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7 Reorganization Counsel
for Debtors and Debtors in Possession

8 Debtors' Mailing Address:
Colorep, Inc. and Transprint USA, Inc.
9 100 Pleasant Valley Road
Harrisonburg, VA 22801-9790
10 Attn: Robert Katz, [Proposed] CRO

11 **UNITED STATES BANKRUPTCY COURT**
12 **CENTRAL DISTRICT OF CALIFORNIA**
13 **LOS ANGELES DIVISION**

13 In re) Case No. 13-bk-27689-WB
14)
14 COLOREP, INC.,) Chapter 11
15 a California corporation, *et al.*,) (Jointly Administered)
16)
16 Debtors.) **STIPULATION BETWEEN DEBTORS**
17) **AND DEBTORS IN POSSESSION AND**
17 Tax I.D. Nos. 94-3055026 (Colorep, Inc.) and) **CHARLOTTE-HIGHLAND LIMITED**
18 54-1200596 (Transprint USA, Inc.)) **PARTNERSHIP REGARDING**
18) **REJECTION OF UNEXPIRED LEASE**
19) **OF NONRESIDENTIAL REAL**
20) **PROPERTY**

20 [No Hearing Required]

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1 This stipulation (the "Stipulation") is made and entered into by Colorep, Inc.
2 ("Colorep") and Transprint USA, Inc. ("Transprint"), the debtors and debtors in possession in the
3 above-captioned bankruptcy proceedings (together, the "Debtors"), and Charlotte-Highland Limited
4 Partnership ("Charlotte-Highland"). As used herein, the "Parties" shall refer to the Debtors and
5 Charlotte-Highland, collectively.

6 A. On July 10, 2013 (the "Petition Date"), the Debtors commenced the above-
7 captioned bankruptcy proceedings by filing separate voluntary petitions under chapter 11 of the
8 Bankruptcy Code.

9 B. Prior to the Petition Date, Transprint entered into a lease with Charlotte-
10 Highland (the "Lease"), pursuant to which Transprint agreed to lease from Charlotte-Highland office
11 space at 818 Tyvola Road, Charlotte, North Carolina (the "Leased Property"). The term of the Lease
12 commenced on July 1, 2012, and is set to expire on June 30, 2015. Pursuant to the Lease, Colorep
13 was required to pay to Charlotte-Highland monthly rent installments based on a schedule provided in
14 a document entitled "Lease Agreement Basic Lease Information," and was also required to
15 reimburse Charlotte-Highland for certain expenses defined in the Lease.

16 C. On October 4, 2013, the Court entered its *Order: (A) Authorizing the Sale of*
17 *Substantially All of the Debtors' Assets Free and Clear of Liens, Claims, Encumbrances, and Other*
18 *Interests, Except as Provided in the Asset Purchase Agreement; (B) Authorizing and Approving*
19 *Asset Purchase Agreement; (C) Approving the Assumption and Assignment of Certain of the*
20 *Debtors' Executory Contracts and Unexpired Leases Related Thereto; and (D) Granting Related*
21 *Relief* [Docket No. 219] (the "Sale Order"), approving the sale (the "Sale") of substantially all of the
22 Debtors' assets to Meserole, LLC and Fuller Smith Capital Management LLC, as DIP Agent, as that
23 term is defined in the Sale Order (together, the "Buyer"), or to the Buyer's assignee. Under the Sale
24 Order, the Court approved the assumption and assignment of certain of the Debtor's executory
25 contracts and unexpired leases upon closing of the Sale. The Lease was not one of the executory
26 contracts or unexpired leases assigned to the Buyer.

27 D. On October 7, 2013, the Sale closed.
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1 E. Since the closing of the Sale, the Parties have engaged in discussions with
2 respect to the Debtors' future use of the Leased Property. As the Debtors do not intend to engage in
3 future business operations, they have determined that good business judgment requires the prompt
4 rejection of the Lease so as to prevent the incurrence of administrative expenses under the Lease.
5 Accordingly, the Debtors and Charlotte-Highland stipulate that the Lease, upon Court approval of
6 this Stipulation, shall be rejected under Bankruptcy Code section 365(a) effective as of October 31,
7 2013.

8 F. Upon Court approval of this Stipulation, Charlotte-Highland agrees to release
9 the Debtors and their successors and assigns of any liability under the Lease for amounts accruing
10 after the Petition Date.

11 **NOW, THEREFORE, IT IS HEREBY STIPULATED AS FOLLOWS:**

12 1. The Lease, upon Court approval of this Stipulation, shall be rejected under
13 Bankruptcy Code section 365(a) effective as of October 31, 2013.

14 2. Upon Court approval of this Stipulation, Charlotte-Highland shall release the
15 Debtors and their successors and assigns of any liability under the Lease for amounts accruing after
16 the Petition Date.

17 3. The undersigned represent and warrant that they have the authority to enter
18 into this Stipulation on behalf of the respective Parties.

19 4. This Stipulation may be signed by facsimile or .pdf signature and in separate
20 counterparts which, when taken as a whole, shall constitute one and the same document.

21 5. The Bankruptcy Court shall retain exclusive jurisdiction to enforce the terms
22 of this Stipulation.

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Date: October 17, 2013

/s/ Michael S. Neumeister
Gary E. Klausner
Michael S. Neumeister
STUTMAN, TREISTER & GLATT
PROFESSIONAL CORPORATION

Reorganization Counsel
for Debtors and Debtors in Possession

Date: October 17, 2013


Mark C. Fitzgerald

President and Chief Operating Officer for
CHARLOTTE-HIGHLAND LIMITED
PARTNERSHIP

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is: 1901 Avenue of the Stars, 12th Floor, Los Angeles, California 90067. A true and correct copy of the foregoing document entitled (*specify*): **STIPULATION BETWEEN DEBTORS AND DEBTORS IN POSSESSION AND CHARLOTTE-HIGHLAND LIMITED PARTNERSHIP REGARDING REJECTION OF UNEXPIRED LEASE OF NONRESIDENTIAL REAL PROPERTY** will be served or was served (**a**) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (**b**) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) October 21, 2013, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) October 21, 2013, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Charlotte-Highland, LP c/o High Associates Ltd. PO Box 10726 Lancaster, PA 17605-0726	Charlotte-Highland, LP c/o High Associates Ltd. Attn: Steven C. Brown 11020 David Taylor Drive, Suite 130 Charlotte, NC 28262
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Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) _____, 2013, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Via Federal Express
Honorable Julie W. Brand
U.S. Bankruptcy Court
255 E. Temple Street
Suite 1382 / Courtroom 1375
Los Angeles, CA 90012

Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

<u>October 21, 2013</u>	<u>Therese A. Barron</u>	<u>/s/ Therese A. Barron</u>
<i>Date</i>	<i>Printed Name</i>	<i>Signature</i>

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

Patrick B Howell on behalf of Creditor Sensient Imaging Technologies S.A., Sensient Technologies Corporation
phowell@whdlaw.com, dprim@whdlaw.com;tmichalak@whdlaw.com

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James Stang on behalf of Interested Party L.H. Charney 1410 Broadway LLC
jstang@pszjlaw.com

Nicola G Suglia, Esq on behalf of Creditor Canon Financial Services, Inc. c/o Fleischer, Fleischer &

Suglia
nsuglia@fleischerlaw.com

United States Trustee (LA)
ustpreion16.la.ecf@usdoj.gov

2. SERVED BY UNITED STATES MAIL:

Colorep, Inc.
Limited Service List
6400.000 Rev. 10/1/13
575550v1

Debtors: Colorep, Inc. and Transprint USA, Inc. Attn: Robert Katz 1000 Pleasant Valley Road Harrisonburg, VA 22801-9790	The Honorable Julia Brand U.S. Bankruptcy Court Central District of California 255 East Temple Street, Suite 1382 Los Angeles, CA 90012	Internal Revenue Service PO Box 21126 Philadelphia, PA 19114
20 Largest Creditors	Anthem Blue Cross Blue Shield Attn: Dianne Loving P.O. Box 580494 Charlotte, NC 28258	Domtar Corporation Port Huron Mill 1700 Washington Avenue Port Huron, MI 48060
Domtar Corporation Subsidiary Of Domtar Ind 1700 Washington Avenue Port Huron, MI 48060	Dominion Va Power Attn: Barbara Smith P.O. Box 26666 Richmond, VA 23261-6666	Dominion Virginia Power P.O. Box 26019 Richmond, VA 23260-6019
Krausz Puente LLC c/o The Krausz Companies 44 Montgomery St, Ste 3300 San Francisco, CA 94104	Krausz Puente LLC 11383 Newport Dr Rancho Cucamonga, CA 91730- 5536	Stonefield Josephson, Inc. Attn: Steve Rapattoni, CPA 5 Park Plaza, Suite 700 Irvine, CA 92614
Susan D'Arcy aka SRD International 95 East Broadway Roslyn, NY 11576	Mimaki USA, Inc. c/o Wiliam Hearnburg, Jr. Smith, Gambrell & Russell, LLP Promenade, Suite 3100 1230 Peachtree Street N.E. Atlanta, GA 30309	Mimaki USA, Inc. Dept. CH 17368 Palatine, IL 6055-7368
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Secured Lenders

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Party Asserting A Secured Interest
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