using any of the Purchased Assets previously operated by the Debtors will cause the Purchaser to be deemed a successor in any respect to the Debtors' business or incur any liability derived therefrom within the meaning of any foreign, federal, state or local revenue, pension, ERISA,

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tax, labor (including any WARN Act), employment, environmental, or other law, rule or regulation (including filing requirements under any such laws, rules or regulations), or under any products liability law or doctrine with respect to the Debtors' liability under such law, rule or regulation or doctrine.

15. The Purchaser has given substantial consideration under the APA, which consideration shall constitute valid and valuable consideration for the releases of any potential claims of successor liability of the Purchaser and which shall be deemed to have been given in favor of the Purchaser by all holders of Encumbrances in or against the Debtors, or the Purchased Assets. Upon consummation of the Sale, the Purchaser shall not be deemed to (a) be the successor to the Debtors, (b) have, *de facto* or otherwise, merged with or into the Debtors, or (c) be a mere continuation, alter ego or substantial continuation of the Debtors.

16. Except to the extent specifically agreed by the Purchaser in the APA or this Order, the Purchaser shall not have any liability, responsibility or obligation for any Encumbrances of the Debtors or their estates, including any claims, liabilities or other obligations related to the Purchased Assets prior to Closing Date. Under no circumstances shall the Purchaser be deemed a successor of or to the Debtors for any Encumbrances against, in or to the Debtors or the Purchased Assets. For the purposes of this section of this Order, all references to the Purchaser shall include the Purchaser's affiliates, subsidiaries and shareholders.

Good Faith

17. The transactions contemplated by the APA and the other Transaction Documents are undertaken by the Purchaser in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein by this Order to consummate the Sale shall not affect the validity of the Sale of the Purchased Assets to the Purchaser. The Purchaser is a purchaser in good faith of the

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Purchased Assets, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code.

18. As a good faith purchaser of the Purchased Assets, the Purchaser has not entered into an agreement with any other potential bidders at the Auction, and has not colluded with any of the other bidders, potential bidders or any other parties interested in the Purchased Assets, and, therefore, neither the Debtors nor any successor in interest to the Debtors' estates shall be entitled to bring an action against the Purchaser, and the Sale may not be avoided pursuant to section 363(n) of the Bankruptcy Code.

Additional Provisions

19. The consideration provided by the Purchaser for the Purchased Assets under the APA shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

20. Each and every federal, state, and local governmental agency, court or department is directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA and the other Transaction Documents. On the Closing Date, the Debtors and the Purchaser are authorized to take such actions as may be necessary to obtain a release of any and all Encumbrances in the Purchased Assets, except as set forth herein, if any, and to the extent contemplated hereby and by the APA and the other Transaction Documents. This Order (a) shall be effective as a determination that, on the Closing Date all Encumbrances of any kind or nature whatsoever existing as to the Purchased Assets prior to the Closing Date have been unconditionally released, discharged and terminated, and that the conveyances described herein have been effected, and (b) shall be binding upon and shall govern the acts of all entities including all filing agents, filing officers,

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title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Purchased Assets. Each and every federal, state and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA and the other Transaction Documents. The Purchaser and the Debtors shall take such further steps and execute such further documents, assignments, instruments and papers as shall be reasonably requested by the other to implement and effectuate the transactions contemplated in this paragraph; provided, however, that the recording of a certified copy of this order shall constitute the release and discharge of all Encumbrances by all Persons or Entities (as such terms are defined in the Bankruptcy Code) which hold Encumbrances prior to the consummation of the APA. All interests of record as of the date of this Order shall be forthwith deemed removed and stricken as against the Purchased Assets. All entities described in this paragraph are authorized and specifically directed to strike all such recorded liens, claims, rights, interests and encumbrances against the Purchased Assets from their records, official and otherwise.

21. If any person or entity that has filed statements or other documents or agreements evidencing Encumbrances (including without limitation any claims, liens, encumbrances, or interests of any kind) in any of the Purchased Assets does not deliver to the Debtors or the Purchaser prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements, and

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any other documents necessary for the purpose of documenting the release of all interests and other interests that the person or entity has or may assert with respect to any of the Purchased Assets, the Debtors and/or the Purchaser are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of such persons or entity with respect to any of the Purchased Assets.

22. Subject to the limitations set forth in paragraph 5 hereof, the Debtors will cooperate with the Purchaser and the Purchaser will cooperate with the Debtors in a commercially reasonable manner, in each case to ensure that the transaction contemplated in the APA and the other Transaction Documents is consummated, and the Debtors will make such modifications or supplements to any bill of sale or other document executed in connection with the closing to facilitate such consummation as contemplated by the APA and the other Transaction Documents (including without limitation, adding such specific assets to such documents as may be reasonably required by the Purchaser pursuant to the terms of the APA and the other Transaction Documents).

23. The Purchaser shall have no liability or responsibility for any liability or other obligation of the Debtors arising under or related to the Purchased Assets. Without limiting the generality of the foregoing, and except as otherwise specifically provided in the APA, the Purchaser shall not be liable for any claims against the Debtors or any of their predecessors or affiliates, and the Purchaser shall have no successor or vicarious liabilities of any kind or character (including without limitation, any products liability claims with respect to any inventory or other assets sold, shipped, or delivered prior to the Closing Date) whether known or unknown as of the Closing Date, now existing or hereinafter arising, whether fixed or contingent, with respect to the Debtors, the Purchased Assets or any obligations of or claims against the

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Debtors arising prior to the Closing Date, including, but not limited to, liabilities on account of any taxes, arising, accruing, or payable under, out of, or in connection with, or in any way relating to the operation of the Debtors' business prior to the Closing Date.

24. Except as set forth herein, under no circumstances shall the Purchaser be deemed a successor of or to the Debtors for any Encumbrance against or in the Debtors or the Purchased Assets of any kind or nature whatsoever (except for Permitted Encumbrances). Except as set forth herein, the sale, transfer, assignment and delivery of the Purchased Assets shall not be subject to any Encumbrance, and Encumbrances of any kind or nature whatsoever shall remain with, and continue to be obligations of, the Debtors. **Except as set forth herein, all Persons and Entities holding Encumbrances against, on, or in the Debtors or the Purchased Assets of any kind or nature whatsoever shall be, and hereby are, forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing such Encumbrances of any kind or nature whatsoever against the Purchaser, its officers, directors, shareholders, affiliates, subsidiaries and professionals, its property, its successors and assigns, or the Purchased Assets with respect to any Encumbrance of any kind or nature whatsoever such person or entity had, has, or may have against or in the Debtors, their estates, officers, directors, shareholders, affiliates, subsidiaries or the Purchased Assets. Except as set forth herein, following the Closing Date, no holder of an Encumbrance in the Debtors shall interfere with the Purchaser's title to or use and enjoyment of the Purchased Assets based on or related to such Encumbrance, or any actions that the Debtors may take in their Chapter 11 Cases.**

25. The terms and provisions of the APA, the other Transaction Documents and this Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors and their

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affiliates, successors and assigns, estates, and creditors, the Purchaser, and its affiliates, successors and assigns, and any affected third parties including, but not limited to, all persons asserting Encumbrances on the Purchased Assets to be sold to the Purchaser pursuant to the APA and the other Transaction Documents, notwithstanding any subsequent appointment of any trustee(s) under any chapter of the Bankruptcy Code, as to which trustee(s) such terms and provisions likewise shall be binding.

26. The failure specifically to include any particular provisions of the APA or the other Transaction Document in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the APA and the other Transaction Documents be authorized and approved in their entirety.

27. The APA, the other Transaction Documents and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates. To the extent that any provision of the APA conflicts with or is, in any way, inconsistent with any provision of this Order, this Order shall govern and control.

28. Nothing contained in any plan of reorganization or liquidation confirmed in the Chapter 11 Cases or any order of this Court confirming such plans or in any other order in the Chapter 11 Cases, including any order entered after any conversion of any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code, shall alter, conflict with, or derogate from, the provisions of the APA, the other Transaction Documents or the terms of this Order. The provisions of this Order, the APA and the other Transaction Documents and any actions

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taken pursuant hereto or thereto shall survive entry of any order which may be entered confirming or consummating any plan of reorganization of the Debtors, or which may be entered converting the Chapter 11 Cases from chapter 11 to chapter 7 of the Bankruptcy Code, and the terms and provisions of the APA, the other Transaction Documents as well as the rights and interests granted pursuant to this Order and the APA and the other Transaction Documents shall continue in the Chapter 11 Cases or any superseding case and shall be specifically performable and enforceable against and binding upon the Debtors, their estates and the Purchaser and their respective successors and permitted assigns, including any trustee, responsible officer or other fiduciary hereafter appointed as a legal representative of the Debtors or their estates under chapter 7 or chapter 11 of the Bankruptcy Code.

29. Any and all valid and perfected liens or interests in the Purchased Assets shall attach to any proceeds of the Sale immediately upon receipt of such proceeds by the Debtors with the same priority, validity, force and effect, if any, which they had immediately prior to entry of this Order, subject to any rights, claims, and defenses of the Debtors, the Debtors' estates or any trustee or other representative for the Debtors or the Debtors' estates, as applicable, may possess with respect thereto, in addition to any limitations on the use of such proceeds pursuant to any provision of this Order. As set forth in the final order authorizing debtor in possession financing [D.I. 187] (the "DIP Order"), the Debtors shall pay all proceeds from the Sale (net of the Bid Protections owed to Resolute FP Illinois LLC ("Resolute")), if any, directly to Wells Fargo Bank, N.A., as prepetition lender and debtor in possession lender (the "Lender"), consistent with the DIP Order.

30. The provisions of this Order are nonseverable and mutually dependent.

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31. The Sale shall not be subject to any bulk sales laws and compliance with the legal requirements relating to bulk sales and transfers is not necessary or appropriate under the circumstances.

32. The Debtors and each other person having duties or responsibilities under the APA and the other Transaction Documents or this Order, and their respective agents, representatives, and attorneys, are authorized and empowered to carry out all of the provisions of the APA and the other Transaction Documents, to issue, execute, deliver, file and record, as appropriate, the APA, the other Transaction Documents and any related agreements, and to take any action contemplated by the APA, the other Transaction Documents or this Order, and to issue, execute, deliver, file and record, as appropriate, such other contracts, instruments, releases, deeds, bills of sale, assignments, or other agreements, and to perform such other acts as are consistent with, and necessary or appropriate to, implement, effectuate and consummate the APA, the other Transaction Documents and this Order and the transactions contemplated thereby and hereby, all without further application to, or order of, the Court. Without limiting the generality of the foregoing, this Order shall constitute all approvals and consents, if any, required by applicable business corporation, trust and other laws of applicable governmental units with respect to the implementation and consummation of the APA, the other Transaction Documents and this Order and the transactions contemplated thereby and hereby.

33. Notwithstanding the provisions of Bankruptcy Rule 6004 and Bankruptcy Rule 6006 or any applicable provisions of the Local Rules, this Order shall not be stayed for fourteen (14) days after the entry hereof, but shall be effective and enforceable immediately upon entry, and the fourteen (14) day stay provided in such rules is hereby expressly waived and shall not apply. Any party objecting to this Order must exercise due diligence in filing an appeal and

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pursuing a stay within the time prescribed by law and prior to the Closing, or risk its appeal will be foreclosed as moot.

34. In the event that the Purchaser fails to consummate the Sale, the Backup Bidder, if there is one, will be deemed to have the new Prevailing Bid, and the Debtors will be authorized, without further order of this Court, to consummate the Sale with the Backup Bidder.

35. Consistent with the Bidding Procedures, the Good Faith Deposit of any Qualified Bidder that is neither the Prevailing Bidder nor the Backup Bidder shall be returned to such Qualified Bidder not later than five (5) business days after the Sale Hearing.

36. This Court shall retain exclusive jurisdiction to enforce and implement the terms and provisions of ^{this Order,} the APA, the other Transaction Documents, all amendments thereto, any waivers and consents thereunder, and of each of the agreements executed in connections therewith in all respects, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Purchased Assets to the Purchaser free and clear of Encumbrances (other than Permitted Encumbrances), or compel the performance of other obligations owed by the Debtors, (b) compel delivery of the purchase price or performance of other obligations owed to the Debtors, (c) resolve any disputes arising under or related to the APA and the other Transaction Documents, except as otherwise provided therein, (d) interpret, implement, and enforce the provisions of this Order, and (e) protect the Purchaser against (i) claims made related to any of the Excluded Liabilities, (ii) any claims of successor or vicarious liability related to the Purchased Assets, or (iii) any claims of Encumbrances asserted on or in the or the Purchased Assets, of any kind or nature whatsoever.

37. Attached hereto as Exhibit 2 is a Schedule of equipment and goods provided by the Debtors which is not being sold or otherwise transferred to the Purchaser, (The "Excluded

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Equipment and Goods”). Purchaser agrees that the owners of the Excluded Equipment and Goods shall be allowed reasonable access, at the owners’ sole cost, to the Purchaser’s premises during normal business hours upon: (a) receipt by Purchaser of forty-eight (48) hours advance written notice; (b) reasonable evidence of insurance; and (c) execution and delivery of a limited access agreement which will include, without limitation, indemnification and waiver of liability of Purchaser relating to the removal of the Excluded Equipment and Goods. Purchaser has no knowledge and cannot verify the existence or condition of the Excluded Equipment and Goods on the premises. In the event that any of the Excluded Equipment and Goods is not removed from the Purchaser’s premises on or before February 28, 2015, such Excluded Equipment and Goods shall be deemed abandoned, ^{unless otherwise agreed to by Purchaser and the owner of Excluded Equipment and Goods (without need for further court order).} In consideration for the accommodation of Purchaser set forth above, Purchaser shall not be liable for any claims, damages, condition of the Excluded Equipment or Goods, or other liability asserted by any party relating to the removal of the Excluded Equipment and Goods from the premises.

38. Ecosynthetix Ltd. (“ECO”) and the Debtors are parties to an agreement (the “ECO Agreement”) pursuant to which ECO agreed to sell to Alsip and Alsip agreed to purchase from ECO certain product, EcoSphere® Biolatex® binder 2240 (the “ECO Product”) and ECO designed, constructed, delivered, and installed at the Alsip Facility certain bulk bag unloading equipment (the “ECO System”) to be used by Alsip in connection with the ECO Product. The Debtors are authorized to abandon any interest they may have in the ECO System as it is of inconsequential value to the estate given that ECO asserts it owns the ECO System. Relief from the automatic stay imposed by 11 U.S.C. § 362(a) is hereby granted to permit ECO to take all actions consistent with this paragraph and paragraph 37. ECO expressly reserves and preserves

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its right to assert any claims that it may have against the Debtors and their estates and the Debtors expressly reserve and preserve their rights to object to any such asserted claim.

39. All rolls and other assets of the Debtors (the "Voith Retained Equipment") that are in the possession of Voith Paper Fabric & Roll Systems Inc. ("Voith") are Excluded Assets within the meaning of Section 1.1(b) of the APA. Pursuant to Section 1.1(b)(ii) of the APA, the Purchaser may purchase the Voith Retained Equipment upon payment to Voith of \$608,121.00 or such lesser amount as agreed to between the Purchaser and Voith without further order of the Court. The Debtors are authorized to abandon the Voith Retained Equipment in the possession of Voith as it is of inconsequential value to the estate given the liens asserted by Voith. Relief from the automatic stay imposed by 11 U.S.C. § 362(a) is hereby granted to permit Voith to take all actions consistent with this paragraph. The Purchaser will not be ~~required~~ required to make any further payments to the Seller on account of the Voith Retained Equipment beyond the Purchase Price whether or not the Purchaser enters into an agreement with Voith for the purchase of the Voith Retained Equipment. Voith expressly reserves and preserves its right to assert any claims that it may have against the Debtors and their estates and the Debtors expressly reserve and preserve their rights to object to any such asserted claims.

40. The Debtor is authorized and directed, from the first cash proceeds of the Sale, following closing, to pay Resolute \$250,000, composed of (a) a break-up fee in the amount of \$170,000 (the "Break-Up Fee"), and (b) \$80,000 on account of the actual and documented out-of-pocket fees and expenses, including fees and expenses of legal advisors, financial advisors and accountants, incurred by Resolute (the "Expense Reimbursement," and together with the Break-Up Fee, the "Bid Protections") as set forth and provided by the Order (A) Establishing Bidding Procedures in Connection with Sale of Certain Real Estate and Equipment of the

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Debtors, (B) Approving the Form and Manner of Notices, (C) Setting a Sale Hearing, and (D) Granting Related Relief [D.I. 128] (the "Bidding Procedures Order").^{6/} The Expense Reimbursement shall be subject to objection after documentation of such fees and expenses are provided, in accordance with the Bidding Procedures Order. The Bid Protections constitute a super-priority administrative expense of the Debtors in these Chapter 11 Cases under Bankruptcy Code section 503(b)(1), senior to any and all liens and claims of any creditors of or holders of equity interests in the Debtors, including pre-petition and post-petition amounts owing to the Lender. Additionally, the Escrow Agent shall return the Deposit of the Backup Bidder within three (3) business days of the Closing.

41. None of the Title-Retained Assets (as defined in the objection to the Motion filed by BTG Eclépens SA, BTG IPI LLC, and BTG Americas Inc.) that have not been used as of the date hereof are included among the Purchased Assets.

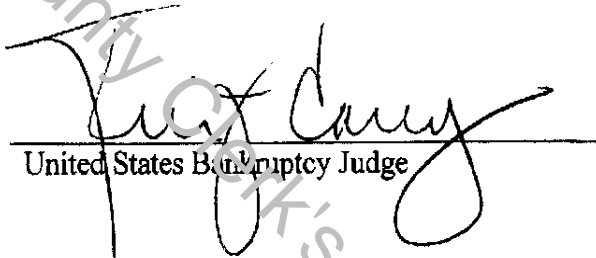
42. Certain creditors, including Tal-Mar Custom Metal Fabricators, Inc. and P&M Mercury Mechanical Corp., have asserted liens on the Purchased Assets that are senior to those of the Lender. In addition, other creditors may assert that they have liens on the Purchased Assets that are senior to those of the Lender. The Lender reserves any and all rights to dispute such assertions. \$490,745.00 of the proceeds from the Sale shall be placed into a separate account to be held by the Lender (the "Escrow Account"), which the Debtors believe is an amount sufficient to pay and all amounts asserted to be senior to those of the Lender if such claimants prevail on their claims that their liens are, in fact, senior to those of the Lender. The Escrow Account and the proceeds therein shall remain subject to the lien of the Lender, including its successors, assigns and subrogees. Any party claiming that it has an interest senior

^{6/} All capitalized terms in this paragraph that are not otherwise defined have the meanings given to them in the Bidding Procedures Order.

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to the Lender must file a proof of claim asserting such senior position (each, an "Asserted Senior Claim") by no later than the date that is thirty (30) days after the date of this Order (the "Asserted Senior Claim Bar Date"). Parties shall have thirty (30) days following the Asserted Senior Claim Bar Date to object to any such proofs of claim. Any party that does not file an Asserted Senior Claim by the Asserted Senior Claim Bar Date shall have no right to any funds from the Escrow Account or to otherwise recover from the Lender. Any amounts determined by the Court (or by resolution of the parties) to be senior to those of the Lender shall be paid from the Escrow Account. Following resolution or determination of all Asserted Senior Claims, any and all amounts remaining in the Escrow Account shall be returned to the Lender, or its successors, assigns or subrogees. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the Escrow Account, any claims asserted against the Escrow Account, and any distribution from the Escrow Account.

Dated: June, 2015


United States Bankruptcy Judge

43. Notwithstanding anything to this Order to the contrary, none of the Excluded Permits (as defined in the APA), as applicable to the Metropolitan Water Reclamation District of Greater Chicago (the "MWRD"), shall be subject to any transfer or assignment to the Purchaser. All of the MWRD's and Purchaser's rights as to the Excluded Permits are expressly reserved. At such time as Purchaser applies to MWRD for new permits, nothing in this Order shall affect Purchaser's obligations, if any, under MWRD's User Charge and Waste Control Ordinances including but not limited to requirements applicable to Purchaser (if any) governing Authorization Requests (the "obligations") as and to the extent the Ordinance may

be applicable to Purchaser's use of the Acquired Property.

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Exhibit 1

Property of Cook County Clerk's Office

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PAPER MILL EXECUTION COPY 01.05.15

ASSET PURCHASE AGREEMENT

by and between

Paper Mill Acquisition, LLC

as Purchaser,

and

Alstip Acquisition, LLC

as Seller

dated

January 7, 2015

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement" or the "Purchase Agreement") is made and entered into as of January 7, 2015, between Alsip Acquisition, LLC, a Delaware limited liability company ("Seller"), and Paper Mill Acquisition, LLC, a Delaware limited liability company ("Purchaser"). A glossary of defined terms used in this Agreement is set forth in Section 8.15 below.

WITNESSETH:

WHEREAS, Seller has filed a petition seeking protections as a debtor and debtor in possession in that certain bankruptcy case titled *In re Alsip Acquisition, LLC*, Debtor, (the "Chapter 11 Case") under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") which case is pending as case No. 14-12596 and is being jointly administered with a related case also filed in the Bankruptcy Court by APCA, LLC;

WHEREAS, Seller owns and desires to sell to Purchaser, and Purchaser desires to purchase from Seller, certain assets of the Seller;

WHEREAS, this Agreement is being submitted to Seller pursuant to the terms of the Bidding Procedures Order;

WHEREAS, in connection with the Chapter 11 Case and subject to the terms and conditions contained herein and following the entry of the Sale Order finding the Purchaser as the winning bidder and subject to the terms and conditions thereof, Seller shall sell, transfer and assign to the Purchaser, and the Purchaser shall purchase and acquire from Seller, pursuant to Sections 363 and 105 of the Bankruptcy Code, the Purchased Assets, as more specifically provided herein and in the Sale Order; and

WHEREAS, the transactions contemplated by this Agreement are subject to the approval of the Bankruptcy Court of, and will be consummated only pursuant to, this Agreement and a Sale Order to be entered in the Chapter 11 Case.

NOW, THEREFORE, in consideration of the premises and the respective representations, warranties, covenants, agreements and conditions hereinafter set forth, and the good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I PURCHASE AND SALE OF ASSETS

1.1 Purchase and Sale of Assets.

(a) Purchased Assets. Pursuant to Sections 105(a) and 363 of the Bankruptcy Code and on the terms and subject to the conditions set forth in this Agreement and the Sale Order, in consideration of the Purchase Price to be paid by Purchaser on the Closing Date, the Purchaser shall purchase, acquire and accept from the Seller, and Seller shall sell, transfer,

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assign, convey and deliver to the Purchaser, all of the Seller's right, title and interest in, to and under, free and clear of all Liens, Claims, Liabilities and Encumbrances (other than the Permitted Encumbrances), all of the Real Property, equipment, spare parts and other assets of the Seller (except Excluded Assets), including, without limitation, those assets as listed on Schedule 1.1 (collectively, the "Purchased Assets"). The Purchased Assets shall also include (i) to the extent assignable, without the outlay of cash (as discussed in Section 4.1(a)) by the Seller and requested by Purchaser, at its discretion, Seller's rights under all of its Permits, (ii) coverage, as a named insured, under the PLL Insurance, and (iii) books and records related to the Purchased Assets.

(b) Excluded Assets. Notwithstanding anything to the contrary in this Agreement, the Purchased Assets shall exclude all of the following (collectively, the "Excluded Assets"): .

(i) accounts receivable, negotiable instruments, chattel paper and other receivables;

(ii) tangible personal property of the Seller not in the possession of Seller to the extent that Seller would be required to pay any amount to a third party to make them available to Purchaser, it being the intention of the parties that these assets will be available to Purchaser, subject to Purchaser's willingness to pay such amounts or any amounts negotiated between Purchaser and the relevant third party, in each case with no liability of Seller and no obligation of the Purchaser to make any additional payment to the Seller for such assets, regardless of whether the Purchaser and relevant third party reach agreement prior to or after the Closing Date;

(iii) Seller's rights under this Agreement and all cash and non-cash consideration payable or deliverable to Seller pursuant to the terms and provisions hereof;

(iv) all cash deposits and prepaid items;

(v) all cash and cash equivalents (including checking account balances, certificates of deposit and other time deposits and petty cash) and marketable and other securities relating to or arising in connection with the operation of the Seller's business;

(vi) finished goods inventory existing on the Closing Date;

(vii) all tax refunds, rebates, credits and similar items relating to or arising out of the operation of the Seller's business and to any period, or portion of any period, on or prior to the Closing Date;

(viii) all insurance proceeds (including, without limitation, any insurance policies held by any Seller which insure the directors and officers of Seller against liability and any and all proceeds of any such insurance policies), claims and causes of action, except such rights and interest under insurance policies as are included among the Purchased Assets pursuant to the provisions of Section 1.1(a) above;

(ix) all real property leases, other leases and other contracts (verbal or written) to which Seller is a party;

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- (x) all securities, whether capital stock or debt, of Seller or any other entity;
- (xi) all tax records, minute books, stock transfer books and corporate seal of Seller; provided however, Seller shall provide Purchaser with copies of its books and records related to the Purchased Assets on or prior to the Closing Date;
- (xii) any letters of credit or similar financial accommodations issued to any third party(ies) for the account of Seller and any collateral;
- (xiii) all rights, claims and causes of action of Seller against any person or entity; and
- (xiv) all preference or avoidance claims and actions of Seller, including, without limitation, any such claims and actions arising under Sections 544, 547, 548, 549, and 550 of the Bankruptcy Code.

1.2 [Reserved]

1.3 Excluded Liabilities. The Purchaser shall not assume, and shall not be deemed to have assumed, and shall have no responsibility or obligation whatsoever for, any Liabilities of, or Claims against, the Seller or any of the Purchased Assets (collectively, the "Excluded Liabilities"), which shall include without limitation the following:

- (a) any successor or transferee liability of any kind or nature, including without limitation, claims for product liability whether or not relating to any defective products;
- (b) any and all contracts or other agreements with any labor union, including any collective bargaining agreement, benefit agreements, and any obligation relating to any employment contract or union contract;
- (c) wages, salary and vacation, holiday and personal time off accrued prior to, or in connection with, the Closing;
- (d) any obligations with respect to the employment of any of Seller's former or present Employees, including, without limitation, unemployment compensation, severance pay and any liability under the WARN Act or similar Laws;
- (e) any obligation to hire or otherwise employ any former or present Employee of Seller, whether under any union agreements or otherwise;
- (f) any obligations under any employee benefit plan maintained by the Seller, or under which the Seller is obligated or bound, including, without limitation, those plans based on length of service with Seller, pension plans, profit-sharing plans, health benefits or any other obligation owed to the former or present Employees of Seller;
- (g) any Liabilities based upon, or arising out of, in whole or in part, any facts, circumstances or events existing or occurring at any time prior to the Closing, including any accounts payable or trade account payable;

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(h) any Liabilities of any kind or nature related to executory contracts or unexpired leases;

(i) any Encumbrances (including, without limitation, mechanic's or warehousemen's liens) except Permitted Encumbrances held or asserted with respect to the Seller or any of the Purchased Assets; provided, however, the Seller shall have no obligation to pay any amounts due, whether or not liens, with respect to any tangible personal property not on premises;

(j) any Liability and other obligations with respect to, or arising under or through, any pension, profit sharing or similar plans or commitments of the Seller owed to, or with respect to, the former or present Employees of Seller; and

(k) any Liability accrued prior to the Closing.

1.4 [Reserved]

1.5 "As Is" Transaction. Except as otherwise provided in this Agreement or in the Sale Order: (I) PURCHASER HEREBY ACKNOWLEDGES AND AGREES THAT THE SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO ANY MATTER RELATING TO THE PURCHASED ASSETS; (II) WITHOUT IN ANY WAY LIMITING THE FOREGOING, SELLER HEREBY DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE AS TO ANY PORTION OF THE PURCHASED ASSETS; AND (III) ACCORDINGLY, PURCHASER WILL ACCEPT THE PURCHASED ASSETS AT THE CLOSING "AS IS," "WHERE IS," AND "WITH ALL FAULTS."

1.6 Purchase Price. The aggregate consideration to be paid by the Purchaser to the Seller for the Purchased Assets (collectively, the "Purchase Price") shall be ~~\$5,500,000.00~~, as adjusted pursuant to section 1.10 (the "Cash Price"). 8,220,000.00

1.7 Payment of the Purchase Price. In accordance with the Bidding Procedures Order, Purchaser has wired ten percent (10%) of the Purchase Price to Seller prior to or concurrently with submission of this Agreement as a deposit (the "Deposit"). On the Closing Date, the Purchaser shall pay to the Seller by wire transfer of immediately available United States funds into an account to be designated by the Seller or its designee an amount equal to the Purchase Price less the sum of the Deposit (the "Closing Date Payment"). The Seller shall return the full amount of the Deposit (without interest) to Purchaser within three (3) Business Days of a termination of this Agreement pursuant to Section 6.4 below. Notwithstanding the foregoing, if the Agreement is terminated pursuant to Section 6.4 (g), (j) or (m) and all of the conditions precedent set forth in sections 5.1 and 5.3 have been satisfied, the Purchaser will not be entitled to the return of the Deposit. If the Purchaser is not entitled to the return of the Deposit for the reasons set forth above the Seller may retain the Deposit, as liquidated damages to the Seller, in full and final satisfaction of any and all liability of Purchaser hereunder or related in any way to the transactions contemplated hereby. Upon any termination of this Agreement, Purchaser shall have no other liability under this Agreement. Upon any termination of this Agreement, the Seller shall likewise have no liability upon termination of this Agreement except for the return of the Deposit, to the extent required

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1.8 Allocation of Purchase Price. The Purchase Price shall be allocated among the Purchased Assets as determined by the Purchaser in its sole discretion (with such allocation to be provided to Seller prior to or within 90 days following the Closing). Seller shall not take a position on any Tax Return (including, without limitation, any Internal Revenue Service ("IRS") Form 8594 and any amendments thereto), before any Governmental Body charged with the collection of any Tax, or in any proceeding that is inconsistent with such allocation (taking into account any adjustments and subsequent amendments required by law) or otherwise inconsistent with this Section 1.8 without the prior written consent of Purchaser. Seller shall make any of its IRS Forms 8594 (and any amendments thereto) filed with the IRS available for inspection by Purchaser for the purpose of verifying compliance with this Section 1.8.

1.9 Taxes. All Taxes payable or accrued in respect of the Purchased Assets prior to the Closing Date shall remain Liabilities of the Seller. The Purchaser shall be liable for and shall pay all transfer and other similar Taxes, duties, fees or other like charges of any jurisdiction properly payable in connection with the transfer of the Purchased Assets by the Seller to the Purchaser.

1.10 Taxes and Assessments. If any Taxes (including, but not limited to, real estate taxes, personal property tax, ad valorem tax and similar non-income Taxes), other assessments or utility charges relating to, or arising out of the ownership, use or transfer of, the Purchased Assets (including, but not limited to any water, sewer and other municipal charges owed to any governmental authority and utility charges), imposed on a periodic basis beginning before and ending after the Closing Date (collectively "Pro Rated Items"), (i) have been paid by Seller at any time on or prior to the Closing Date and are attributable in whole or in part to any period of time following the Closing, or (ii) accrued on or after the Closing Date but have not been paid by Seller at any time on or prior to the Closing Date, then the Purchase Price payable at Closing shall be modified to adjust for the portion of such prior payment of Pro Rated Items by Seller that is attributable to the post-Closing period; provided, however, that final payments with respect to Pro Rated Items that are not able to be calculated on the Closing Date shall be calculated and paid as soon as practicable thereafter.

1.11 Removal of the Excluded Assets. Seller shall, at no expense for Purchaser, remove all Excluded Assets from the mill premises prior to Closing.

ARTICLE II REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to, and covenants and agrees that:

2.1 Organization and Good Standing. Seller has been duly organized and is validly existing as a limited liability corporation in good standing under the laws of the State of Delaware with full limited liability company power and authority to own and lease its properties and to conduct its business as currently conducted. Seller has no Subsidiaries.

2.2 Execution and Delivery. Subject only to obtaining Bankruptcy Court approval pursuant to the Sale Order, this Agreement has been duly authorized by all necessary corporate action on the part of Seller, has been duly executed and delivered by Seller and without any consent required, constitutes the legal, valid and binding agreement of Seller enforceable against Seller in accordance with its terms. Following the approval of this

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Agreement and the transactions contemplated hereby by the Bankruptcy Court pursuant to the Sale Order, this Agreement constitutes, and each of the documents and instruments with respect to the Purchased Assets necessary to effectuate the transfer thereof, when so executed and delivered, will constitute, legal, valid and binding obligations of the Seller, enforceable against the Seller in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

2.3 No Conflicts. The execution, delivery and performance of this Agreement by Seller and the consummation by Seller of the transactions contemplated hereby will not conflict with or result in the violation of (i) the provisions of the Organizational Documents of Seller, (ii) any judgment or order entered against the Seller in an action or proceeding to which such Seller is a party by any court or administrative agency, or (iii) any applicable Laws.

2.4 [Reserved]

2.5 Operations After the Petition Date. The Seller shall maintain the Purchased Assets in an "indefinite idle" state and appropriately winterized in a manner substantially consistent with the procedures described in Schedule 2.4, both of which shall be undertaken using a reasonable standard of care applicable to the industry, through the Closing Date.

2.6 Absence of Certain Developments. Since the closing of the Seller's plant on September 4, 2014, there has not been, singly or in the aggregate, any event, change, occurrence, circumstance, damage, destruction or physical loss, whether or not covered by insurance, with respect to the Purchased Assets that could reasonably be expected to have a Material Adverse Effect, except the aforesaid plant closing.

2.7 Title to Purchased Assets. The Seller owns and has good title to each of the Purchased Assets and at the Closing, the Seller shall convey each of the Purchased Assets free and clear of all Encumbrances, Claims and interests other than Permitted Encumbrances.

2.8 [Reserved]

2.9 Permits. Set forth in Schedule 2.9 is a listing of Permits that are required in the operation of the Purchased Assets as a coated paper mill and de-inking plant as operated by the Seller in the Ordinary Course of Business until September 4, 2014, and a description of whether (i) they are in good standing, (ii) subject to litigation or potential litigation that may result in termination or revocation thereof, or (iii) an event or issue could create an issue in the assignment or transfer of any such Permits to Purchaser.

2.10 Compliance with Laws. Subject to the Chapter 11 Case, the Seller is in compliance in all material respects with all Laws of any Governmental Body applicable to its operations, the Purchased Assets or the Seller's Business. Except as set forth Schedule 2.9, Seller has not received any written or other notice of or been charged with the violation of any Laws nor, to the Knowledge of Seller, is the Seller under investigation with respect to the violation of

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Laws, in each case that would adversely affect the ability of the Purchaser to utilize the Purchased Assets in the Ordinary Course of Business as a coated paper mill and de-inking plant.

2.11 Environmental Matters.

(a) Seller has furnished to the Purchaser complete and accurate copies of all environmental audits, reports, reliance letters, tank closure Permits, discharge or other operating Permits, and other environmental documents relating to the Real Property in the Seller's possession or requested by the Purchaser. Nothing in this section 2.11(a) shall require the Seller to undertake any new audit, report or other environmental documentation.

(b) Since November 6, 2009, no disclosure (verbal or written) was made by Seller (or, to the Knowledge of Seller, for and on behalf of Seller or any predecessor owner or operator of any of the Purchased Assets) to (i) any Governmental Body in connection with environmental matters (including, without limitation, with respect to any non-compliance under any environmental Permits), or (ii) the relevant insurer under the PLL Insurance.

2.12 [Reserved]

2.13 Certain Notices. Notices were sent to the Employees of Seller in connection with the closure of the Seller's plant on September 4, 2014.

**ARTICLE III
REPRESENTATIONS AND WARRANTIES OF PURCHASER**

Purchaser hereby represents and warrants to, and covenants and agrees that:

3.1 Organization and Good Standing. Purchaser has been duly organized and is existing as a limited liability company in good standing under the laws of the State of Delaware with full limited liability company power and authority to enter into this Agreement and to consummate the transactions contemplated hereby.

3.2 Execution and Delivery. This Agreement has been duly authorized by all necessary corporate action on the part of Purchaser, has been duly executed and delivered by Purchaser and without any consent required, constitutes the legal, valid and binding agreement of Purchaser enforceable against Purchaser in accordance with its terms.

3.3 No Conflicts. The execution, delivery and performance of this Agreement by Purchaser and the consummation by Purchaser of the transactions contemplated hereby will not conflict with or result in the violation of the provisions of the Organizational Documents of Purchaser.

3.4 Financing. Purchaser (i) has, or at the Closing will have, sufficient internal funds immediately available to pay any expenses incurred by the Purchaser in connection with the transactions contemplated by this Agreement, (ii) has, or at the Closing will have, the resources and capabilities (financial and otherwise) to perform its obligations hereunder without any consent required, and (iii) has not incurred any obligation, commitment,

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restriction or Liability of any kind, which would impair or adversely affect such resources and capabilities.

3.5 Brokers, Finders and Investment Banks. Neither the Purchaser, nor any officer, member, director or employee of the Purchaser, nor any Affiliate of the Purchaser, has employed any broker, finder or investment banker or incurred any Liability for any investment banking fees, financial advisory fees, brokerage fees or finders' fees in connection with the transactions contemplated hereby.

3.6 Solvency. Immediately after giving effect to the transactions contemplated by this Agreement, Purchaser shall be able to pay its debts as they become due and shall own property which has a fair saleable value greater than the amounts required to pay its debts (including a reasonable estimate of the amount of all contingent Liabilities). Immediately after giving effect to the transactions contemplated by this Agreement, Purchaser shall have adequate capital to carry on its business. No transfer of property is being made and no obligations is being incurred in connection with the transactions contemplated by this Agreement with the intent to hinder, delay or defraud either present or future creditors of Purchaser.

ARTICLE IV FURTHER COVENANTS AND AGREEMENTS

4.1 Access to Information.

(a) Seller agrees that, between the Execution Date and the earlier of the Closing Date and the date on which this Agreement is terminated in accordance with Section 6.4, the Purchaser shall be entitled, through its Affiliates or any of their respective officers, employees, counsel, accountants and other authorized representatives, agents and contractors ("Representatives"), to have such reasonable access to and make such reasonable investigation and examination of the Purchased Assets, books and records, properties, businesses, assets, Employees, accountants, auditors, counsel and operations of Seller (the "Seller's Documents") as the Purchaser's Representatives may reasonably request. Provided, however, that, prior to Closing, the Purchaser will not have the right to perform or conduct any environmental sampling or testing at, on, or underneath any of the Purchased Assets. Any such investigations and examinations shall be conducted during regular business hours upon reasonable advance notice and under reasonable circumstances, including Seller's right to have its Representative accompany the Purchaser upon the Real Property at the time of any inspection or examination and shall be subject to restrictions under applicable Law. Pursuant to this Section 4.1, Seller shall furnish to the Purchaser and their Representatives such financial, operating and property related data and other information as such Persons reasonably request. Seller shall use commercially reasonable efforts to cause its Representatives to reasonably cooperate with the Purchaser and the Purchaser's Representatives in connection with such investigations and examinations, and the Purchaser shall, and use its commercially reasonable efforts to cause their Representatives to, reasonably cooperate with Seller and its Representatives and shall use its reasonable efforts to minimize any disruption to the operations of the Seller.

Unless otherwise expressly provided for in this Agreement, the parties acknowledge and agree that there is no due diligence condition to the Purchaser's obligations to close the transactions contemplated by this Agreement. For greater certainty, after Closing, to the extent that the Purchaser has acquired the Purchased Assets, the Purchaser will have the

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right, at its discretion, to perform or conduct any environmental sampling or testing at, in, or underneath any of the Purchased Assets.

(b) All information provided to the Purchaser pursuant to this Section 4.1, shall be considered confidential (the "Confidential Information") and the Purchaser agrees that the Confidential Information will be used solely for the purpose of the transactions contemplated hereby and that all of the Confidential Information will be kept confidential; provided that any such information may be disclosed only to the limited group of the Purchaser's officers, directors, employees, agents, prospective lenders, prospective investors and outside advisors, who are actually engaged in and need to know the Confidential Information for the purpose of consummating this Agreement, who have been informed of the confidential nature of the Confidential Information, and who have been advised by and agree with Purchaser that such information is to be kept confidential and shall not be used for any purpose other than consummating this Agreement, except as required for filings with the Bankruptcy Court. The Purchaser's obligation of confidentiality hereunder shall expire at the Closing, in the event the Closing occurs pursuant to this Agreement, but shall continue in full force and effect for two years from the Execution Date should the Prevailing Bidder not be the Purchaser.

(c) The Purchaser and Seller agree that they shall each preserve and keep the records held by it relating to the Purchased Assets for a period of three (3) years from the Closing Date, or such longer period as may be required under applicable Laws, and shall, at the sole cost and expense of the requesting party, make such records available after receiving reasonable notice and during regular business hours as may be reasonably required by the requesting party (or its officers, directors or affiliates) or any successor to the requesting party including but not limited to any Chapter 7 or 11 trustee, liquidating trustee or official committee of unsecured creditors in connection with, among other things, any insurance claims, legal proceedings (including without limitation the Chapter 11 Case or any subsequent Chapter 7 case of Seller), tax issues, or governmental investigations, or in order to enable the Seller to comply with its obligations (including any administrative obligations relating to the Chapter 11 Case or any subsequent Chapter 7 case and wind-down the Seller's estate) under this Agreement and each other agreement, document or instrument contemplated hereby or thereby, in each case, (a) at the requesting party's sole cost and expense, (b) in accordance with Law, (c) under the supervision of the providing party's personnel, and (d) in such manner as to maintain confidentiality and not to interfere with the normal operations of the businesses of the providing party. Each party has no obligation to make available any records if making such records available would (x) jeopardize any attorney-client or other legal privilege or (y) potentially cause such party to be found in contravention of any applicable Law or contravene any fiduciary duty or agreement (including any confidentiality agreement to which either party is a party), it being understood that each party shall cooperate in any reasonable efforts and requests for waivers that would enable otherwise required disclosure to occur without so jeopardizing privilege or contravening such Law, duty or agreement. In the event either party wishes to destroy such records before that time, it shall first give thirty (30) days prior written notice to the other party or any successor including but not limited to any Chapter 11 or 7 trustee, liquidating trustee or official committee of unsecured creditors, and such other party which shall have the right at its option and expense, upon prior written notice given to the party holding such records within such thirty (30) day period, to take possession of the records within thirty (30) days after the date of such notice. Seller or its manager may maintain copies of books and records relating to the Purchased Assets for the purpose of

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administering and winding down the estate and determining or defending any claims against the Seller, its officers and manager and entities related to any of them, if such claims are related to the Seller or its operations. Notwithstanding anything herein, the parties, with respect to the records, shall comply with bankruptcy court orders on the subject as long as they receive notice and have an opportunity to object to the relief sought. Purchaser shall allow for a period of three (3) months following the Closing Date access to the administrative offices for up to four personnel to conduct the orderly winding down of the Seller's affairs. These personnel will be allowed to occupy the administrative offices to access historical records and computer equipment so long as it does not interfere with the Purchaser's operations and that given access to the computer equipment does not contravene to Law or contract requirement. Seller will advance any out-of-pocket costs to be incurred by the Purchaser as a result of this accommodation.

(d) Notwithstanding paragraph (b) above, if Purchaser or any of its Representatives becomes legally compelled (whether by law, rule, regulation, subpoena or similar court or other lawful process) to disclose any of the Confidential Information, Purchaser shall, to the extent legally permitted to do so, promptly provide the Seller with written notice of such requirement before any disclosure so that the Seller may (at the Seller's cost and with Purchaser's commercially reasonable efforts in cooperation) seek a protective order or other appropriate remedy and/or, in Seller's sole discretion, waive compliance with the terms of this Agreement to the extent necessary to permit such disclosure. Notwithstanding the precedent sentence and paragraph (b) above, if Purchaser determines with any applicable U.S., Canadian or provincial securities laws or regulations or applicable listing standards that disclosure of any of the Confidential Information is required or preferable, Purchaser will, to the extent legally permitted to do so, provide advance notice thereof to Seller.

(e) Confidential Information shall not include information that (i) is or becomes generally available to the public or generally known in the Parties' industry other than as a result of disclosure thereof by the Purchaser that would constitute a breach of this Agreement for information defined as Confidential Information, (ii) becomes available to the Purchaser on a non-confidential basis from a source (other than the Seller) which is to Purchaser's knowledge after reasonable inquiry not prohibited from disclosing such Confidential Information to Purchaser by a legal, contractual, or fiduciary obligation to the Seller, (iii) was within the possession of Purchaser prior to its being furnished by or on behalf of the Seller pursuant to this Agreement, or (iv) is independently developed by Purchaser without reference to Confidential Information.

4.2 Further Assurances. Subject to the terms and conditions of this Agreement and applicable Law, Seller and the Purchaser shall use their respective commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable in compliance with the applicable Laws to consummate and make effective the transactions contemplated by this Agreement as soon as reasonably practicable, and shall coordinate and cooperate with each other in exchanging information, keeping the other party reasonably informed with respect to the status of the matters contemplated by this Section and supplying such assistance as may be reasonably requested by the other party in connection with the matters contemplated by this Section 4.2. Without limiting the foregoing, following the Execution Date and until the earlier to occur of (i) the date on which this Agreement is terminated in accordance with Section 6.4, and (ii) the Closing Date, the parties shall use their commercially

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reasonable efforts to take the following actions but solely to the extent that such actions relate to the transactions contemplated by this Agreement:

(a) obtain any required consents, approvals (including Regulatory Approvals), waivers, Permits, authorizations, registrations, qualifications or other permissions or actions by, and give all necessary notices to, and make all filings with, and applications and submissions to, any Governmental Body or third party and provide all such information concerning such party as may be necessary or reasonably requested in connection with the foregoing, and the Seller shall cooperate with the Purchaser in the Purchaser's efforts to accomplish the foregoing, including without limit by assigning to the Purchaser at Closing all of the Seller's rights to governmental Permits which i) are not needed for the wind down of the Seller's business and assets, and ii) can be assigned under applicable Law, however the Seller will provide no assurance that such transfers will be successful or effective, and the Seller shall not be required to incur out of pocket expenditures, except for professional fees and expenses that are consistent with the budget attached to the order authorizing debtor in possession financing or use of cash collateral, as the same may be increased from time to time. Provided, however, that nothing herein shall require the Seller to pay any assignment fees and/or cure amounts or to participate in litigation regarding any such transfers.

(b) avoid the entry of, or have vacated or terminated, any injunction, decree, order, or judgment that would effectively restrain, prevent, or delay the consummation of the transactions contemplated hereby;

(c) take any and all reasonably necessary steps to avoid or eliminate every impediment under any applicable Law that is asserted by any Governmental Body with respect to the transactions contemplated hereby so as to enable the consummation of such transactions to occur as expeditiously as possible, provided, however, that there shall be no out of pocket expenditures required of the Seller except for professional fees and expenses that are consistent with the budget attached to the order authorizing debtor in possession financing or use of cash collateral; and

(d) execute, acknowledge and deliver all such further conveyances, notices, assumptions, releases and acquaintances and such other instruments, and cooperate and take such further actions, as may be reasonably necessary or appropriate to transfer and assign fully to the Purchaser or its successors and assigns, all of the Purchased Assets, and to otherwise make effective the transactions contemplated hereby and thereby.

Until the earlier to occur of (x) the date on which this Agreement is terminated in accordance with Section 6.4, and (y) the Closing Date, the Seller shall be required to take all actions required and provide sufficient resources (human and financial): (i) to comply with all of its covenants and obligations set forth in this Agreement, (ii) to reasonably cooperate with the Purchaser to obtain any necessary consents, approvals and Permits (including the Excluded Permits), (iii) to satisfy or waive all of the conditions set forth in Article V below, (iv) to promptly respond to the due diligence requests of the Purchaser, and (v) to take such actions before the Bankruptcy Court to allow the Parties to proceed to the Closing, provided, however, that there shall be no out of pocket expenditures required of the Seller except for professional fees and expenses that are consistent with the budget attached to the order authorizing debtor in possession financing or use of cash collateral.

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4.3 Notification of Certain Matters. To the extent a Party becomes aware thereof, Seller shall give prompt notice to the Purchaser, and the Purchaser shall give prompt notice to Seller, of (i) any notice or other communication from any Person alleging that the consent of such Person which is required in connection with the transactions contemplated by this Agreement is not likely to be obtained prior to Closing, (ii) any written objection or proceeding that challenges the transactions contemplated hereby or the entry of any order by the Bankruptcy Court related thereto, and (iii) any other offers or counteroffers submitted for the Purchased Assets. To the extent permitted by applicable Law, Seller shall give prompt notice to the Purchaser of (i) any notice of any alleged violation of Law applicable to Seller, and (ii) the commencement of any investigation, inquiry or review by any Governmental Body with respect to the Purchased Assets.

4.4 Amendment. This Agreement may be amended at any time by a written instrument executed by Purchaser and Seller. Any amendment effected pursuant to this Section 4.4 shall be binding upon all parties hereto, subject to any required Bankruptcy Court approval.

4.5 Waiver. Any term or provision of this Agreement may be waived in writing at any time by the party or parties entitled to the benefits thereof. Any waiver effected pursuant to this Section 4.5 shall be binding upon all parties hereto. No failure to exercise and no delay in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude the exercise of any other right, power or privilege. No waiver of any breach of any covenant or agreement hereunder shall be deemed a waiver of any preceding or subsequent breach of the same or any other covenant or agreement. The rights and remedies of each party under this Agreement are in addition to all other rights and remedies, at law or in equity that such party may have against the other parties.

4.6 Union Matters. The Purchaser recognizes having been informed that the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union and the IUOE (the "Unions") are currently the bargaining representatives for Employees working at the Seller's plant. After Closing, should (i) Purchaser wish to hire employees for the plant and (ii) a majority of the representative complement of the employees being considered to work at the plant comes from the Unions bargaining unit, Purchaser will recognize the Unions as the bargaining representatives for such employees and will negotiate with the Union the terms and conditions of a new bargaining agreement.

4.7 Seller's Employees. All Employees of Seller working at Seller's plant forming part of the Purchased Assets will have been terminated and severed by Seller, without any Liabilities whatsoever for Purchaser; provided, however, the Seller shall be entitled to retain any of its employees necessary for the administration of its estate, with no liability to Purchaser.

ARTICLE V CONDITIONS TO CLOSING AND MISCELLANEOUS SALE MATTERS

5.1 Conditions Precedent to the Obligations of the Purchaser and Seller. The respective obligations of each Party to consummate the transactions contemplated by this Agreement are subject to the satisfaction or written waiver, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived in writing by Seller and Purchaser in whole or in part to the extent permitted by applicable Law):

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(a) there shall not be in effect any statute, rule, regulation, executive order enacted, issued, entered or promulgated by a Governmental Body of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby;

(b) the Bankruptcy Court shall have entered the Bidding Procedures Order and shall have entered the Sale Order (all as provided in Article VII), which orders shall not have been reversed or stayed; and

(c) other than with respect to the transfer of any Permits (including the Excluded Permits), any Governmental Body whose consent is required for consummation of the transactions contemplated hereby shall have issued all consents required for the transactions contemplated hereby, without any unreasonable condition or limitation.

5.2 Conditions Precedent to the Obligations of Seller. The obligations of Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived in writing by Seller in whole or in part to the extent permitted by applicable Law):

(a) the representations and warranties of the Purchaser set forth in Article III hereof shall be true and correct as of the Closing Date as though made on and as of the Closing Date (except for such representations and warranties made as of a certain date, which shall be true and correct as of such date as though made on and as of such date) except where the failure of such representations or warranties to be true and correct (without giving effect to any limitation or qualification as to "material," "materiality" or "material adverse effect" set forth in such representations and warranties) has not had and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Purchaser's ability to consummate the transactions contemplated hereby, and Seller shall have received a certificate, substantially in the form attached hereto as Exhibit A, signed by an authorized officer of the Purchaser, dated the Closing Date, to the foregoing effect; provided, however, that the person signing the certificate shall have no personal liability on account of the certificate;

(b) the Purchaser shall have performed and complied in all material respects with all obligations and agreements required by this Agreement to be performed or complied with by the Purchaser on or prior to the Closing Date; and Seller shall have received a certificate, substantially in the form attached hereto as Exhibit A, signed by an authorized officer of the Purchaser, dated as of the Closing Date, to the foregoing effect; provided, however, that the person signing the certificate shall have no personal liability on account of the certificate;

(c) the Purchaser shall have delivered, or caused to be delivered, to Seller all of the items set forth in Section 6.3; and

(d) the Purchaser shall have delivered to Seller appropriate evidence of all necessary limited liability company action by the Purchaser in connection with the transactions contemplated hereby, including, without limitation: (i) certified copies of resolutions duly adopted by the Purchaser's members or managers approving the transactions contemplated by this Agreement and authorizing the execution, delivery, and

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performance by the Purchaser of this Agreement; and (ii) a certificate as to the incumbency of officers of the Purchaser executing this Agreement and any instrument or other document delivered in connection with the transactions contemplated by this Agreement.

5.3 Conditions Precedent to the Obligations of the Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived in writing by the Purchaser in whole or in part to the extent permitted by applicable Law):

(a) Seller shall have delivered to the Purchaser (i) a certified copy of the Sale Order, (ii) copies of all affidavits of service of the Sale Motion and notice of such motion filed by or on behalf of Seller, (iii) copies of all other documents signed by the Seller that are required by this Agreement or which are reasonably requested by Purchaser to aid in the consummation of the transactions contemplated herein;

(b) Service of the Sale Motion, the Sale Order, and all other papers and notices contemplated by the Bidding Procedures Order shall have been made by Seller in accordance with the Bidding Procedures Order and Federal Rules of Bankruptcy Procedure 2002 and 6004;

(c) [Reserved];

(d) The Sale Order (as provided in Article VII) shall not have been stayed;

(e) The representations and warranties of the Seller set forth in Article II hereof shall be true and correct as of the Closing Date as though made on and as of the Closing Date (except for such representations and warranties made as of a certain date, which shall be true and correct as of such date as though made on and as of such date) except where the failure of such representations or warranties to be true and correct (without giving effect to any limitation or qualification as to "material," "materiality," "Material Adverse Effect" or "material adverse effect" set forth in such representations and warranties) has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and Purchaser shall have received a certificate, substantially in the form attached hereto as Exhibit B, signed by an authorized officer of the Seller, dated as of the Closing Date, to the foregoing effect; provided, however, that the person signing the certificate shall have no personal liability on account of the certificate;

(f) Seller shall have performed and complied in all material respects with all covenants, obligations and agreements required in this Agreement to be performed or complied with by it on or prior to the Closing Date, and Purchaser shall have received a certificate, substantially in the form attached hereto as Exhibit B, signed by an authorized officer of the Seller, dated as of the Closing Date, to the foregoing effect; provided, however, that the person signing the certificate shall have no personal liability on account of the certificate;

(g) No suits, Actions, or other proceeding shall be pending or threatened at Closing which could materially interfere with the consummation of the transaction contemplated herein;

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efforts to have the Closing on or before ~~three (3) business days following the date the Sale Order is entered by the Bankruptcy Court.~~ The date on which the Closing shall be held is referred to in this Agreement as the "Closing Date." Unless otherwise agreed by the parties in writing, the Closing shall be deemed effective and all right, title and interest of the Seller in the Purchased Assets to be acquired by the Purchaser hereunder shall be considered to have passed to the Purchaser as of 12:01 a.m. Eastern Time on the Closing Date.

6.2 Closing Deliveries by Seller. At or before the Closing, Seller shall deliver to the Purchaser:

(a) duly executed bills of sale, deeds, and other documents and instruments with respect to the Purchased Assets necessary to effectuate the transfer thereof, substantially in the forms attached hereto as Exhibit C or as otherwise mutually agreed between the parties in their reasonable discretion, including, without limitation, quit claim deeds (as customary in the applicable jurisdiction) with respect to each parcel of Real Property included within the Purchased Assets (along with such certifications of Seller and other documents to be executed and delivered on behalf of Seller that are normal and customary or required in the closing of real estate transactions in the applicable jurisdiction, including such certificates or documents that are reasonably required to be delivered to Purchaser's title insurance company) in form and substance reasonably satisfactory to Purchaser;

(b) a true and correct copy of the Sale Order entered by the Bankruptcy Court;

(c) the officer's certificates required to be delivered pursuant to Sections 5.3(e) and 5.3(f); and

(d) conclusive evidence that Purchaser has been named as a named insured under the PLL Insurance.

6.3 Closing Deliveries by the Purchaser. At or before the Closing, the Purchaser shall deliver to (or at the direction of) Seller:

(a) the Closing Date Payment; and

(b) the officer's certificates required to be delivered pursuant to Sections 5.2(a) and 5.2(b).

6.4 Termination of Agreement. This Agreement may be terminated as follows at any time prior to the completion of the Closing:

(a) by the mutual written consent of Seller and the Purchaser;

(b) by either the Purchaser or Seller, if there shall be any Law that makes consummation of the transactions contemplated hereby illegal or otherwise prohibited, or there shall be in effect an order of a Governmental Body of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby;

(c) by the Purchaser, if the Chapter 11 Case is dismissed or converted to a case or cases under Chapter 7 of the Bankruptcy Code;

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(h) [Reserved];

(i) The Purchaser shall have obtained confirmation that the Permits identified in Schedule 5.3(i) will be assigned or transferred in its name or that similar new Permits will be issued to it, in each case (i) without any unreasonable condition or limitation in Purchaser's reasonable discretion, and (ii) at Closing or immediately after Closing.

(j) the Seller shall have delivered, or caused to be delivered, to Purchaser all of the items set forth in Section 6.2; and

(k) The Seller shall have delivered to Purchaser appropriate evidence of all necessary limited liability company action by the Seller in connection with the transactions contemplated hereby, including, without limitation: (i) certified copies of resolutions duly adopted by the Seller's members or managers approving the transactions contemplated by this Agreement and authorizing the execution, delivery, and performance by the Seller of this Agreement; and (ii) a certificate as to the incumbency of officers of the Seller executing this Agreement and any instrument or other document delivered in connection with the transactions contemplated by this Agreement.

5.4 Survival of Representations and Warranties. None of the representations, warranties, and to the extent required to be performed or fulfilled prior to the Closing, covenants and agreements of Seller or Purchaser in this Agreement, or in any instrument delivered pursuant to this Agreement, including any rights arising out of any breach of such representations, warranties, covenants and agreements, shall survive the Closing Date; provided, however that notwithstanding anything in this Agreement to the contrary, any representation or warranty in the case of fraud or intentional misrepresentation shall survive for a period of sixty (60) days after the Closing Date with respect to either party, but no individual shall have personal liability with respect thereto.

5.5 Further Assurances; Documents Delivered after Closing. From time to time, after the Closing, at the request of the Purchaser, Seller will execute and deliver to Purchaser such other instruments of conveyance and transfer, and take such other action, as Purchaser may reasonably require to more effectively convey, transfer to, and vest in Purchaser, and to put Purchaser in possession of, any of the Purchased Assets to be conveyed, transferred, and delivered to Purchaser hereunder.

ARTICLE VI CLOSING AND TERMINATION

6.1 Closing. Subject to the satisfaction of the conditions set forth in Sections 5.1, 5.2 and 5.3 hereof or the waiver thereof by the party entitled to waive the applicable conditions, the closing of the purchase and sale of the Purchased Assets and the consummation of the other transactions contemplated by this Agreement (the "Closing") shall take place at the offices of the Seller's attorneys, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston Massachusetts (or at such other place as the parties may designate in writing) one Business Day after the entry of the Sale Order entered by the Bankruptcy Court approving the transaction contemplated hereunder, unless another time or date, or both, are agreed to in writing by the Parties; provided, however, that the Parties agree to use their respective best

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- (d) [Reserved];
- (e) by the Purchaser, if the Bankruptcy Court grants to any secured creditor of the Seller relief from the automatic stay to foreclose on or enforce its rights against any of the Purchased Assets;
- (f) by either the Purchaser or Seller, if (i) Seller has consummated an Alternative Transaction or (ii) the Bankruptcy Court has entered an order approving the sale of any or all of the Purchased Assets to a Person other than the Purchaser as either the Prevailing Bidder or the Back-Up Bidder;
- (g) by Seller, if the Purchaser has breached, in a manner that constitutes or causes a Material Adverse Effect, any representation, warranty, covenant or agreement contained in this Agreement, and as a result of such breach the conditions set forth in Section 5.2 hereof would not then be satisfied at the time of such breach; provided, however, that if such breach is curable by the Purchaser within ten (10) days through the exercise of its reasonable best efforts, then for so long as the Purchaser continues to exercise such reasonable best efforts Seller may not terminate this Agreement under this Section 6.4(e) unless such breach is not cured within ten (10) days from written notice to the Purchaser of such breach; provided, further, that Seller is not then in material breach of the terms of this Agreement, and provided further, that no cure period shall be required for a breach which by its nature cannot be cured;
- (h) by Purchaser, if Seller has breached, in a manner that constitutes or causes a Material Adverse Effect, any representation, warranty, covenant or agreement contained in this Agreement and as a result of such breach the conditions set forth in Section 5.3 hereof would not then be satisfied at the time of such breach; provided, however, that if such breach is curable by Seller within ten (10) days through the exercise of its reasonable best efforts, then for so long as Seller continues to exercise such reasonable best efforts the Purchaser may not terminate this Agreement under this Section 6.4(f) unless such breach is not cured within ten (10) days from written notice to Seller of such breach provided, further, that Purchaser is not then in material breach of the terms of this Agreement, and provided further, that no cure period shall be required for a breach which by its nature cannot be cured;
- (i) by Purchaser, if any of the conditions set forth in Section 5.1 or 5.3 become incapable of satisfaction;
- (j) by Seller, if any of the conditions set forth in Section 5.2 become incapable of satisfaction;
- (k) by Seller, if any of the conditions set forth in Section 5.1 become incapable of satisfaction;
- (l) by Purchaser in the event a Sale Order in favor of Purchaser as described in Section 7.3 is not entered as provided in the Bidding Procedures Order;
- (m) by either Seller or Purchaser if the Closing shall not have occurred on or before the earlier of (i) the close of business on January 15, 2015, unless the Sale Hearing date is extended to January 20, 2015 pursuant to the Bidding Procedures Order, in which case the close of business on January 23, 2015, or (ii) the termination

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or expiration of the Seller's DIP credit facility, or such later date as the parties may mutually agree; provided, however, that the party terminating the Agreement is not then in material breach of any of the terms of this Agreement.

6.5 Procedure Upon Termination. In the event of a termination of this Agreement by the Purchaser or Seller or both, (a) written notice thereof shall be given promptly by the terminating party to the other parties hereto, specifying the provision hereof pursuant to which such termination is made, (b) this Agreement shall thereupon terminate and become void and of no further force and effect, except as provided in Section 6.6, and (c) the consummation of the transactions contemplated by this Agreement shall be abandoned without further action of the parties hereto. If this Agreement is terminated as provided herein, each party shall redeliver all documents, work papers and other material of any other party relating to the transactions contemplated hereby, whether so obtained before or after the execution hereof, to the party furnishing the same.

6.6 Effect of Termination. Except as provided in this Section 6.6, in the event of the termination of this Agreement pursuant to Section 6.4, this Agreement (other than Section 1.7, Section 6.5, this Section 6.6, and Article VIII, and all provisions dealing with the disposition of deposits and escrows which shall survive such termination) will forthwith become void, and there will be no liability on the part of the Purchaser, on the one hand, or the Seller, on the other hand, or any of their respective officers or directors (as the case may be), to the other parties, and all rights and obligations of any party hereto will cease. For avoidance of any doubt, any termination of the Agreement shall be subject to the terms and conditions of Section 1.7.

ARTICLE VII BANKRUPTCY COURT MATTERS

7.1 Competing Bids and Other Matters.

(a) This Agreement and the transactions contemplated hereby are subject to Seller's right and ability to consider higher or better competing bids with respect to any or all of the Purchased Assets pursuant to the Bidding Procedures Order. As set forth in Section 7.1(b), the Seller may solicit and negotiate higher and/or otherwise better offers from any Person deemed appropriate by the Seller (an "Alternative Transaction").

(b) From the Execution Date until the Bid Deadline (as defined in the Bidding Procedures Order), Seller shall have the responsibility and obligation to solicit and respond to any reasonable inquiries or offers to purchase all or any part of the Purchased Assets, and perform any and all other acts related thereto, including, without limitation, supplying information relating to the business operations and the assets of Seller to prospective purchasers, subject only to the provisions of the Bidding Procedures Order and subject to execution of an appropriate confidentiality agreement by any potential purchaser prior to its receiving such information.

7.2 Reserved

7.3 Sale Order. In the event an Auction is conducted and the Purchaser is the Prevailing Bidder, or in the event no Auction is conducted pursuant to the Bidding Procedures Order, an order shall be entered by the Bankruptcy Court substantially in the form attached hereto as Exhibit D and otherwise in form and substance acceptable to Seller and the Purchaser (the "Sale Order"). The Sale Order shall, among other things, (i) approve, pursuant to

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Sections 105(a) and 363 of the Bankruptcy Code: (A) the execution, delivery and performance by Seller of this Agreement, (B) the sale of the Purchased Assets to the Purchaser on the terms set forth herein and free and clear of all Liens, Claims, Liabilities and Encumbrances (other than the Permitted Encumbrances), and (C) the performance by Seller of its obligations under this Agreement; (ii) find that Purchaser is a "good faith" purchaser within the meaning of Section 363(m) of the Bankruptcy Code, not a successor to the Seller, and grant Purchaser the protections of Section 363(m) of the Bankruptcy Code; (iii) provide that the Sale Order is binding on any successor chapter 11 or chapter 7 trustee and (iv) provide that any stay of the Sale Order pursuant to Federal Rules of Bankruptcy Procedure 6004(h) and 6006(d) is waived and such order shall be final upon entry. Purchaser agrees that it will promptly take such actions as are reasonably requested by the Seller to assist in obtaining Bankruptcy Court approval of the Sale Order, including, without limitation, furnishing affidavits or other documents or information for filing with the Bankruptcy Court for purposes, among others, of demonstrating that the Purchaser is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code. The Bankruptcy Court shall maintain jurisdiction over the interpretation and enforcement of its order.

7.4 Notice and Reasonable Efforts. The Seller shall provide appropriate notice of the hearings on the Sale Motion and the Auction, as is required by the Bankruptcy Code and the Bankruptcy Rules, to all parties entitled to notice, including, but not limited to, all taxing and environmental authorities in jurisdictions applicable to Seller. Thereafter, the Seller shall take all actions as may be reasonably necessary to cause each of such Orders to be issued, entered and become a Final Order.

7.5 Defense of Orders. If the Bidding Procedures Order, the Sale Order, or any other order of the Bankruptcy Court relating to this Agreement (collectively, the "Bankruptcy Orders") shall be appealed (or a petition for certiorari or motion for rehearing or reargument shall be filed with respect thereto), the Seller shall take reasonable steps as may be appropriate to defend against such appeal, petition or motion, and the Purchaser agrees to cooperate in such efforts, and each of the Seller and the Purchaser hereto shall endeavor to obtain an expedited resolution of such appeal.

ARTICLE VIII MISCELLANEOUS

8.1 Notices. Unless required otherwise in this Agreement, all notices and other communications under or in connection with this Agreement shall be in writing and shall be deemed given (a) if delivered personally (including by overnight express or messenger), upon delivery, (b) if delivered by registered or certified mail (return receipt requested), upon the earlier of actual delivery or three days after being mailed, (c) if given by facsimile, upon confirmation of transmission by facsimile, in each case to the parties at the following addresses:

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If to the Purchaser:

Paper Mill Acquisition, LLC
5043 W. 67th Street
Bedford Park, IL 60638
Attention: John Potocsnak

With copies to:

Paper Mill Acquisition, LLC
5043 W. 67th Street
Bedford Park, IL 60638
Attention: Mike Rubinstein

And

Huck Bouma, P.C.
1755 S Naperville Rd, Suite 200
Wheaton, IL 60189
Attention: William J. Strons, Esq.

If to the Seller:

Alsip Acquisition, LLC
c/o Alsip Holdings, LLC
13101 S Pulaski Road
Alsip, IL 60803

With copies to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
Facsimile: (617) 542-2241
Attention: Richard E. Mikels, Esq.

and

Riemer Braunstein LLP
Times Square Tower
Seven Times Square, Suite 2506
New York, New York 10036
Attention: Steven E. Fox, Esq.

8.2 Severability. If any term or provision of this Agreement or the application thereof to any circumstance shall, in any jurisdiction and to any extent, be invalid or unenforceable, such term or provision shall be ineffective as to such jurisdiction to the extent of such invalidity

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or unenforceability without invalidating or rendering unenforceable such term or provision in any other jurisdiction, and the remaining terms and provisions of this Agreement or the application of such terms and provisions to circumstances other than those as to which such terms and provisions are held invalid or enforceable shall remain in full force and effect.

8.3 Entire Agreement. This Agreement, including the annexes and schedules attached hereto and other documents referred to herein and incident to this transaction, contains the entire understanding of the parties hereto in respect of its subject matter and supersedes all prior and contemporaneous agreements and understandings, oral and written, between the parties with respect to such subject matter.

8.4 Successors and Assigns. This Agreement shall be binding upon the Seller and Purchaser and shall inure to the benefit of the parties and their respective successors and permitted assigns, including, without limitation, any trustee or estate representative appointed in the Chapter 11 Case or any successor Chapter 7 case. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any Person or entity not a party to this Agreement except as otherwise provided in this Section 8.4. No assignment of this Agreement or of any rights or obligations hereunder may be made by Seller or the Purchaser (by operation of law or otherwise) without the prior written consent of the other parties hereto and any attempted assignment without the required consents shall be void, except that the Purchaser may assign such rights and obligations to an Affiliate of the Purchaser so long as Purchaser remains responsible for its obligations hereunder. This Agreement is not intended to benefit, and shall not run to the benefit of or be enforceable by, any other person or entity other than the parties hereto and their permitted successors and assigns.

8.5 Counterparts; Facsimile Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute but one and the same Agreement. This Agreement, any and all agreements and instruments executed and delivered in accordance herewith, along with any amendments hereto or thereto, to the extent signed and delivered by means of E-mail, a facsimile machine or other means of electronic transmission, shall be treated in all manner and respects and for all purposes as an original signature, agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

8.6 Recitals, Schedules and Annexes. The recitals, schedules and annexes to this Agreement are incorporated herein and, by this reference, made a part hereof as if fully set forth at length herein.

8.7 Construction.

(a) Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:

(i) All references in this Agreement to Articles, Sections, Schedules and Exhibits shall be deemed to refer to Articles, Sections, Schedules and Exhibits to this Agreement.

(ii) All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full

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herein. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall be defined as set forth in this Agreement.

(iii) The Article, Section and paragraph captions herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof.

(iv) The words "include," "includes" and "including," when used herein shall be deemed in each case to be followed by the words "without limitation" (regardless of whether such words or similar words actually appear).

(v) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is not a Business Day, the period in question shall end on the next succeeding Business Day.

(vi) Any reference in this Agreement to \$ shall mean U.S. dollars.

(vii) Any reference in this Agreement to gender shall include all genders, and words imparting the singular number only shall include the plural and vice versa.

(viii) The words such as "herein," "hereinafter," "hereof," and "hereunder" refer to this Agreement as a whole and not merely to a subdivision in which such words appear unless the context otherwise requires.

(b) The parties hereto agree that they have been represented by legal counsel during the negotiation and execution of this Agreement and, therefore, waive the application of any Law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document shall be construed against the party drafting such agreement or document.

(c) Purchaser acknowledges hereby that Seller may not comply with the provisions of any bulk transfer laws of any jurisdiction in connection with the transactions contemplated by this Agreement.

8.8 Governing Law. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH FEDERAL BANKRUPTCY LAW, TO THE EXTENT APPLICABLE, AND WHERE STATE LAW IS IMPLICATED, THE LAWS OF THE STATE OF DELAWARE SHALL GOVERN, WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PRINCIPLES THEREOF, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE.

8.9 Jurisdiction, Waiver of Jury Trial.

(a) THE BANKRUPTCY COURT WILL HAVE JURISDICTION OVER ANY AND ALL DISPUTES BETWEEN OR AMONG THE PARTIES, WHETHER IN LAW OR EQUITY, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY AGREEMENT CONTEMPLATED HEREBY; PROVIDED, HOWEVER, THAT

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IF THE BANKRUPTCY COURT IS UNWILLING OR UNABLE TO HEAR ANY SUCH DISPUTE, THE PARTIES CONSENT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF DELAWARE AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA LOCATED IN DELAWARE OVER ANY AND ALL DISPUTES BETWEEN OR AMONG THE PARTIES, WHETHER IN LAW OR EQUITY, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY AGREEMENT CONTEMPLATED HEREBY, UNLESS EACH OF THE COURTS OF THE STATE OF DELAWARE AND THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA LOCATED IN DELAWARE DO NOT HAVE JURISDICTION OR ARE UNWILLING OR UNABLE TO HEAR SUCH DISPUTE.

(b) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

8.10 Injunctive Relief. The Parties agree that damages at Law may be an inadequate remedy for the breach of any of the covenants, promises and agreements contained in this Agreement, and, accordingly, except as expressly provided herein each Party shall be entitled to injunctive relief with respect to any such breach of the other Parties, including without limitation, specific performance of such covenants, promises or agreements or an order enjoining such other Parties from any threatened, or from the continuation of any actual, breach of the covenants, promises or agreements contained in this Agreement. The rights set forth in this Section 8.10 shall be in addition to any other rights which each Party may have at Law or in equity pursuant to this Agreement.

8.11 Expenses. Except as otherwise set forth in this Agreement, each of Seller and Purchaser shall each bear its own expenses (including attorneys' fees) incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the consummation of the transactions contemplated hereby and thereby.

8.12 Non-Recourse. Except as expressly contemplated by this Agreement, no past, present or future director, officer, employee, incorporator, member, partner or equity holder of the Seller or Purchaser shall have any liability for any Liabilities of the Seller or Purchaser or for any Claim based on, in respect of, or by reason of, the transactions contemplated by this Agreement.

8.13 Time of the Essence. Time is of the essence in the performance of each of the obligations of the Parties and with respect to all covenants and conditions to be satisfied by the Parties in this Agreement and all documents, acknowledgments and instruments delivered in connection herewith.

8.14 Headings; Currency. The table of contents and the headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All amounts stated herein are in United States dollars unless expressly indicated otherwise.

8.15 Definitions.

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"Action" means any Claim, demand, action, cause of action, chose in action, right of recovery, right of set-off, suit, arbitration, inquiry, proceeding, or investigation, including any of the foregoing before any Governmental Body;

"Affiliate" of any Person shall mean any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with the former Person (or in the case of the Purchaser, any Affiliate of such Affiliate), where "control" means the power, directly or indirectly, to direct or cause the direction of the management and policies of another Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" shall have the meaning set forth in the Preamble.

"Alternative Transaction" shall have the meaning set forth in Section 7.1.

"Auction" shall have the meaning set forth in the Bidding Procedures Order.

"Back-up Bidder" shall have the meaning set forth in the Bidding Procedures Order.

"Bankruptcy Code" shall have the meaning set forth in the Recitals. **"Bankruptcy Court"** shall have the meaning set forth in the Recitals.

"Bidding Procedures Order" shall mean that certain *"Order (A) Establishing Bidding Procedures in Connection with Sale of Certain Real Estate and Equipment of the Debtors, (B) Approving the Form and Manner of Notices, (C) Setting a Sale Hearing, and (D) Granting Related Relief"* which was entered by the Bankruptcy Court on December 11, 2014 and which is attached as **Exhibit E**.

"Bid Protections" shall have the meaning set forth in Section 7.2.

"Break Up Fee" shall have the meaning set forth in Section 7.2.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which commercial banks in Wilmington, Delaware are authorized or required by Law to be closed.

"Cash Price" shall have the meaning set forth in Section 1.6.

"Chapter 11 Case" shall have the meaning set forth in the Recitals.

"Claim" has the meaning given that term in Section 101(5) of the Bankruptcy Code and includes, inter alia, all rights, claims, causes of action, defenses, debts, demands, damages, offset rights, setoff rights, recoupment rights, obligations and Liabilities of any kind or nature under contract or tort, at law or in equity, known or unknown, contingent or material, liquidated or unliquidated, and all rights and remedies with respect thereto.

"Closing" and **"Closing Date"** have the respective meanings assigned to such terms in Section 6.1.

"Closing Date Payment" shall have the meaning set forth in Section 1.7.

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"Confidential Information" shall have the meaning set forth in Section 4.1(b).

"Contract" shall mean any written or oral contract, purchase order, service order, sales order, indenture, note, bond, lease, license, commitment or instrument or other agreement, arrangement or commitment that is binding upon a Person or its property.

"Deposit" shall have the meaning set forth in Section 1.7.

"Documents" shall mean all of Seller's written files, documents, instruments, papers, books, reports, records, tapes, microfilms, photographs, letters, budgets, forecasts, plans, operating records, safety and environmental reports, data, studies and documents, Tax Returns, ledgers, journals, title policies, customer lists, regulatory filings, operating data and plans, research material, technical documentation (design specifications, engineering information, test results, maintenance schedules, functional requirements, operating instructions, logic manuals, processes, flow charts, etc.), user documentation (installation guides, user manuals, training materials, release notes, working papers, etc.), marketing documentation (sales brochures, flyers, pamphlets, web pages, etc.), and other similar materials, in each case whether or not in electronic form.

"Employee" shall mean an individual who is, or has been, employed by Seller.

"Encumbrance" shall mean any encumbrance, Lien, Claim, Liability, interest, right, demand, charge, mortgage, deed of trust, option, pledge, security interest or similar interest, title defects, claims of ownership or similar claims, hypothecations, easements, rights of way, restrictive covenants, encroachments, rights of first refusal, preemptive rights, judgments, conditional sale or other title retention agreements and other impositions, imperfections or defects of title or restrictions on transfer or use of any nature whatsoever.

"Escrow Agent" shall have the meaning set forth in Section 1.7.

"Excluded Assets" shall have the meaning set forth in Section 1.1(b)

"Excluded Liabilities" shall have the meaning set forth in Section 1.2.

"Excluded Permits" shall mean the Company's MWRDGC Discharge Authorization, MWRDGC Canal Inlet Easement and Title V Air - Illinois EPA.

"Execution Date" shall mean the date upon which this document is executed by the Seller and the Purchaser.

"GAAP" means United States generally accepted accounting principles as in effect from time to time and consistently applied in the financial statements of Seller.

"Governmental Body" shall mean any government, quasi-governmental entity, or other governmental or regulatory body, agency or political subdivision thereof of any nature, whether

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foreign, federal, state or local, or any agency, branch, department, official, entity, instrumentality or authority thereof, or any court or arbitrator (public or private) of applicable jurisdiction.

"Income Tax" shall mean all Taxes based upon, measured by, or calculated with respect to gross or net income or gross or net receipts or profits, including any interest, penalty or addition thereto.

"Knowledge of Seller" or other words of similar meaning shall mean and include all facts and other matters that any of Seller's President and CEO as of the date of execution of this Agreement or Seller's CFO as of the date of execution of this Agreement actually know, after reasonable inquiry.

"Law" shall mean all federal, state, local or foreign laws, statutes, common laws, rules, codes, regulations, guidance, policies, restrictions, ordinances, orders, decrees, approvals, directives, judgments, rulings, injunctions, writs and awards of, or issued, promulgated, enforced or entered by, any and all Governmental Bodies, or court of competent jurisdiction, or other requirement or rule of law.

"Legal Requirement" shall mean any statute, law, ordinance, rule, regulation, Permit, order, writ, judgment, injunction, decree or award issued, enacted or promulgated by any Governmental Body or any arbitrator.

"Liability" means any debt, liability, Claim, commitment or obligation of any kind, whether fixed, contingent or absolute, matured or unmatured, liquidated or unliquidated, accrued or not accrued, asserted or not asserted, known or unknown, determined, determinable or otherwise, whenever or however arising, including, without limitation, whether arising out of any contract, tort based on negligence, strict liability or otherwise.

"Lien" has the meaning given that term in Section 541(37) of the Bankruptcy Code and includes, inter alia, all liens (including judgment and mechanics' liens, regardless of whether liquidated), mortgages, assessments, security interests, easements, Claims, pledges, trusts (constructive or other), deeds of trust, options or other charges, Encumbrances or restrictions.

"Material Adverse Effect" shall mean, as asserted by the Purchaser, any event, change, occurrence, fact, condition or effect (an "Event"), other than the filing of the Chapter 11 Case and the plant closure by the Seller on September 4, 2014, that has or would reasonably be expected to have, either directly or indirectly, individually or in the aggregate with any other event, change, occurrence, fact, condition or effect, a materially adverse effect on, the Purchased Assets. Such Event shall only constitute a Material Adverse Effect if the anticipated use, value and enjoyment of the results of the transaction contemplated in this Agreement is significantly reduced or delayed from what the Purchaser anticipated in a manner that could cause significant capital or business related expenditure or rehabilitation costs. Without limiting the generality of the foregoing, an Event raised by Purchaser, at its discretion, shall be deemed to constitute a Material Adverse Effect if the Purchaser could be required to incur obligations of \$1,500,000 or more in connection therewith (including, without limitation, for work, repairs, removal or remedial costs and expenses related to actual or potential environmental Liabilities).

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"Ordinary Course of Business" shall mean the ordinary and usual course of normal day-to-day operations of the Seller's Business consistent with past practice.

"Organizational Documents" shall mean (a) with respect to a corporation, the certificate or articles of incorporation and bylaws; (b) with respect to a limited liability company, the certificate of formation and the limited liability company agreement, (c) with respect to any other entity, any charter or similar document adopted or filed in connection with the creation, formation or organization of such entity; and (d) any amendments to any of the foregoing.

"Party" or "Parties" shall mean the Seller and/or the Purchaser, as applicable.

"Permits" means any approvals, authorizations, consents, licenses, permits or certificates necessary for the operation and use of the Purchased Assets in the Ordinary Course of Business.

"Permitted Encumbrances" shall mean (i) easements, rights of way, restrictive covenants, encroachments and similar non-monetary Encumbrances or non-monetary impediments against any of the Purchased Assets which do not, individually or in the aggregate, adversely affect the value of the Purchased Assets and, in case of Real Property, which do not, individually or in the aggregate adversely affect the use or occupancy of such Real Property, which do not, individually or in the aggregate detract from the value of the Real Property, (ii) applicable zoning Laws, building codes, land use restrictions and other similar restrictions imposed by Law which do not, individually or in the aggregate adversely affect the value of the Purchased Assets, and, in the case of Real Property, which do not, individually or in the aggregate, adversely affect the use or occupancy of such Real Property or materially detracts from the value of the Real Property, (iii) such other Encumbrances or title exceptions or which do not, individually or in the aggregate, adversely affect the ownership or use of the Purchased Assets or adversely affect the value of the Purchased Assets.

"Person" shall mean all natural persons, corporations, business trusts, associations, companies, partnerships, joint ventures, Governmental Bodies and any other entities.

"Petition Date" shall mean the date on which the Seller filed its petition initiating the Chapter 11 Case.

"PLL Insurance" shall mean (i) the Pollution Legal Liability Select Policy, including all notices and endorsements, issued to Alsip Acquisition, LLC by Lexington Insurance Company (Policy No. PLS13405132) and (ii) the Pollution and Remediation Legal Liability Policy, including all notices and endorsements, issued to Alsip Acquisition, LLC by XL Americas, Inc. (Policy No. PEC003916401).

"Prevailing Bidder" shall have the meaning set forth in the Bidding Procedures Order.

"Purchase Price" shall have the meaning set forth in Section 1.6.

"Purchased Assets" shall have the meaning set forth in Section 1.1(a).

"Purchaser" shall have the meaning set forth in the Introduction.

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"Real Property" means all of the real property owned, used or occupied by Seller, as legally described on Schedule 1.1 c and commonly known as 13101 S. Pulaski, Alsip, Cook County, Illinois together with all buildings, structures, fixtures and improvements erected thereon, and any and all rights, privileges, easements, licenses, hereditaments and other appurtenances relating thereto, and used, or held for use by Seller.

"Regulatory Approvals" shall mean any consents, waivers, approvals, orders, Permits or authorizations of any Governmental Body required in connection with the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereunder.

"Representatives" shall have the meaning set forth in Section 4.1(a).

"Sale Order" shall have the meaning set forth in the Bidding Procedures Order.

"Sale Motion" shall mean that certain "Debtor's Motion for Entry of an Order: Approving the Sale of Certain Assets of the Debtor Free and Clear of Liens, Claims and Encumbrances to the Successful Bidder" to be filed by Seller in the Bankruptcy Court, including all Exhibits thereto and papers filed in support thereof, seeking approval and entry of the Sale Order.

"Sale Order" shall have the meaning set forth in Section 7.3.

"Seller" shall have the meaning set forth in the Introduction.

"Seller's Business" shall mean the business of operating a coated paper mill and de-inking plant in which the Seller was engaged prior to the Petition Date.

"Seller's Documents" shall have the meaning set forth in Section 4.1(a).

"Tax" and **"Taxes"** shall mean any and all taxes, charges, fees, tariffs, duties, impositions, levies or other assessments, imposed by any Governmental Body, and include any interest, penalties or additional amounts attributable to, or imposed upon, or with respect to, Taxes.

"Tax Return" shall mean any return, report, information return, declaration, claim for refund or other document (including any schedule or related or supporting information) supplied or required to be supplied to any Governmental Body with respect to Taxes, including amendments thereto.


[Signature page follows.]

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IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement, or has caused this Agreement to be executed on its behalf by a representative duly authorized, all as of the date first above set forth, and with liability attaching only to the parties and not to the persons executing this Agreement as their representatives.


PURCHASER:

Paper Mill Acquisition, LLC,
A Delaware limited liability company
By: Corrugated Supplies Company, LLC, a
Delaware limited liability company, sole Manager

By: 
Name: John Potocsnak
Title: Manager

SELLER:

AISIP ACQUISITION, LLC,
A Delaware limited liability company

By: 
Name: Stephen Z. Silver
Title: President

Property of Court Clerk's Office

[Aisip - Asset Purchase Agreement]

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Schedule 1.1 (A)

Alcip Acquisition, LLC
Purchased Assets

Item #	Qty.	Description
1	1	ANDRITZ AHLSTROM 11000 INGRINLOW DRUM PULP, 2001, 115-7/8" DIA. X 81'-7/8" LONG, W/ 700 HP MOTOR AND PALK 4882-17.64 GRAB REDUCER, PULPING SECTION MATERIAL SUR 2343, SCRIBIN MATERIAL, SIB 2343, VAI MATERIAL, 316L STAINLESS STEEL, 675 AIR DRIED SHORT TONS PER DAY INPUT CAP, W/ 72" WIDE 138" PAN CONVEYOR X 67' LONG, TOP LOAD EXHAUST SECTION 72" WIDE X 12' LONG
2	1	VORTH VSB0012 12" DIA. PULP, S/N 28/210AVST-333RH (2001), 20" DIA. 2400-207 PULP, 125 HP MOTOR AND V-BELT DRIVE, PULP TANK 316 STAINLESS STEEL, W/ VORTH KFS STACKED BALL STACK CONVEYOR, S/N 1111, 60" X 250" X 113" CHAIN 6 BALL CAP, VORTH KFS BALL STACK DOWNHANGER, S/N 1112, VORTH KFS MANUAL DOWING CONVEYOR 24" WIDE X 336" LONG, S/N 1113, AND VORTH MODIE #K17-3 24" WIDE X 465" LONG PULP BELT FEED CONVEYOR
3	1	NEWTON AND WIDLER WHEEL LOADER, S/N N3R000664 (2005)
4	1	WALKER RUBBER TIRE LOADER MODEL W0250, S/N 0610240 (2012)
5	2	MINUTO CONDO CONICO JC-02 ROLLERS, S/N 61004025-1 & 61004025-2 (2001), 14" DIA. DIK, ALL WEAR PARTS 316L STAINLESS STEEL CONSTRUCTION, W/ 300 HP MOTORS
6	1	VORTH/BERD 200 CENTRIFUGAL PRIMARY COARSE PRESSURE SCREEN, S/N STR 153, W/ 50 HP MOTOR AND V-BELT DRIVE
7	1	BERD 200 CENTRIFUGAL SECONDARY COARSE PRESSURE SCREEN, S/N STR 153, W/ 50 HP MOTOR AND V-BELT DRIVE
8	1	THERMO BLACK CLAWSON 11 DIABLO TERTIARY COARSE PRESSURE SCREEN, S/N 01 DT12-130 (2001)
9	3	THERMO PULPTECH LAMORT 1PR 25/3900 HIGH DENSITY CLEANERS, S/N 150928 (2001), 510-TONS PER DAY CAP, W/ AUTOMATIC REJECT VALVES
10	16	VORTH BCO FLOTATION MACHINE MODEL 18026/44 HI-FLOW FLOTATION PRIMARY DEWATERING CELLS, 20' CAP 646-719 BONE DRY SHORT TONS PER DAY, 6 METERS IN LENGTH, 39,960-GALLONS OPERATING VOLUME EACH, CONSTRUCTED FROM 316L STAINLESS STEEL, EMPTY WEIGHT 94,815 LBS EACH
11	1	VORTH BCO FLOTATION MACHINE MODEL 18026/44 HI-FLOW FLOTATION SECONDARY DEWATERING CELLS, 2001, 4 METERS IN LENGTH, FABRICATED W/ ELLIPTICAL CROSS SECTION, W/ 12 1/4" DIA. AIR INJECTORS, 316 STAINLESS STEEL CONSTRUCTION
12	63	CYLOTICH SWEDEN PRIMARY CENTRIFUGAL CLEANERS
13	24	CYLOTICH SWEDEN SECONDARY CENTRIFUGAL CLEANERS
14	9	CYLOTICH SWEDEN TERTIARY CENTRIFUGAL CLEANERS
15	4	CYLOTICH SWEDEN QUATERNARY CENTRIFUGAL CLEANERS
16	4	LAMORT SP800 PRIMARY FINE PRESSURE SCREENS W/ 150 HP MOTORS AND V-BELT DRIVES
17	2	LAMORT SP800 SECONDARY FINE PRESSURE SCREENS W/ 100 HP MOTORS AND V-BELT DRIVES
18	1	ANDRITZ AHLSTROM 130 MODUSCREEN TERTIARY FINE PRESSURE SCREEN, 2001, W/ 60 HP MOTOR AND V-BELT DRIVE
19	1	ANDRITZ AHLSTROM D16225/21 DISC FILTER, 2001, W/ (23-21) 17.2" DIA. DISCS, RATED AT 495 BONE DRY SHORT TONS PER DAY PRODUCTION, STAINLESS STEEL VAI AND COVER, TOTAL FILTER AREA 8641 SQUARE FEET, W/ 15 HP MOTOR AND GEARBOX
20	1	ANDRITZ AHLSTROM 140H/S DEWATERING SCREW PRESS, 2001, 11.2535-1, APPROX. 36" DIA. X 30' LONG, W/ 11000LBS HYDRAULIC DRIVE
21	1	ANDRITZ AHLSTROM 54" DIA. X 30' LONG STEERING SCREW CONVEYOR, S/N 93-0179, W/ PALK REDUCER AND 25 HP MOTOR
22	1	ANDRITZ AHLSTROM (WALDRON ON BASE) 45-1 R2500 DISPURGER/RUBBER, S/N R0727A-03, W/ 2,500 HP INTEGRAL MOTOR AND RUBBER PULP FEEDER
23	5	VORTH BCO FLOTATION MACHINE 18026/44 POST FLOTATION PRIMARY DEWATERING CELLS, 2001, OPERATING CAP: 544-582 BONE DRY SHORT TONS PER DAY, 6 METERS IN LENGTH, 6,660-GALLONS CAP, WEIGHTING 71,310 LBS EACH
24	2	VORTH BCO FLOTATION MACHINE 18026/45 HI-FLOW FLOTATION SECONDARY DEWATERING CELLS, 2001, 6 METERS IN LENGTH, FABRICATED W/ ELLIPTICAL CROSS SECTION, W/ 6 - 10" DIA. AIR INJECTORS, 316 STAINLESS STEEL CONSTRUCTION

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Schedule 1.1

Alsip Acquisition, LLC
Purchased Assets

Item #	Qty	Description
25	1	HYMAC CYLINDER MOLD THICKENER (HROK) THICKENER W/ 39" DIA. X 288" FACE CYLINDER MOLD 28" DIA. X 288" FACE RUBBER COVERED COUCH ROLL, STAINLESS STEEL VAT
26	1	ANDRITZ ATLETROM DMS215/14 DSG MILLER, 2001, W/ (14-15) 17.5" DIA. DISCS, RATED AT 455 BONE DRY SHORT TONS PER DAY PRODUCTION, STAINLESS STEEL VAT AND COVER, TOTAL MILLER AREA 5,656 SQUARE FEET, W/ 10 HP MOTOR AND GEARBOX
27	1	ANDRITZ ATLETROM SCS422C-P PULP SCREW PRESS, S/N 080-263245 (2001), W/ 42" X 28" LONG SCREW, RATED FOR 445 BONE DRY SHORT TONS PER DAY, W/ PARAMAX CLEAR REDUCER AND 500 HP MOTOR
28	1	VOITH SFL-450-450.5000 REVERSING SCREW CONVEYOR, 2001, W/ 22.5" DIA. X 186.6" L X LONG SCREW, 10 HP DRIVE
29	1	VOITH FT0450 RD DISPENSER/REWINNER, 2001, W/ 1250 HP INTEGRAL MOTOR AND VOITH RIBBON PULP FEEDER
30	2	SPROUT JANUS 48 FT TWIN FLOW III, 42" REWINNERS, S/N 1993-01165, 1993-01166 & 1993-01168 (2) W/ 700 HP MOTORS
31	123	SPOUT BALANCE CONTINUOUS PRIMARY CLEANERS W/ CLARK AND VICARIO DISCS FOR TANK
32	20	SPROUT BALANCE CONTINUOUS SECONDARY CLEANERS
33	24	VOITH ROLLER CONTINUOUS TERTIARY CLEANERS, S/N HC-132
34	8	VOITH ROLLER CONTINUOUS QUATERNARY CLEANERS, S/N HC-132
35	1	NASH ROLL VACUUM PUMP, PART NO. 01 X000, W/ 250 HP MOTOR AND V-BELT DRIVE
36	137	VALMET TOP WIRE FORMER ON RICH BARTON FOURDRINIER, CONSISTING OF: 264" WIDTH, 240" TP, 4, PRODUCING LIGHT WEIGHT COATED PRINTING PAPER (1) BRUSH COVERED LOW HYDRAULIC HEAD CY 254" SLUICE WIDTH, W/ AUTOMATIC SLUICE ADJUSTER (1) RICH BARTON FOURDRINIER SECTION W/ 36" DIA. X 264" FACE, RUBBER COVERED HEAD ROLL (1) FORMING BOARD W/ (5) ROLL BLADES (1) (4-5) BLADES FOR BOXES (1) VALMET TOP WIRE FORMER W/ 48" DIA. X 272" FACE FORMING ROLL, 36" DIA. X 264" FACE TOP WIRE BREAK BACK ROLL, 36" DIA. X 264" FACE SECOND FORMING ROLL, (2) 36" DIA. X 264" FACE CORNER ROLLS (1) VACUUM BOX (1) RICH BARTON 44" DIA. X 262" DRELAUD RACK AND 279" TOTAL SHEET FACE DUAL ZONE SUCTION COUCH ROLL (1) 36" DIA. X 264" FACE RUBBER COVERED WIRE TURNING ROLL (1) KMW 44" DIA. X 277" FACE SUCTION PICKUP ROLL, W/ 53" DIA. X 274" FACE PRESS ROLL (1) MITSUB 26.6" DIA. X 277" FACE RYM-ROLL BOTTOM CONTROLLED CROWN ROLL W/ 52" DIA. X 277" FACE GRANITE TOP PRESS ROLL, 48" P/L MAX. LEADING (1) 36" DIA. X 258" FACE RICH BARTON BABY DRYER ASME CODED FOR 75-PSI (2) RICH BARTON 60" DIA. X 258" FACE CAST IRON BOLTED HEAD DRYERS ASME CODED FOR 75-PSI (1) VOITH 3 ROLL COATER, 2001, W/ 50.78" DIA. X 252" FACE FIXED AND FLEXIBLE COATER APPLICATOR ROLLS, DESIGN LINEAR LOAD 170-P/L W/ APPLICATION SYSTEMS, ROLL METERING ELEMENT, FLAMING AND ROPE TRIMMING (1) SPOONER DIRECT FIRED TWIN DRYER (1) SPOONER DIRECT FIRED SINGLE ZONE AIR FLUCTATION DRYER 101, W/ ALUMINIZED STEEL INTERIOR AND EXTERIOR, SUPPLY AND EXHAUST FANS, HEATING PLenum AND GAS BURNER (6) RICH BARTON 60" DIA. X 258" FACE CAST IRON BOLTED HEAD DRYERS (AFTER DRYERS) ASME CODED FOR 75-PSI (1) VOITH B-ROLL JANUS MK3 CALENDAR, 2001, 2284 P/L MAX. NIP PRESSURE, W/ 35.3" DIA. X 272" FACE NIP CORRECT TOP ROLL, W/ PLASTIC COVER, 26.8" DIA. X 272" FACE PLASTIFORM CHILLED IRON ROLL, 27.8" DIA. X 272" FACE PLASTIC COVERED ROLL, 26.8" DIA. X 272" FACE PLASTIFORM CHILLED IRON ROLL, 28" DIA. X 272" FACE PLASTIC COVERED ROLL, 28.2" DIA. X 272" FACE PLASTIC COVERED ROLL, 26.8"

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Schedule 1.1

Alsip Acquisition, LLC
Purchased Assets

Item #	Qty	Description
		DIA. X 272" FACE (BACK) THIRUM CHILLED IRON ROLL, 35.5" DIA. X 272" FACE (FRONT) CORRECT PLASTIC COVERED BOTTOM CALENDAR ROLL, CALENDAR ARRANGED ON A 45° ANGLE, NIP CORRECT ROLLS ARE CONTROLLED CROWN ROLLS W/ (18) INDIVIDUALLY CONTROLLED PRESSURE ZONES, PLEKSTHEEM ROLLS HAVE PERIPHERIC ROLES (DUAL PASS) SPECIAL DESIGN FOR DIRECT OIL HEATING W/ OIL HEATING SYSTEM AND ROLL TEMP. CONTROL SYSTEM; (2) METSO SCANNERS MODEL PATRIK
		(1) VOITH SIRIUS R125/2 WIND UP SYSTEM, 2001, W/ 50.78" DIA. X 204" FACE ROLL DRUM W/ PRESSURE ROLLER GROOVE, 106" DIA. REWIND, ROLL SPOOL, STORAGE RACK, TRANSMIT UNIT, KICK CHANGE SYSTEM AND SHEAR CUT INCH SLITTER
		(1) METSO/VALMET WINDUP SLITTER REWINDER, 2001, W/ UNWIND SYSTEM W/ 433 HP REGENERATIVE BRAKE, SLITTER SECTION W/ AUTOMATIC SLITTER POSITIONING SYSTEM, BOTTOM SLITTER AREA CONTROL DRIVE, SLITTER SELECTION, TRUNCHECK MEASUREMENT SYSTEM, TRIP MEMORY, SLITTER USAGE CALCULATION, AUTOMATIC SHEET TRIPPING, DUAL WRB SEPARATION DEVICE, 31.5" DIA. X 256" FACE REAR WINDING DRUM, (2) 187" DIA. BELT ROLLS, SLITTERS REWIND, AUTOMATIC CORE LOADING SYSTEM, DRIVEN ROLLER ROLL, 485 HP REAR AND INNER CORE, DRIVES, 7500 PER MINUTE OPERATING SPEED, 60" DIA. REWIND CORE INJECTOR AND ROLL LOWERING TABLE
		(1) PAPER MACHINE DRIVE SYSTEM AND 300 HP COUCH ROLL DRIVE, AND 400 HP WIRE ROLL DRIVE, AND 100 HP TOP WIRE DRIVE, AND 300 HP SET PRESS DRIVE, AND 400 HP 2ND PRESS DRIVE, SIMONS 246 HP 1ST DYER DRIVE, SIMONS 318 HP 2ND DYER DRIVE, SIMONS 617 HP 3RD DYER DRIVE, SIMONS 617 HP 4TH DYER DRIVE
37	1	METSO/VALMET ROLL WRAPPING MACHINE, 2001, W/ ROLL LOWERING DEVICE TO LOWER ROLLS UP W/ A CAP OF 4" ROLLS PER HOUR, 131" X 117" V-SLAT CONVEYOR, 161" X 117" V-SLAT CONVEYOR W/ TOLLICO SCALE, 271" X 107" V-SLAT CONVEYOR, STREAMPAK ROLL WRAPPING MACHINE W/ COMBINED WRAPPING, CRIMPING AND FINISHING STATION, DUAL LINKAGE ROLL KICKER, TIPPING DISC, DUAL LINKAGE ROLL KICKER, WRAPPER ROLL BACKSTAND, WRAPPER STOPPING DEVICE, ELECTRICAL INFRARED HEATING SYSTEM FOR WRAPPER TILTING, WRAPPER CUTTING DEVICE, CRIMPING DEVICE AND HEADSTANDS FLATENK
38	1	CORE LINK CORE RAW NO TAG
39	1	IRD 24 CENTRISCREEN PRIMARY APPROACH SCREEN, S/N 936, W/ 40 HP MOTOR AND V-BELT DRIVE
40	1	IRD 200 CENTRISCREEN SECONDARY APPROACH SCREEN, S/N 912, W/ 100 HP MOTOR AND V-BELT DRIVE
41	1	LAMORT 800 TERTIARY APPROACH SCREEN W/ 25 HP MOTOR AND V-BELT DRIVE
42	1	NASH CL 9002 VACUUM PUMP TEST NO. 10573, W/ 400 HP MOTOR AND V-BELT DRIVE
43	3	NASH CL 9000 VACUUM PUMPS TEST NO. MI 10383, 67-486 AND 1 NO. TAG, DRIVEN BY STEAM TURBINE W/ JAPKIN GEARBOX
44	1	NASH 3108 SIZE 2400 VACUUM PUMP TEST NO. 01 X01 41, W/ V-BELT DRIVE AND MOTOR
45	1	METSO/VALMET 800 31/20 SIDE ENTRY ROLL BROKIE PULPER, 2001, W/ 106" X 256" X 109" 316L STAINLESS STEEL VAT, (2) 33" DIA. ROTORS, (2) GEARBOXES W/ 200 HP MOTORS, (4) SHOWERS FOR SHEET KNOCK DOWN
46	1	VOITH-MORDEIN 340 SIDIK INTREY CALENDAR BROKIE PULPER, 0, W/ (2) ROTORS AND (2) GEARBOXES W/ 250 HP MOTORS
47	2	EMCO PAPER MACHINE DISK SAVALLIS, S/N 8040-01-A1, L-4408 (RUBBER 2001), W/ (10) 1 26" DIA. DISKS
48	2	ANDRITZ 2.0 METRO GRAVITY BELT PRESSER CAP 130 BONE DRY SHORT TONS PER DAY ROLL, OVERALL BELT WIDTH 84", ACTUAL BELT WORKING WIDTH 78 3/4" W/ INVERTED PNEUMATICS, 316L STAINLESS STEEL HEADBOXES, 243" OVERALL LENGTH W/ HEADBOXES, 133" OVERALL HEIGHT AND 100 SQUARE FEET GRAVITY ZONES
49	LOT	PUMPS AND MOTORS THROUGHOUT THE FACILITY MANUFACTURERS INCLUDE AURORA, COULD, MOYNO, FAIRBANKS MORSE, CHESTERTON, KOBEL, MOYNO, VOITH AND WARRIS

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Schedule 1.1

Alep Acquisition, LLC
Purchased Assets

Item #	Qty.	Description
50	1	MITSUBISHI DAMATIC PAPER QUALITY XDI DISTRIBUTIVE CONTROL AND QUALITY CONTROL SYSTEM FOR AUTOMATION AND QUALITY CONTROL OF THE BATTERY PAPER MAKING PROCESS CRANES (NOT IN SERVICE)
51	1	ZIMMER 70-TON X 63'1" SPAN TWIN GIRDER TOP RUNNING OVERHEAD ELECTRIC TRAVELING BRIDGE CRANE, S/N 6524 (2001), W/ (2) 40-TON RADIO CONTROLLED CABLE HOISTS AND ZIMMER 60-TON ROTATING LIFTING BEAM, S/N 6525 (NEW 2001)
52	1	LHC 20-TON X 63'1" SPAN TWIN GIRDER TOP RUNNING OVERHEAD ELECTRIC TRAVELING BRIDGE CRANE, S/N 91-280 (2001), W/ (1) R&M 10-TON PENDANT CONTROLLED CABLE HOIST AND (1) R&M 20-TON PENDANT CONTROLLED CABLE HOIST
53	1	TRAVELING 40-TON X 63'1" SPAN TWIN GIRDER TOP RUNNING OVERHEAD ELECTRIC TRAVELING BRIDGE CRANE, S/N 9616 (1987), W/ (1) 25-TON PENDANT CONTROLLED CABLE HOIST AND (1) 40-TON PENDANT CONTROLLED CABLE HOIST
54	1	CLIVISLAND 40-TON X 30' SPAN SINGLE GIRDER UNDERHUNG OVERHEAD ELECTRIC TRAVELING BRIDGE CRANE W/ 10-TON PENDANT CONTROLLED CABLE HOIST
55	1	LHC 5-TON X 63'1" SPAN STAIRWAY MOUNTED WORK PLATFORM, S/N 00-606 (2000)
		WCT LAB
56	1	EMERSON 135 SPEED DRYER, S/N 100
57	1	LINDBERG BLUHM OVEN TABLE TOP
58	1	THERMODYNE 6000 FURNACE
59	1	30" X 6" STAINLESS STEEL WORK TABLE
60	1	STAINLESS STEEL SINGLE COMPARTMENT SINK W/ DUAL DRAIN BOARDS
61	1	HUYGEN 255/SA LIGHT METER, S/N 9005
62	1	BECKMAN 340PH TEMPERATURE METER
63	1	FRIGIDAIR JUNIOR BOTTOM OVEN
		AIR COMPRESSORS
64	1	INGERSOLL-RAND SUBPUMPS 400 HP ROTARY SCREW AIR COMPRESSOR, S/N 213901253 (2001)
65	1	ATLAS COPCO GA315W 350 HP ROTARY SCREW AIR COMPRESSOR, S/N 59849001 (2001)
66	1	DELTA 11100W REFRIGERATED AIR DRYER, S/N 912872 (1991)
67	1	INGERSOLL-RAND TR2460 REFRIGERATED AIR DRYER, S/N DR1001 (09-01-2001)
68	3	VERTICAL AIR RECEIVING TANKS
69	1	BLUHM SW 11 TA COUNTER TOP OVEN, S/N 84-8322
70	1	EMERSON 20 SPEED AIR DRYER, S/N 655
71	1	SANGAMO THERMOMETRIC 2200 LOAD TESTER, S/N 236857
72	1	TESTING MACHINES INC. 49-60 PRECISION MICROMETER
73	147	TECHNIDYNE PAPER TESTING EQUIP., CONSISTING OF: (1) TECHNIDYNE COLOR TESTER, S/N CTP1001 (2001) (1) TECHNIDYNE PROFILE PLUS PRINT SURFACE TESTER, S/N PPS1 X1310 (2002) (1) TECHNIDYNE ROUGHNESS POROSITY TESTER, S/N ARP01014 (2001) (1) TECHNIDYNE PPS ROUGHNESS MODULE GLOSS TESTER, S/N ACT11060 (2001)
74	1	PROTTAR 60-2045 (LUMENOR) TEARING TESTER W/ 60-1104 200 GRAM PENDULUM, S/N TAP3009A
75	1	MANUFACTURER UNKNOWN TWIN BLADE GULLYLINE PAPER CUTTER
76	1	MARK 10 TENSILE TESTER
77	1	PLANNABLE 2-DOOR STORAGE CABINET
		SHOP AREA
78	1	DAKE V140 VERTICAL BAND SAW, S/N 204720 (2004), W/ HYDRAULIC BED AND BAND WHEELER/GRINDERS
79	1	WILSON 5208201 33" X 8" RADIAL ARM DRILL, S/N 14923 (1991), SPINDLE SPEEDS 60-1,500-RPM
80	1	POWER TEAM 11980135 80-TON ROLL BED 11-FRAME HYDRAULIC SHOP PRESS W/ 3 HP HYDRAULIC POWER PACK
81	1	DAKE SA 3-TON MANUAL ARMOR PRESS W/ STAND
82	1	MANUFACTURER UNKNOWN 11-FRAME ADJUSTABLE HYDRAULIC SHOP PRESS W/ POWER PACK
83	1	HYBRITT INDUSTRIES 16MT 16" ABRASIVE CHOP SAW, S/N 99-3997 (1999)

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Schedule 1.1

Alsip Acquisition, LLC
Purchased Assets

Item #	Qty.	Description
84	1	RIGID 535 PIPE THREADING MACHINE, S/N N/A, W/ REAMER, CUTOFF AND 2-WHEEL CART
85	1	BECON O LINK SAND BLAST CABINET
86	1	HALBOR BENCH GRINDER
87	1	MANUFACTURER UNKNOWN COMBINATION DISC AND BRIT SANDER
88	LOT	MISCELLANEOUS IN SHOP AREA, CONSISTING OF: PALLET RACKING, METAL SHELVING, NUT AND BOLT STORAGE UNITS, VIDMAR AND LISTA PARTS STORAGE CABINETS, TORCH RIGS W/ CARTS, WELDING TABLES, PORTABLE PRESSURE STEEL SHOP TABLES, WASHERS, SHOP VACUUMS, HOTBY PORTABLE HOT PRESSURE WASHERS, WELDER, ETC
89	LOT	WELDING SHOP EQUIP., CONSISTING OF: (1) INDUSTRY 300 TIG STICK WELDER (1) PHOENIX 300 DRY ROD ELECTRODE STABILIZING OVEN (1) PORTABLE 10 COMBINATION DISC & BRIT SANDER (1) UNIDENTIFIED BENCH GRINDER (1) RIGID 535 THREADING MACHINE W/ STAND (1) MILLER CP-10 CONSTANT POTENTIAL DC POWER SOURCE ARC WELDER W/ MILLER WC-1 WELD CONTROL (1) MILLER 3110 TRAIL BLAZER 10,000-WATT ARC WELDER (1) THERMAL DYNAMICS PAK MASTER 50 PLASMA CUTTING SYSTEM (1) MILLER DIRECT CURRENT ARC WELDER (1) RIGID SHOP RAW W/ STAND (1) DARRH M-SERIES DRILL SHIFTER (LOT) STEEL STOCK STAND, METAL CABINETS, WORK TABLES, JACK STANDS, ETC
90	1	WINICO 48,184-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL INSULATED STORAGE TANK, S/N 1143 (2001), W/ SLOPED BOTTOM, OVERALL SIZE 18" DIA. X 27H, TANK WEIGHT 11,790 LBS
91	1	WINICO 20,235-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1544 (2001), W/ SLOPED BOTTOM, OVERALL SIZE 23DIA. X 41H, TANK WEIGHT 53,100 LBS
92	1	WINICO 505,794-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL INSULATED STORAGE TANK, S/N 1545 (2001), OVERALL SIZE 35" DIA. X 70H, TANK WEIGHT 123,925 LBS
93	1	WINICO 14,570-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1593 (2001), W/ FLAT BOTTOM, OVERALL SIZE 14" DIA. X 13H, TANK WEIGHT 7,400 LBS
94	1	WINICO 45,770-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1594 (2001), W/ SLOPED BOTTOM, OVERALL SIZE 20" DIA. X 27H, TANK WEIGHT 28,480 LBS
95	1	WINICO 39,965-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1595 (2001), W/ SLOPED BOTTOM, OVERALL SIZE 16" DIA. X 25H, TANK WEIGHT 21,950 LBS
96	1	WINICO 9,400-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1596 (2001), W/ FLAT BOTTOM, OVERALL SIZE 12" DIA. X 12H, TANK WEIGHT 6,545 LBS
97	1	WINICO 17,415-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1597 (2001), W/ SLOPED BOTTOM, OVERALL SIZE 16DIA. X 12H, TANK WEIGHT 17,380 LBS
98	1	WINICO 2,750-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1600 (2001), W/ FLAT BOTTOM, OVERALL SIZE 72" DIA. X 104H, TANK WEIGHT 1,830 LBS
99	1	WINICO 14,575-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1601 (2001), W/ SLOPED BOTTOM, OVERALL SIZE 14" DIA. X 13H, TANK WEIGHT 15,070 LBS
100	1	WINICO 14,575-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1602 (2001), W/ SLOPED BOTTOM, OVERALL SIZE 14" DIA. X 13H, TANK WEIGHT 15,070 LBS
101	1	WINICO 125,560-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL INSULATED STORAGE TANK, S/N 1603 (2001), W/ FLAT BOTTOM, OVERALL SIZE 23" DIA. X 41H, TANK WEIGHT 58,500 LBS
102	1	WINICO 43,770-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1604 (2001), W/ FLAT BOTTOM, OVERALL SIZE 18" DIA. X 25H, TANK WEIGHT 20,665 LBS

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Schedule 1.1

Alship Acquisition, LLC
Purchased Assets

Item #	Qty.	Description
103	1	WINNCO 31,000-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1805 (2001), W/ SLOPED BOTTOM, OVERALL SIZE 21' DIA. X 121', TANK WEIGHT 20,610 LBS
104	1	WINNCO 10,700-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1606 (2001), W/ FLAT BOTTOM, OVERALL SIZE 12' DIA. X 121', TANK WEIGHT 8,240 LBS
105	1	WINNCO 2,000-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1608 (2001), W/ FLAT BOTTOM, OVERALL SIZE 72" DIA. X 101', TANK WEIGHT 3,850 LBS
106	1	WINNCO 4,000-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 01 609A (2001), OVERALL SIZE 8' DIA. X 111', TANK WEIGHT 5,082 LBS
107	1	WINNCO 1,000-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 01 609B (2001), W/ FLAT BOTTOM, OVERALL SIZE 8' DIA. X 111', TANK WEIGHT 5,082 LBS
108	1	WINNCO 1,125-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, RECTANGULAR STORAGE TANK, S/N 1828 (2001), OVERALL SIZE 8' X 12' X 24', TANK WEIGHT 2,735 LBS
109	1	WINNCO 1,400-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1827 (2001), MOUNTED ON (6) STAINLESS STEEL LEGS, OVERALL SIZE 7'8" DIA. X 6'1", TANK WEIGHT 2,400 LBS
110	1	WINNCO 2,430-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N N/A, MOUNTED ON (6) STAINLESS STEEL LEGS, OVERALL SIZE 9'6" DIA. X 9'6" W/ 4" CONE BOTTOM, TANK WEIGHT 4,185 LBS
111	1	WINNCO 4,755-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1629 (2001), OVERALL SIZE 9'6" DIA. X 131', TANK WEIGHT 5,190 LBS
112	1	WINNCO 8,175-GAL. 316 STAINLESS STEEL, WELDED SINGLE WALL, VERTICAL STORAGE TANK, S/N 1684 (2001), OVERALL SIZE 11' DIA. X 116'1", TANK WEIGHT APPROX. 6,000 LBS
113	1	OFFICE FURNITURE AND COMPUTERS OFFICE FURNITURE AND COMPUTERS CONSISTING OF: DESK, CHAIRS, CHAIRS, SIDE CHAIRS, BOOK CASES, PLASTIC PACKING CHAIRS, FOLDING TABLE, METAL SHELVING, 2, 3, & 4-DRAWER CABINETS, 2, 3, 4 & 5-DRAWER LATERAL FILE CABINETS, BLINDING DRAWING HOLDERS AND CABINETS, WORK STATIONS, TABLES, IBM 6000 LAPTOP COMPUTERS, IBM X46 LAPTOP COMPUTERS, DELL D580 LAPTOP COMPUTERS, HP T320 COMPUTERS, IBM T42 LAPTOP COMPUTERS, DELL GX260 COMPUTERS, COMPAQ DESKPRO 8N COMPUTERS, COMPAQ DESK COMPUTER, HP COMPAQ S/N HP D1380 COMPUTERS, HP M1570 COMPUTER, IBM 4850 PRINTER, HP LASERJET 4050N PRINTERS, IBM 4817 PRINTER, HP LASERJET P1505N PRINTER, HP LASERJET 5000N PRINTER, HP DESKJET 1220C PRINTER IBM OPTRA C730 COLOR LASER PRINTER, HP 2500M PRINTER, HP DESKJET 2600C PRINTER, LEGMARK COLOR 750 PRINTER, HP LASERJET COLOR 3800N PRINTER, HP LASERJET 4250 PRINTER, HP LASERJET 4200 COLOR PRINTER, HP LASERJET 3000 PRINTER, PRX 15204-W/OLED PRINTER, HP C6781 A PRINTERS, ETC
114	LOT	MISCELLANEOUS SPARE PARTS IN STOCK ROOM AND THROUGHOUT PAPER MILL BUILDING AND UTILITIES BUILDING, CONSISTING OF: STOCK PREPARATION PARTS, PAPER MACHINE PARTS, GUARBOXES, PUMPS & PUMP PARTS, MOTORS, ELECTRICAL PARTS, BEARINGS, VALVES, INSTRUMENTS, INSTRUMENT PARTS, SHAFTS, GEARS, COUPLINGS, BELTS, HOSES, BIALS, CYLINDERS & CABLES, ETC
115	LOT	ELECTRICAL DISTRIBUTION SYSTEM THROUGHOUT PLANT, CONSISTING OF: TRANSFORMERS, SWITCHGEAR, PANEL BOARDS, MOTOR CONTROL CENTERS, STARTERS, DISCONNECT SWITCHES, CIRCUIT BREAKERS, CONDUIT, FITTINGS, WIRE, JUNCTION BOXES, ETC
116	LOT	PROCESS PIPING THROUGHOUT PLANT, CONSISTING OF: FOR DELIVERY OF COMPRESSED AIR, WATER AND STEAM TO INCLUDE BUT NOT LIMITED TO: S/S AND CARBON STEEL PIPING, FITTINGS, VALVES, CONNECTORS, INSTRUMENTS, GAUGES, SUPPORTS, ETC
117	1	BOILER BUILDING & FILTRATION BUILDING 11,000-GALLON CARBON STEEL LINED TANK

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Schedule 1.1

Altip Acquisition, LLC
Purchased Assets

Item #	Qty.	Description
116	1	RILEY UNION HI-PRESSURE GAS FIRED PACKAGING STRAM BOILER, S/N 23549 (1968), RATED @ 1 10,000-LBS. PER HOUR, NB# 4145
119	1	RILEY UNION HI-PRESSURE GAS FIRED PACKAGING STRAM BOILER, S/N 23550 1 968, RATED @ 1 10,000-LBS. PER HOUR, NB# 4145
120	1	COGENTRAN UNI-PAC DIABRATOR, 1989, JET TRAY SERIES T-84, CAP: 350,000 L.B. PER HOUR, W/ STORAGE TANK, W/ 2-25 HP PUMPS, AND 1 50 HP PUMP
121	4	SILZER 5 STACK CASING PUMPS MODEL ME-50-S W/ 150 HP MOTORS, W/ 1 BACKWASH PUMP W/ 15 HP MOTOR
122	1	SOLUTIONER SYSTEM INCLUDING: 2 MARATHON 2 HP PUMPS; 3 SOLUTIONER AND 2 DE-ALKALYZERS
123	2	RY ADAM 16"-VWS-34 AUTOMATIC WATER STRAINERS, S/N 23722 & (372) 2001
124	1	GOULD PUMP 75-HP PUMP
125	1	TRUCK MOUNTED HEAVY DUTY PORTABLE EVAPORATIVE COOLER, S/N 08892M (1.7)
126	1	CLARK S1500 2000 LB. WALK BEHIND LIFT TRUCK, S/N 51245-48-0065/A 1 979, W/ 1 1/2" MAX. LIFT HEIGHT, 2-STACK MAST
127	1	GARDNER DENVER 1/2 HP 25-TANK MOUNTED ROTARY SCREW AIR COMPRESSOR, S/N N53181 0928
128	1	GARDNER DENVER 1/2 HP 25-TANK MOUNTED ROTARY SCREW AIR COMPRESSOR, S/N N53181 0928
129	2	GOULDS 3180 PAPER STOCK/TROUBLE PUMPS, S/N 246C733.1 & 246C733.2, W/ 50-HP DRIVES
130	2	GOULDS 3186 PUMPS, S/N 774864.1 & 774864.2, W/ 10-HP DRIVES
131	2	MCLEANIAN PUMPS - 7.5 HP
132	1	POLARIS 1-TON PENDANT CONTROLLED ELECTRIC TRAVELING CAMEL LIGHT
133	1	U.S. FILTER SP6010M4 FILTER SYSTEM, S/N 2.07
134	1	FALL 101 HA1-4000 TYPH HA DRYER, S/N 6443.82-1
135	1	MILWAUKEE PUMP SYSTEM INCLUDING: 2-200 HP 2 00 VOLT GOULD PUMPS, 1- 150 HP 2500 VOLT GOULD PUMP
136	1	MISCELLANEOUS EQUIPMENT IN BOILER BUILDING, CONSISTING OF: (2) SHOP VACK, PORTABLE FLOOR PANS, METAL SHELVING, STEEL STOCK RACK, LYON PAPER CABINET, HONDA GENERATOR, GAS OPERATED PUMP, ETC
137	1	RICH LARK OTR SERIES 100-TON CAP PIT MOUNTED TRUCK SCALE, S/N 23141 (2006), 1 1/2" W X 70" L PLAT TOP 4-80 C/TON DIAMOND PLATE PAD, W/ RAILCUT AND PRINTER
138	1	GOULDS VERTICAL TURBINE PUMPS, W/ 125-HP DRIVES, RATED AT 600-GALLON PER MINUTE
139	1	U.S. FILTER 45A WATER SCREENER, 2002

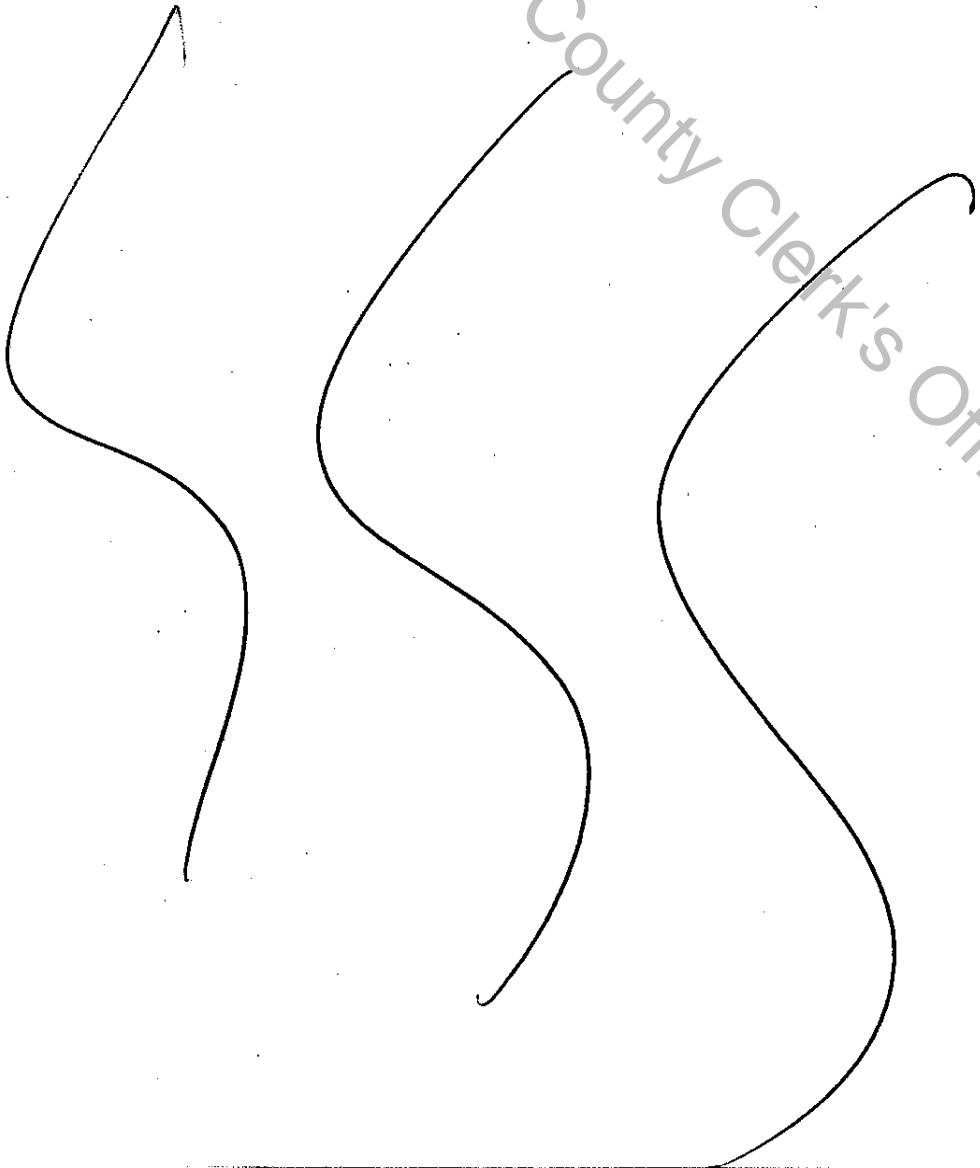
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Schedule 1.1(B)

Environmental Effluent Sampling Equipment

1. Monitor/ Sampling Building
8 ft x 14 ft pre fabricated FRP
2. Two ABB ProcessMaster mag flow meters
One 14 inch dia
One 16 inch dia
3. Three ISCO 3710FR composting samplers

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Schedule 1.1(c)

LEGAL DESCRIPTION

Parcel 1: The West 1/2 of the Southwest 1/4 (excepting the south 1870 feet thereof and also excepting the west 50 feet thereof) and excepting that part taken by the County of Cook in Deed recorded as Document 24457221 of Section 35, Township 37 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 2: Easement for the benefit of the aforesaid parcels, for the sole and exclusive purpose to withdraw water from the Calumet-Sag Channel and the for reconstructing, operating, maintaining, repairing and removing of a pumping station, along the northerly bank of the Calumet-Sag Channel as created by Easement Agreement dated December 6, 2001 and recorded August 27, 2009 as Document Number 0923922088.

Note: Parcels 2, 3A, 3B and 4 have been deleted from the legal description per deed recorded as Document 1227042057 and Partial Release Recorded as Document 1227042057.

PIN#

24-35-101-055-0000

13101 St. Palaski

AISP, JL 10803

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Schedule 2.4

Procedure - "Indefinite idle" state and appropriately winterized

- Upon shutdown of the production process, all tanks, chests, piping and process equipment were properly flushed and cleaned. A full lubrication round was completed after cessation of production.
- Raw material storage tanks have been emptied and cleaned with the exception of coating and filler calcium carbonate tanks which are scheduled to be emptied into rail cars and shipped back to the supplier by November 21st.
- Radioactive sources for machine gauging systems and other equipment have been identified and secured on-site.
- Process control computers have been properly preserved with software backed up and secured.
- Miscellaneous chemicals in totes have been or are in the process of being responsibly removed from the site either by returning to vendors, selling to another party for beneficial use or properly disposed of. Documentation has been kept of all disposal activity.
- The boilers have been properly mothballed. Electric heaters have been rented and have been installed to near the mill and office as colder weather arrives. Heaters will be monitored by employees on site. Building heat is required for the wet fire suppression system and for equipment preservation.
- The fire alarm and fire suppression systems and fire pumps have been and will be maintained in an operating condition.
- Fire hazards such as waste paper inventory, broke rolls, baled pulp, excess oil inventory and other flammable materials etc. have been secured and are being properly removed from the site.
- A plan is in place to manually rotate critical paper machine rolls monthly to prevent bearing damage.
- A team of four maintenance employees (two mechanics, two electricians) have been retained and are working twelve hour shifts to provide maintenance services that may be required and make preservation / security rounds.
- Paper machine headbox and approach system (short loop) will be drained, emptied and cleaned.
- All chemical totes and tanks (outside and inside) will be disposed of before Closing.

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SCHEDULE 2.9

Listing of Permits

Ref	Permit	Activity	Agency	Status
1.	Title V Air	Air Emission	IL EPA	In good standing
2.	Discharge Authorization	Liquid Effluent	MWRDGC	In good standing with exception of revocation in process for failing to pay charges owed.
3.	Sanitary Easement	Canal process water pumping	MWRDGC	In good standing
4.	Rejection Declassification	Solid Waste	IL EPA	In good standing
5.	Deink Co-Product	HCPL	IN EPA	In good standing
6.	Waste Disposal in Parts Washer Solvent Universal Waste	Waste Oil	IL EPA	In good standing
7.	IL Dept of Nuclear Safety	Radioactive Material License	IDBM Dept of Nuclear Safety	In good standing
8.	Cook Co Operations	Air Emission sources	Cook Co EPA	In good standing
9.	USEPA Generator ID No.	Special and Hazardous Waste	US EPA	In good standing
10.	IEPA Identifier No.	Special and Hazardous Waste	IL EPA	In good standing
11.	General NPDES Permit	Stormwater	IL EPA	In good standing

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Schedule 5.3(i)
Permits as Closing Conditions

- IL Dept. of Nuclear Safety – IDEM Dept. of Nuclear Safety
- Cook County Certificate of Operation (air) – Cook County EPA
- General NPDES Permit – IL EPA

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EXHIBIT A
[PER SECTION 5.2]

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UNOFFICIAL COPY**EXHIBIT A**

PAPER MILL ACQUISITION, LLC

PURCHASER'S BRING DOWN CERTIFICATE

_____, 2015

The undersigned, being the [_____] of Paper Mill Acquisition, LLC, a Delaware limited liability company ("Purchaser"), hereby certifies (in such capacity and not individually and with no personal liability on account of this certificate), pursuant to Sections 5.2(a) and 5.2(b) of the Asset Purchase Agreement dated as of _____, 2015, by and between Purchaser, as purchaser, and Alsip Acquisition, LLC, a Delaware limited liability company, as seller (the "Agreement"):

1. Purchaser has performed and complied in all material respects with all covenants, obligations and agreements required in the Agreement to be performed or complied with by it on or prior to the date hereof.

2. The representations and warranties of Purchaser set forth in Article III of the Agreement are true and correct as of the date hereof as though made on and as of the date hereof (except for such representations and warranties made as of a certain date, which shall be true and correct as of such date as though made on and as of such date) except where the failure of such representations or warranties to be true and correct (without giving effect to any limitation or qualification as to "material," "materiality" or "material adverse effect" set forth in such representations and warranties) has not had and would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Purchaser's ability to consummate the transactions contemplated by the Agreement.

This Certificate is dated as of the date first written above.

By: _____
 Name:
 Title:

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EXHIBIT B
[PER SECTION 5.3]

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UNOFFICIAL COPY**EXHIBIT B****ALSIP ACQUISITION, LLC****SELLER'S BRING DOWN CERTIFICATE**

_____, 2015

The undersigned, being the [_____] of Alsip Acquisition, LLC, a Delaware limited liability company ("Seller"), hereby certifies (in such capacity and not individually and with no personal liability on account of this certificate), pursuant to Sections 5.3(e) and 5.3(f) of the Asset Purchase Agreement dated as of _____, 2015, by and between Paper Mill Acquisition, LLC, a Delaware limited liability company, as purchaser, and Seller, as seller (the "Agreement").

1. Seller has performed and complied in all material respects with all covenants, obligations and agreements required in the Agreement to be performed or complied with by it on or prior to the date hereof.

2. The representations and warranties of the Seller set forth in Article II of the Agreement are true and correct as of the date hereof as though made on and as of the date hereof (except for such representations and warranties made as of a certain date, which shall be true and correct as of such date as though made on and as of such date) except where the failure of such representations or warranties to be true and correct (without giving effect to any limitation or qualification as to "material," "materiality," "Material Adverse Effect" or "material adverse effect" set forth in such representations and warranties) has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect (as defined in the Agreement).

This Certificate is dated as of the date first written above.

By: _____
 Name:
 Title:

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EXHIBIT C
[PER SECTION 6.2]

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EXHIBIT C

BILL OF SALE

THIS BILL OF SALE (this "Bill of Sale") is executed and delivered as of _____, 2015 by Alsip Acquisition, LLC, a Delaware limited liability company ("Seller"), in favor of Paper Mill Acquisition, LLC, a Delaware limited liability company ("Purchaser"). All capitalized terms used in this Bill of Sale and not defined herein shall have the respective meanings ascribed to them in the Asset Purchase Agreement, dated as of _____, 2015, by and between Seller, as seller, and Purchaser, as purchaser (the "Purchase Agreement").

RECITALS:

WHEREAS, pursuant to the Purchase Agreement, Seller has agreed to sell, transfer, assign, convey and deliver to Purchaser, and Purchaser has agreed to purchase, acquire and accept from Seller, all of Seller's right, title and interest in and to the Purchased Assets, subject to the terms and conditions set forth in the Purchase Agreement and the Sale Order;

NOW, THEREFORE, and in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Purchaser and Seller hereby agree as follows:

1. Bill of Sale. Subject to the terms and conditions set forth in the Purchase Agreement and the Sale Order, Seller hereby sells, transfers, assigns, conveys and delivers to Purchaser, its successors and assigns, all of Seller's right, title and interest in and to all of the Purchased Assets, free and clear of all Liens, Claims, Liabilities and Encumbrances (other than the Permitted Encumbrances), to have and to hold the same forever. Notwithstanding the foregoing, Seller does not sell, transfer, assign, convey or deliver to Purchaser any of the Excluded Assets and the parties hereto agree that Seller shall retain ownership of the Excluded Assets.
2. Further Assurances. Seller will, from time to time and at all times hereafter, upon every reasonable request to do so by Purchaser and without further consideration, make, do, execute, acknowledge and deliver, or cause to be made, done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, assurances and things as may be reasonably required or necessary in order to assign, transfer, set over, convey, assure and confirm unto and vest in Purchaser, its successors and assigns, title to the Purchased Assets and to further implement and carry out the intent and purposes of this Bill of Sale.
3. Purchase Agreement. This Bill of Sale is executed and delivered under and pursuant to the Purchase Agreement and shall be entitled to the representations, warranties, covenants and other agreements of the parties set forth in the Purchase Agreement. Notwithstanding any other provision of this Bill of Sale, nothing contained herein shall in any way supersede, modify, replace, amend, rescind, waive or otherwise affect any of the provisions of the Purchase Agreement, including without limitation, the representations, warranties, covenants and agreements of any of the parties thereto. In the event of any conflict or

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inconsistency between the terms of the Purchase Agreement and the terms hereof, the terms of the Purchase Agreement shall govern.

4. Successors and Assigns. This Bill of Sale shall be binding upon and inure to the benefit of Seller and Purchaser and their respective successors and permitted assigns.

5. Governing Law. THIS BILL OF SALE IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH FEDERAL BANKRUPTCY LAW, TO THE EXTENT APPLICABLE, AND WHERE STATE LAW IS IMPLICATED, THE LAWS OF THE STATE OF DELAWARE SHALL GOVERN, WITHOUT GIVING EFFECT TO THE CHOICE OF LAW PRINCIPLES THEREOF, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE.

6. Waiver. No failure of Seller or Purchaser to enforce any term of this Bill of Sale shall be deemed to be a waiver of that party's right to enforce such term.

7. Severability. If any term or provision of this Bill of Sale or the application thereof to any circumstance shall, in any jurisdiction and to any extent, be invalid or unenforceable, such term or provision shall be ineffective as to such jurisdiction to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable such term or provision in any other jurisdiction, and the remaining terms and provisions of this Bill of Sale or the application of such terms and provisions to circumstances other than those as to which such terms and provisions are held invalid or enforceable shall remain in full force and effect.

8. Counterparts. This Bill of Sale may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same agreement. A signed copy of this Bill of Sale delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Bill of Sale.

[Signature page follows]

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IN WITNESS WHEREOF, Seller has caused its duly authorized representative to execute this Bill of Sale as of the date first set forth above.

SELLER:

ALSIP ACQUISITION, LLC,

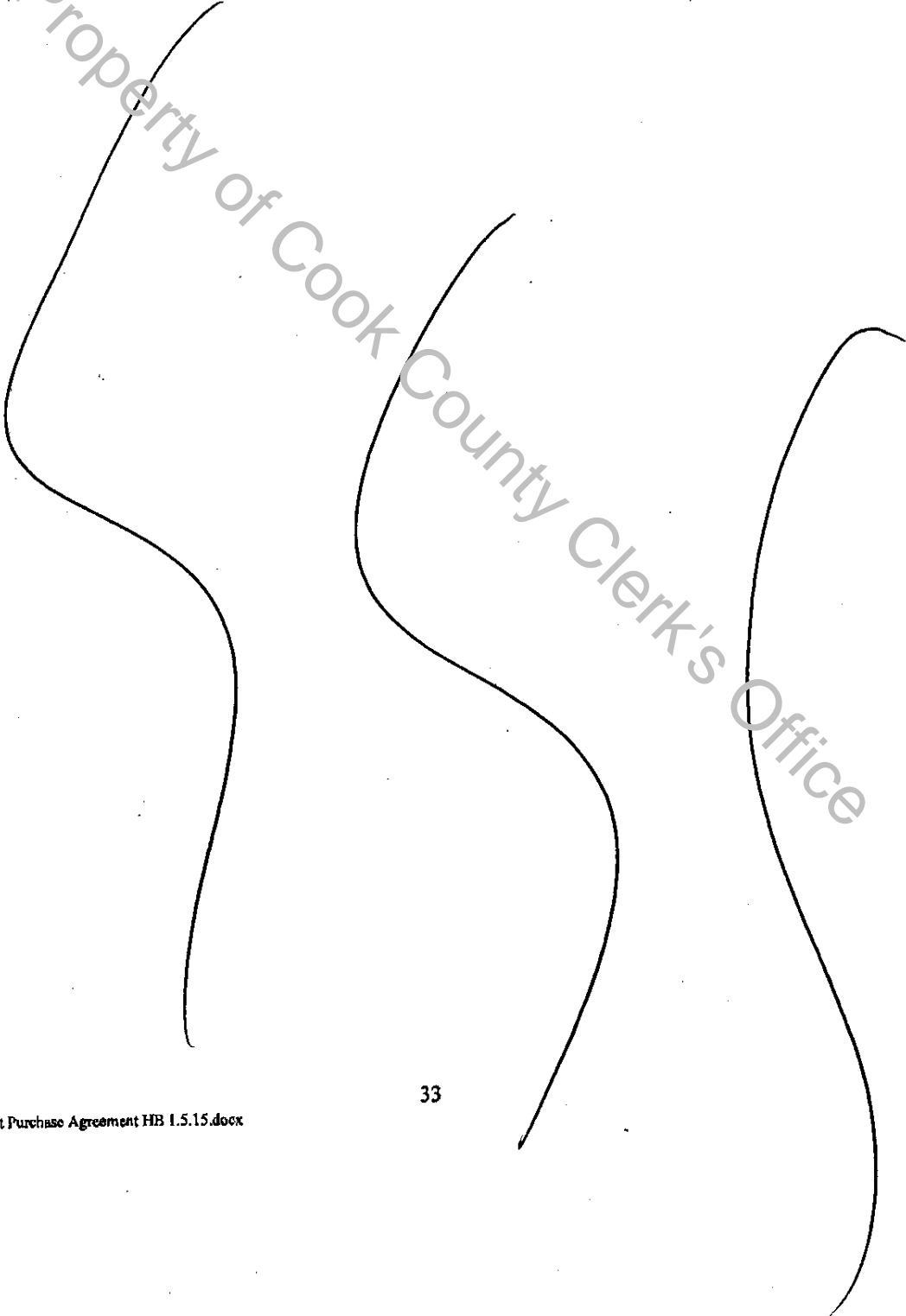
By: _____
Name: Stephen L. Silver
Title: President

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EXHIBIT D
[PROPOSED SALE ORDER PER SECTION 7.3]

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UNOFFICIAL COPY**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
ALSIP ACQUISITION, LLC., et al., ¹)	Case No. 14-12596(KJC)
)	(Jointly Administered)
Debtors.)	
<hr/>		Re: Docket No. 11 122

**ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105(A), 363, 365, 503 AND
BANKRUPTCY RULES 2002, 6004, 6006 APPROVING THE SALE OF CERTAIN OF
THE DEBTOR'S ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS,
ENCUMBRANCES AND INTERESTS AND GRANTING CERTAIN RELATED
RELIEF**

Upon consideration of the motion (the "Motion")² of the Debtors for, among other things, entry of an order, pursuant to sections 105(a), 363, 365 and 503 of title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (i) approving the sale of certain assets of the Debtors (the "Sale") free and clear of all Claims, Liens and Encumbrances, except Permitted Encumbrances to the extent set forth in that certain Asset Purchase Agreement (attached hereto as Exhibit 1, and as may be amended, supplemented or restated, the "APA"), and (ii) granting certain related relief; and upon the Declaration of Stephen A. Silver (the "Declaration") [D.I. ____]; and the Court having held a hearing on January __, 2015 (the "Sale Hearing") to approve the Sale; and the Court having reviewed and considered (a) the Motion, (b) the objections to the Motion, if any, and (c) the arguments of counsel made, and the evidence proffered or adduced at the Sale Hearing; and it appearing that the relief requested in the Motion is in the best interests of

¹ The Debtors in these proceedings and the last four digits of each Debtor's federal taxpayer identification number are as follows: Alsip Acquisition, LLC (Tax ID No. 27-0514908), and APCA, LLC (Tax ID No. 27-1033005).

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion, the Bidding Procedures Order, the Bidding Procedures or the APA, as applicable.

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the Debtors, their estates and creditors and other parties in interest; and upon the record of the Sale Hearing and the Chapter 11 Case; and after due deliberation thereon; and good cause appearing therefor, it is hereby,

FOUND AND DETERMINED THAT:³

A. **Jurisdiction and Venue.** This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of this case and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

B. **Statutory Predicates.** The statutory predicates for the relief sought in the Motion are sections 105(a), 363, 365 and 503 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006 and 9014 and the applicable Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules").

C. **Petition Date.** On November 19, 2014 (the "Petition Date"), the Debtors commenced the Chapter 11 Cases by filing petitions for relief under chapter 11 of the Bankruptcy Code.

D. **Entry of Bidding Procedures Order.** On December 11, 2014, this Court entered an order (the "Bidding Procedures Order") [D.I. 128] (i) approving the proposed auction and bidding procedures (the "Bidding Procedures") for the sale of certain real estate and equipment of the Debtors (the "Purchased Assets")⁴; (ii) approving the Bid Protections; and (iii) approving the form and manner of the Sale Notice; and (iv) scheduling the Sale Hearing.

³ Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact to the fullest extent of the law. See Fed. R. Bankr. P. 7052 and 9014.

⁴ The Purchased Assets shall have the meaning ascribed in Section 1.1(a) of the APA. Assets do not include the Excluded Assets as referenced in section 1.1(b) of the APA or any assets of the Debtors not subject to the APA.

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E. Compliance with Bidding Procedures Order. As demonstrated by (i) the Declaration, (ii) the testimony and other evidence proffered or adduced at the hearing on the Bidding Procedures and at the Sale Hearing, and (iii) the representations of counsel made on the record at the Sale Hearing, the Debtors have marketed the Purchased Assets and conducted the sale process in compliance with the Bidding Procedures Order, and any Auction was duly noticed and conducted in a non-collusive, fair and good faith manner. The Debtors and their professional advisors conducted the sale process in compliance with the Bidding Procedures Order, and have afforded potential purchasers a full and fair opportunity to make higher and better offers. In accordance with the Bidding Procedures, an Auction was held on January __, 2015 and the Debtors determined that the bid submitted by Paper Mill Acquisition, LLC (the "Purchaser") and memorialized by the APA is the Prevailing Bid (as defined in the Bidding Procedures). The APA constitutes the highest and best offer for the Purchased Assets, and will provide a greater recovery for the Debtors' estates than would be provided by any other available alternative. The Debtors' determination that the APA constitutes the highest and best offer for the Purchased Assets constitutes a valid and sound exercise of the Debtors' business judgment.

F. Notice. As evidenced by the affidavits of service and publication previously filed with the Court, and based on the representations of counsel at the Sale Hearing, (i) proper, timely, adequate and sufficient notice of the Motion, the Auction, the Sale Hearing, and the Sale has been provided in accordance with sections 102(1), 363 and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006 and 9007 and the Local Bankruptcy Rules and in compliance with the Bidding Procedures Order, (ii) such notice was good and sufficient, and appropriate under the particular circumstances, and (iii) no other or further notice of the Motion, the Sale Hearing, or the Sale is or shall be required. With respect to entities whose identities are

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not reasonably ascertained by the Debtors, publication of the Sale Notice (as defined in the Bidding Procedures Order) in the Chicago Tribune on _____, 2014, was sufficient and reasonably calculated under the circumstances to reach such entities.

G. **Corporate Authority.** The Debtors (i) have full corporate power and authority to execute the APA and all other documents contemplated thereby (collectively, the "Transaction Documents"), and the Sale has been duly and validly authorized by all necessary corporate action of the Debtors, (ii) have all of the corporate power and authority necessary to consummate the transactions contemplated by the APA and the other Transaction Documents, (iii) have taken all corporate action and formalities necessary to authorize and approve the APA and the other Transaction Documents and the consummation by the Debtors of the transactions contemplated thereby, including as required by their organizational documents and (iv) no government, regulatory or other consents or approvals, other than those expressly provided for in the APA and the other Transaction Documents, are required for the Debtors to enter into the APA and the other Transaction Documents and consummate the Sale.

H. **Opportunity to Object.** A fair and reasonable opportunity to object and to be heard with respect to the Motion and the relief requested therein, has been given to all interested persons and entities, including the following: (a) all entities known to have expressed an interest in a transaction with respect to some or all of the Purchased Assets at any time; (b) all entities known to have asserted any lien, claim, interest or encumbrance in or upon any of the Purchased Assets; (c) all federal, state and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief requested by this Motion; (d) the United States Attorney's office; (e) the Securities and Exchange Commission; (f) the Internal Revenue Service; (g) legal and financial advisors to any statutory committee appointed in this case; (h) the parties

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included on the Debtor's list of twenty-five (25) largest unsecured creditors; (i) those parties who have filed the appropriate notice requesting notice of all pleadings filed in the Chapter 11 Case; (j) all other known creditors of the Debtor; and (k) the Office of the United States Trustee.

I. **Sale in Best Interest.** Consummation of the Sale of the Purchased Assets to the Purchaser at this time is in the best interests of the Debtors, their creditors, their estates and other parties in interest.

J. **Business Justification.** Sound business reasons exist for the Sale. Entry into the APA, the other Transaction Documents and the consummation of the transactions contemplated thereby constitutes the Debtors' exercise of sound business judgment and such acts are in the best interests of the Debtors, their estates, and all parties in interest. The Court finds that the Debtors have articulated good and sufficient business reasons justifying the Sale. Such business reasons include, but are not limited to, the following: (i) the APA constitutes the highest and best offer for the Purchased Assets; (ii) the APA and the closing thereon will present the best opportunity to realize the value of the Purchased Assets and avoid decline and devaluation of the Purchased Assets; (iii) unless the Sale and all of the other transactions contemplated by the APA are concluded expeditiously, as provided for in the Motion and pursuant to the APA, recoveries to creditors may be diminished; and (iv) any plan would not likely have yielded as favorable an economic result.

K. The Debtors and their professionals actively marketed the Purchased Assets to potential purchasers, both before and during the Chapter 11 Cases, as set forth in the Motion and in accordance with the Bidding Procedures Order. The bidding and auction process set forth in the Bidding Procedures Order and the Bidding Procedures afforded a full and fair opportunity for any entity to make a higher or otherwise better offer to purchase the Purchased Assets. Based

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upon the record of these proceedings, all creditors and other parties in interest and all prospective purchasers have been afforded a reasonable and fair opportunity to bid for the Purchased Assets.

L. No other person or entity or group of persons or entities has offered to purchase the Purchased Assets for an amount that would give equal or greater economic value to the Debtors than the value being provided by the Purchaser pursuant to the APA. Among other things, the Sale is the best alternative available to the Debtors to maximize the return to their creditors. The terms and conditions of the APA, including the consideration to be realized by the Debtors, are fair and reasonable. Approval of the Motion, the APA, and the transactions contemplated thereby, is in the best interests of the Debtors, their estates and creditors, and all other parties in interest.

M. Arm's-Length Sale. The APA and the other Transaction Documents were negotiated, proposed and entered into by the Debtors and the Purchaser without collusion, in good faith, and from arm's-length bargaining positions. Neither the Debtors nor the Purchaser has engaged in any conduct that would cause or permit the APA and the other Transaction Documents to be avoided under 11 U.S.C. § 363(n). Specifically, the Purchaser has not acted in a collusive manner with any person and the purchase price was not controlled by any agreement among bidders. The Purchaser is not an "insider" of any Debtor as defined in Bankruptcy Code section 101(31).

N. Good Faith Purchaser. The Purchaser is a good faith purchaser for value and, as such, is entitled to all of the protections afforded under 11 U.S.C. § 363(m) and any other applicable or similar bankruptcy and non-bankruptcy law. Specifically: (i) the Purchaser recognized that the Debtors were free to deal with any other party interested in purchasing the Purchased Assets; (ii) the Purchaser complied in all respects with the provisions in the Bidding

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Procedures Order; (iii) the Purchaser agreed to subject its bid to the competitive bid procedures set forth in the Bidding Procedures Order; (iv) all payments to be made by the Purchaser in connection with the Sale have been disclosed; (v) no common identity of directors, officers or controlling stockholders exists among the Purchaser and the Debtors; (vi) the negotiation and execution of the APA and the other Transaction Documents was at arm's-length and in good faith, and at all times each of the Purchaser and the Debtors were represented by competent counsel of their choosing; (vii) the Purchaser did not in any way induce or cause the chapter 11 filing of the Debtors; and (viii) the Purchaser has not acted in a collusive manner with any person. The Purchaser has been and will be acting in good faith within the meaning of 11 U.S.C. § 363(m) in closing the transactions contemplated by the APA and the other Transaction Documents.

O. **Free and Clear.** With the exception of only any Permitted Encumbrances (as defined in the APA), the Debtors may sell the Purchased Assets free and clear of all obligations, Excluded Liabilities (as defined in the APA), including any encumbrance, Lien, Claim, Liability, interest, right, demand, charge, mortgage, deed of trust, option, pledge, *lis pendens*, security interest or similar interest, title defects, claims of ownership or similar claims, hypothecations, easements, rights of way, restrictive covenants, encroachments, rights of first refusal, preemptive rights, judgments, conditional sale or other title retention agreements and other impositions, imperfections or defects of title or restrictions on transfer or use of any nature whatsoever (collectively, the "**Encumbrances**"). Such Encumbrances include but are not limited to those asserted by: 1) Wells Fargo Bank, National Association (revolving credit mortgage and assignment of rents and leases and fixture filing recorded as Document No. 1010944006); 2) Graybar Electric (lien recorded at Document No. 1430108448); 3) Tal-Mar Custom Metal

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Fabricators, Inc. (*lis pendens* recorded at Document No. 1427244026); 4) Pumping Solutions, Inc. (lien recorded at Document No. 1426644051); 5) Engineered Constructors, Inc. (lien recorded at Document No. 1425834037); 6) Hasse Construction Company, Inc. (lien recorded at Document No. 1425545072); 7) Tal-Mar Custom Metal Fabricators, Inc. (lien recorded at Document No. 1425350038); 8) Matrix Service Company (lien recorded at Document No. 1425229118); 9) P&M/Mercury Mechanical Corp. (lien recorded at Document No. 1424734101); 10) P&M/Mercury Mechanical Corp. (lien recorded at Document No. 1424734102); 11) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded at Document No. 1419944123); 12) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded at Document No. 1419944124); 13) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded at Document No. 1412244082); 14) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded at Document No. 1412244084); 15) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded as Document No. 1412244083); 16) Metropolitan Water Reclamation Dist. of Greater Chicago (lien recorded as Document No. 1423944064); 17) Hayes Mechanical, LLC (lien recorded as Document No. 1423946083); 18) American Combustion Services, Inc. (lien recorded as Document No. 1424554012); 19) Linear Electric Inc. (lien recorded as Document No. 1425413050); 20) Englewood Electrical Supply, Division of WESCO Distribution Inc. (lien recorded as Document No. 1425445053); 21) Gabriel Environmental Services (lien recorded as Document No. 1431829004); 22) Wells Fargo Bank, N.A. (amendment to revolving credit mortgage and assignment of rents and leases and fixture filing recorded as Document No. 1119531059); 23) Wells Fargo Bank, National Association (amendment to revolving credit mortgage and assignment of rents and leases and fixture filing recorded as Document 1026016039); 24) Wells Fargo Bank, National Association (second

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amendment to revolving credit mortgage and assignment of rents and leases and fixture filing recorded as Document No. 1136410014); 25) American Precision Services, Inc. (judgment entered in case number 14L9291 recorded as Document No. 1431113017); 26) GDF Suez Energy Resources NA, Inc. (memorandum of judgment lien recorded as Document No. 1432313067); 27) Wells Fargo Bank, National Association (amendment to UCC recorded as Document No. 1227042058); 28) Wells Fargo Bank, National Association (security interest UCC recorded as Document No. 1010944007); 29) claims of the Village of Alsip, Illinois, whether or not recorded; and 30) any parties asserting liens in any assets constituting Purchased Assets.⁵ Because, with respect to each creditor asserting an Encumbrance, one or more of the standards set forth in Bankruptcy Code § 363(f)(1)-(5) has been satisfied. Those holders of Encumbrances who did not object or withdrew objections to the Sale are deemed to have consented to the Sale pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of Encumbrances who did object fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code. The Purchaser would not have entered into the APA and the other Transaction Documents and would not consummate the transactions contemplated hereby, (i) if the transfer of the Purchased Assets were not free and clear of all Encumbrances, except as set forth herein, of any kind or nature whatsoever, including rights or claims based on any successor or transferee liability, or (ii) if the Purchaser would, or in the future could, be liable for any Encumbrances, including rights or claims based on any successor or transferee liability. The Purchaser will not consummate the transactions contemplated by the APA and the other Transaction Documents unless this Court expressly orders that none of the Purchaser, its affiliates, its present or contemplated members or shareholders, or the Purchased Assets will

⁵ Unless otherwise noted, all Encumbrances are recorded in the Cook County Recorder of Deeds.

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have any liability whatsoever with respect to, or be required to satisfy in any manner, whether at law or equity, or by payment, setoff, or otherwise, directly or indirectly, any Encumbrances, including rights or claims based on any successor, products liability, or transferee liability. Not transferring the Purchased Assets free and clear of all Encumbrances of any kind or nature whatsoever, except as set forth herein, including rights or claims based on any successor or transferee liability, would adversely impact the Debtors' efforts to maximize the value of their estates, and the transfer of the Purchased Assets other than pursuant to a transfer that is free and clear of all liens, claims, encumbrances, and other interests of any kind or nature whatsoever (other than Permitted Encumbrances) would be of substantially less benefit to the Debtors' estates.

P. **No Fraudulent Transfer.** The APA and the other Transaction Documents were not entered into for the purpose of hindering, delaying or defrauding creditors under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia. The Sale does not amount to a consolidation, merger or *de facto* merger of the Purchaser and the Debtors. The consideration provided by the Purchaser for the Purchased Assets pursuant to the APA (i) is fair and reasonable, (ii) is the highest and best offer for the Purchased Assets, (iii) will provide a greater recovery for the Debtors' creditors than would be provided by any other practical available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia (including the Uniform Fraudulent Conveyance Act and the Uniform Fraudulent Transfer Act).

Q. **Purchaser Not an Insider; No Successor Liability.** Immediately prior to the Closing Date, the Purchaser was not an "insider" or "affiliate" of any Debtor, as those terms are

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defined in the Bankruptcy Code, and no common identity of incorporators, directors or stockholders existed between the Purchaser and the Debtors. The transfer of the Purchased Assets (including any individual elements of the Sale) to the Purchaser, except as otherwise expressly set forth in the APA, does not, and will not, subject the Purchaser to any liability whatsoever, with respect to the operation of the Debtors' business prior to the closing of the Sale or by reason of such transfer under the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, in any theory of law or equity including any laws affecting antitrust, successor, transferee, products liability, or vicarious liability. Pursuant to the APA, the Purchaser is not purchasing all of the Debtors' assets in that the Purchaser is not purchasing any of the Excluded Assets or assuming any of the Excluded Liabilities, and the Purchaser is not holding itself out to the public as a continuation of the Debtors. The Sale does not amount to a consolidation, merger or *de facto* merger of the Purchaser and the Debtors and/or the Debtors' estates. There is not substantial continuity between the Purchaser and the Debtors, there is no continuity of enterprise between the Debtors and the Purchaser, and the Purchaser is not holding itself out as a mere continuation of the Debtors or the Debtors' estates. The Purchaser does not constitute a successor to the Debtors or the Debtors' estates.

R. Legal, Valid Transfer. The transfer of the Purchased Assets to the Purchaser will be a legal, valid, and effective transfer of the Purchased Assets, and will vest the Purchaser with all right, title, and interest of the Debtors to the Purchased Assets free and clear of all Encumbrances (other than Permitted Encumbrances), as set forth in the APA. The Purchased Assets constitute property of the Debtors' estates and good title is vested in the Debtors' estates within the meaning of section 541(a) of the Bankruptcy Code. The Debtors are the sole and

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rightful owners of the Purchased Assets, and no other person has any ownership right, title, or interests therein, except as otherwise provided in the APA.

S. **APA Not Modified.** The terms of the APA and the other Transaction Documents, including any amendments, supplements, and modifications thereto, are fair and reasonable in all respects, and the terms of this Order shall not modify the terms of the APA and the other Transaction Documents.

T. **Not a Sub Rosa Plan.** The Sale does not constitute a *sub rosa* chapter 11 plan for which approval has been sought without the protections that a disclosure statement would afford. The Sale neither impermissibly restructures the rights of the Debtors' creditors, nor impermissibly dictates a liquidating plan of reorganization for the Debtors.

U. **Legal and Factual Basis.** The legal and factual bases set forth in the Motion and at the Sale Hearing establish just cause for the relief granted herein.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED EFFECTIVE IMMEDIATELY THAT:

General Provisions

1. The Motion and the relief requested therein is GRANTED and APPROVED as set forth herein.
2. Objections that have not been withdrawn, waived, or settled, or not otherwise resolved pursuant to the terms hereof, if any, hereby are denied and overruled on the merits with prejudice.

Approval of the Sale of the Purchased Assets

3. The APA and the other Transaction Documents, including any amendments, supplements and modifications thereto, and all of the terms and conditions therein, are hereby approved in all respects.

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4. Pursuant to 11 U.S.C. § 363(b), the Sale of the Purchased Assets to the Purchaser free and clear of all Encumbrances, except as provided herein, and the transactions contemplated by the APA and the other Transaction Documents are approved in all respects.

Sale and Transfer of Purchased Assets

5. Pursuant to 11 U.S. C. § 363(b), the Debtors are hereby authorized and directed to sell the Purchased Assets to the Purchaser and consummate the Sale in accordance with, and subject to the terms and conditions of, the APA and the other Transaction Documents, and to transfer and assign all right, title and interest (including common law rights) to all property, licenses and rights to be conveyed in accordance with and subject to the terms and conditions of the APA and the other Transaction Documents, and are further authorized and directed to execute and deliver, and are empowered to perform under, consummate and implement, the APA and the other Transaction Documents, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the APA and the other Transaction Documents, including without limitation the related documents, exhibits and schedules, and to take all further actions as may be reasonably requested by the Purchaser for the purposes of assigning, transferring, licensing, granting, conveying and conferring to the Purchaser or reducing to possession, the Purchased Assets, or as may be necessary or appropriate to the performance of the Debtors' obligations as contemplated by the APA and the other Transaction Documents. Provided, however, except as otherwise provided in the APA, that nothing in this Order shall require the Debtors to pay any assignment fees and/or cure amounts, participate in any litigation related to such transfers, or pay any out of pocket expenditures, except for professional fees and expenses that are consistent with the budget attached to the order authorizing debtor in possession financing or use of cash collateral.

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6. Pursuant to 11 U.S.C. § 363(b) and 363(f), the Purchased Assets shall be transferred to the Purchaser upon consummation of the APA (the "Closing Date") free and clear of all Encumbrances of any kind or nature, except as provided herein, whatsoever, including rights or claims (for purposes of this Order, the term "claim" shall have the meaning ascribed to such term in Bankruptcy Code section 101(5)) based on any successor or transferee liability, including without limitation all claims and/or interests arising in any way in connection with any agreements, acts, or failures to act, of the Debtors or any of the Debtors' predecessors or affiliates, whether known or unknown, contingent or otherwise, whether arising before or subsequent to the commencement of this Chapter 11 Case, and whether imposed by agreement, understanding, law, equity or otherwise, including claims otherwise arising under federal or state laws or doctrines of successor or transferee liability.

7. Following the Closing (as defined in the APA), the Purchaser is authorized to execute and file a certified copy of this Order which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all Encumbrances in the Purchased Assets of any kind or nature whatsoever, except as provided herein. On the Closing Date, this Order will be construed, and constitute for any and all purposes, a full and complete general assignment, conveyance and transfer of the Purchased Assets or a bill of sale transferring title in "as is, and where is" condition, in such Purchased Assets to the Purchaser. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA and the other Transaction Documents.

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8. All entities who are presently, or on the Closing Date may be, in possession of some or all of the Purchased Assets are hereby directed to surrender possession of the Purchased Assets to the Purchaser on the Closing Date.

9. All persons and entities are prohibited and enjoined from taking any action to adversely affect or interfere with the ability of the Debtors to transfer the Purchased Assets to the Purchaser in accordance with the APA and this Order; provided, however, that the foregoing restriction shall not prevent any party from appealing this Order in accordance with applicable law or opposing any appeal of this Order.

10. Except as expressly permitted by the APA, the other Transaction Documents or this Order, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade creditors, dealers, employees, litigation claimants, and other creditors, holding Encumbrances of any kind or nature whatsoever, except as set forth herein, including rights, interests or claims based on any successor, products liability, or transferee liability, against or in a Debtors or the Purchased Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or noncontingent, senior or subordinated), arising under or out of, in connection with, or in any way relating to, the Debtors, the Purchased Assets or the operation of the Purchased Assets before the Closing Date, or the transactions contemplated by the APA and the other Transaction Documents, are forever barred, estopped, and permanently enjoined from asserting against the Purchaser, its respective successors and assigns, its respective property and the Purchased Assets, such persons' or entities' Encumbrances, except as set forth herein, including such rights, interests or claims based on any successor or transferee liability.

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11. On the Closing Date, each of the Debtors' creditors is authorized and directed to execute such documents and take all other actions as may be necessary to release its Encumbrances on the Purchased Assets, except as set forth herein, if any, as such Encumbrances may have been recorded or otherwise exist.

12. No governmental unit may deny, revoke, suspend, or refuse to renew any permit, license or similar grant relating to the operation of the Purchased Assets on account of the filing or pendency of the Chapter 11 Case or the consummation of the transactions contemplated by the APA and the other Transaction Documents.

13. Subject to the terms and conditions of this Order, the APA and the other Transaction Documents, the transfer of the Purchased Assets to the Purchaser pursuant to the APA and the other Transaction Documents constitutes a legal, valid, and effective transfer of the Purchased Assets, and shall vest the Purchaser with all right, title, and interest of the Debtors in and to the Purchased Assets free and clear of all Encumbrances of any kind or nature whatsoever, except as set forth herein.

No Successor Liability

14. The Purchaser is not a "successor" to the Debtors or their estates by reason of any theory of law or equity, and the Purchaser shall not assume, or be deemed to assume, or in any way be responsible for any liability or obligation of the Debtors and/or their estates with respect to the Purchased Assets or otherwise, including, but not limited to, under any bulk sales law, doctrine or theory of successor liability, products liability, or similar theory or basis of liability. Neither the purchase of the Purchased Assets by the Purchaser nor the fact that the Purchaser is using any of the Purchased Assets previously operated by the Debtors will cause the Purchaser to be deemed a successor in any respect to the Debtors' business or incur any liability derived therefrom within the meaning of any foreign, federal, state or local revenue, pension, ERISA,

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tax, labor (including any WARN Act), employment, environmental, or other law, rule or regulation (including filing requirements under any such laws, rules or regulations), or under any products liability law or doctrine with respect to the Debtors' liability under such law, rule or regulation or doctrine.

15. The Purchaser has given substantial consideration under the APA, which consideration shall constitute valid and valuable consideration for the releases of any potential claims or successor liability of the Purchaser and which shall be deemed to have been given in favor of the Purchaser by all holders of Encumbrances in or against the Debtors, or the Purchased Assets. Upon consummation of the Sale, the Purchaser shall not be deemed to (a) be the successor to the Debtors, (b) have, *de facto* or otherwise, merged with or into the Debtors, or (c) be a mere continuation, alter ego or substantial continuation of the Debtors.

16. Except to the extent specifically agreed by the Purchaser in the APA or this Order, the Purchaser shall not have any liability, responsibility or obligation for any Encumbrances of the Debtors or their estates, including any claims, liabilities or other obligations related to the Purchased Assets prior to Closing Date. Under no circumstances shall the Purchaser be deemed a successor of or to the Debtors for any Encumbrances against, in or to the Debtors or the Purchased Assets. For the purposes of this section of this Order, all references to the Purchaser shall include the Purchaser's affiliates, subsidiaries and shareholders.

Good Faith

17. The transactions contemplated by the APA and the other Transaction Documents are undertaken by the Purchaser in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein by this Order to consummate the Sale shall not affect the validity of the Sale of the Purchased Assets to the Purchaser. The Purchaser is a purchaser in good faith of the

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Purchased Assets, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code.

18. As a good faith purchaser of the Purchased Assets, the Purchaser has not entered into an agreement with any other potential bidders at the Auction, and has not colluded with any of the other bidders, potential bidders or any other parties interested in the Purchased Assets, and, therefore, neither the Debtors nor any successor in interest to the Debtors' estates shall be entitled to bring an action against the Purchaser, and the Sale may not be avoided pursuant to section 363(n) of the Bankruptcy Code.

Additional Provisions

19. The consideration provided by the Purchaser for the Purchased Assets under the APA shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

20. Each and every federal, state, and local governmental agency, court or department is directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the APA and the other Transaction Documents. On the Closing Date, the Debtors and the Purchaser are authorized to take such actions as may be necessary to obtain a release of any and all Encumbrances in the Purchased Assets, except as set forth herein, if any, and to the extent contemplated hereby and by the APA and the other Transaction Documents. This Order (a) shall be effective as a determination that, on the Closing Date all Encumbrances of any kind or nature whatsoever existing as to the Purchased Assets prior to the Closing Date have been unconditionally released, discharged and terminated, and that the conveyances described herein have been effected, and (b) shall be binding upon and shall govern the acts of all entities including all filing agents, filing officers,