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Reorganization Counsel
for Debtors and Debtors in Possession

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

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

In re	)	Case No. 13-bk-27689-WB
)	
COLOREP, INC.,	)	Chapter 11
a California corporation, <i>et al.</i>,	)	(Jointly Administered)
)	
Debtors.	)	NOTICE OF MOTION AND MOTION
	)	FOR ORDER AUTHORIZING THE
Tax I.D. Nos. 94-3055026 (Colorep, Inc.) and	)	DEBTORS AND DEBTORS IN
54-1200596 (Transprint USA, Inc.)	)	POSSESSION TO REJECT CERTAIN
	)	UNEXPIRED LEASES AND
	)	EXECUTORY CONTRACTS UNDER
	)	BANKRUPTCY CODE SECTION 365;
	)	MEMORANDUM OF POINTS AND
	)	AUTHORITIES IN SUPPORT
	)	THEREOF; DECLARATION OF
	)	ROBERT D. KATZ IN SUPPORT
	)	THEREOF
)	
	)	[No Hearing Required Unless Requested
	)	Under Local Bankruptcy Rule 9013-1(o)]

1 **TO THE HONORABLE JULIA W. BRAND, THE OFFICE OF THE UNITED STATES**
2 **TRUSTEE, ALL KNOWN COUNTERPARTIES TO UNEXPIRED LEASES OR**
3 **EXECUTORY CONTRACTS, THE DEBTORS' TWENTY LARGEST UNSECURED**
4 **CREDITORS, AND OTHER PARTIES IN INTEREST:**

5 **PLEASE TAKE NOTICE** that Colorep, Inc. and Transprint USA, Inc., the debtors
6 and debtors in possession in the above-captioned cases (together, the "Debtors"), hereby file this
7 *Motion for Order Authorizing the Debtors and Debtors in Possession to Reject Certain Unexpired*
8 *Leases and Executory Contracts Under Bankruptcy Code Section 365* (the "Motion"). The Debtors,
9 through the Motion, seek an order, pursuant to Bankruptcy Code section 365 and Federal Rule of
10 Bankruptcy Procedure ("Bankruptcy Rule") 6006, authorizing the rejection of certain executory
11 contracts and unexpired leases listed on Exhibit "A", attached hereto, effective as of October 7,
12 2013.

13 **PLEASE TAKE FURTHER NOTICE** that this Motion is based upon the annexed
14 Memorandum, the annexed Declaration of Robert D. Katz, and the record in these cases, including
15 all pleadings and documents filed by the Debtors, the arguments and representations of counsel, and
16 any oral or documentary evidence presented at or prior to any hearing on the Motion.

17 **PLEASE TAKE FURTHER NOTICE that Local Bankruptcy Rule 9013-1(o)(1)**
18 **requires that any response and request for hearing with respect to this Motion must be filed**
19 **with the Court and served on the Debtor and the U.S. Trustee within 14 days after the date of**
20 **service of this Notice of Motion.**

21 **PLEASE TAKE FURTHER NOTICE that Local Bankruptcy Rule 9013-1(h)**
22 **provides that the failure to timely file and serve required papers may be deemed by the Court**
23 **to be consent to the granting of the relief requested in the Motion.**

24 **WHEREFORE**, the Debtors respectfully request the Court enter an order:
25 (a) authorizing the rejection of executory contracts and unexpired leases listed on Exhibit "A" to this
26 Motion; and (b) granting such other and further relief as the Court may deem just and proper.
27
28

Date: November 25, 2013

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

Reorganization Counsel
for Debtors and Debtors in Possession

MEMORANDUM OF POINTS AND AUTHORITIES

I.

BACKGROUND

A. Petition Date and Jurisdiction.

Colorep, Inc. and Transprint USA, Inc., the debtors and debtors in possession in the above-captioned bankruptcy proceedings (together, the "Debtors"), commenced these cases on July 10, 2013 (the "Petition Date") by filing voluntary petitions under chapter 11 of the Bankruptcy Code. The Debtors are continuing to manage their financial affairs as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108. This Court has jurisdiction over this chapter 11 case and this Motion pursuant to 11 U.S.C. § 1121 and 28 U.S.C. §§ 1334 and 157(b), and venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

B. The Debtors' Business.

Prior to the sale of substantially all of their assets (the "Sale"), the Debtors engaged in the business of industrial printing in the textile industry. The Debtors held, and had applied for, the patents for a process for dying and decorating fabric, which is novel because the process does not result in water pollution and significantly reduces energy use, costs and time from design to market.

Beginning in 2007, Colorep licensed this technology to manufacturers and resellers. At the end of 2007, Colorep acquired Transprint, a privately held, employee-owned company, with headquarters and manufacturing facilities in Harrisonburg, Virginia. In addition to their production and manufacturing facility in Harrisonburg, Virginia (the "Harrisonburg Factory"), the Debtors maintained sales operations in Charlotte, North Carolina and New York, New York. Prior to the Sale, the Debtors also owned proprietary designs and trademarks.

The factual background relating to the commencement of the Chapter 11 Cases is set forth in detail in the *Declaration of Mark A. Fox in Support of Emergency First Day Motions* [Docket No. 13], filed on July 11, 2013.

C. The Sale of the Debtors' Assets.

Shortly after the Petition Date, the Court entered an order [Docket No. 109] (the "Sale Procedures Order") approving sale procedures, pursuant to which the Debtors were authorized to,

1 among other things, market and conduct a sale of the Debtors' assets, and to assume and assign
2 certain of the debtor's executory contracts and unexpired leases. Under the Sale Procedures Order,
3 September 18, 2013 was the deadline for interested parties to object to the sale of the Debtors' assets
4 free and clear of liens, claims, and interests, or to the Debtor's proposed amounts necessary to cure
5 any assigned contract under Bankruptcy Code section 365(b)(1).

6 Despite the Debtors' marketing efforts, the Debtors received only one offer for the
7 purchase of substantially all of their assets, from Meserole, LLC and Fuller Smith Capital
8 Management, LLC, and their authorized assignee (collectively, the "Buyer"). The Debtors and the
9 Buyer engaged in vigorous negotiations as to the terms of any sale of the Debtors' assets. The
10 parties eventually agreed to the terms of a sale, and the Debtors and the Buyer agreed that, upon
11 closing of the Sale, the Buyer would be assigned all rights and obligations under identified executory
12 contracts and unexpired leases. A schedule of the executory contracts and unexpired leases assumed
13 by the Debtors and assigned to the Buyer (the "Assigned Contracts") was attached to the *Notice to*
14 *Counterparties to Executory Contracts and Unexpired Leases That are Proposed to Be Assumed and*
15 *Assigned* [Docket No. 194] (the "Assignment Notice").

16 The Sale closed on October 7, 2013 (the "Closing Date"). Since the Closing Date, the
17 Debtors have not been engaged in any ongoing business, and are currently in the process of winding
18 down their affairs.

19 **D. The Unexpired Leases and Executory Contracts to Be Rejected.**

20 In addition to the Assigned Contracts, the Debtors, prior to the Petition Date, had
21 entered into numerous executory contracts and leases of real and personal property (the "Non-
22 Assigned Contracts"). The Debtors have entered into stipulations [Docket Nos. 228, 230] with
23 counterparties to two leases of nonresidential real property as to the rejection of these leases
24 effective October 31, 2013, and one stipulation [Docket No. 243] with a counterparty to a lease of
25 personal property effective November 6, 2013. The Court approved these stipulations by orders
26 entered October 29, 2013 [Docket Nos. 234, 235, 248]. Because the Debtors are no longer engaged
27 in ongoing business operations, the Debtors have no need for any of the services or equipment
28 provided under any of the Non-Assigned Contracts. In fact, the failure to reject these Non-Assigned

1 Contracts could result in the incurrence of additional administrative expenses. Accordingly,
2 pursuant to this Motion, the Debtors seek authority to reject all executory contracts and unexpired
3 leases included on the list attached hereto as Exhibit "A" (the "Remaining Contracts") effective as of
4 the Closing Date.¹

5 II.

6 ARGUMENT

7 A. Rejection of the Remaining Contracts is Appropriate Under the Circumstances.

8 Bankruptcy Code section 365(a) provides in pertinent part that a debtor in possession
9 "subject to the court's approval, may assume or reject any executory contract or unexpired lease of
10 the debtor." 11 U.S.C. § 365(a). The standard applied to determine whether the rejection of an
11 executory contract or unexpired lease should be authorized is the "business judgment" standard. *See*
12 *e.g., Agarwal v. Pomona Valley Med. Group, Inc. (In re Pomona Valley Med. Group, Inc.)*, 476
13 F.3d 665, 670 (9th Cir. 2007); *In re Health Plan of the Redwoods*, 286 B.R. 779, 780 (Bankr. N.D.
14 Cal. 2002).

15 In *Pomona Valley*, the Court of Appeals for the Ninth Circuit adopted a very liberal
16 form of the business judgment rule: "In reviewing a rejection motion, the bankruptcy court should
17 presume that the debtor in possession 'acted prudently, on an informed basis, in good faith, and in
18 the honest belief that the action taken was in the best interests of the bankruptcy estate' and should
19 approve rejection unless the 'conclusions that rejection would be advantageous is so manifestly
20 unreasonable that it could not be based on sound business judgment, but only on bad faith, or whim
21 or caprice.'" *In re Pomona Valley, Med. Group, Inc.*, 476 F.3d at 670. In applying the business
22 judgment standard, courts show great deference to the debtor's decision to reject. *See, e.g., Summit*
23 *Land Co. v. Allen (In re Summit Land Co.)*, 13 B.R. 310, 315 (Bankr. D. Utah 1981) (noting that,
24 absent extraordinary circumstance, court approval of a debtor's decision to assume or reject an
25 executory contract "should be granted as a matter of course").

26
27 ¹ The inclusion of any contract or lease in Exhibit "A" does not constitute an admission by the
28 Debtors as to the validity or enforceability of any such contract or lease. The Debtors reserve all
rights and defenses in connection with any claim of liability against the Debtors.

Rejection of executory contracts and unexpired leases is particularly appropriate where a debtor, after a sale of substantially all of its assets, has no remaining use for any of such contracts or leases. *See e.g., In re Dial-a-Mattress Operating Corp.*, No. 09-41966, 2009 Bankr. LEXIS 1801, at *12–13 (Bankr. E.D.N.Y. June 24, 2009) (finding that debtors' decision to sell substantially all of their assets to purchaser, while rejecting certain executory franchise agreements, was an appropriate exercise of business judgment); *In re Trans World Airlines, Inc.*, No. 01-0056, 2001 Bankr. LEXIS 722, at *7-8 (Bankr. D. Del. Mar. 16, 2001) (finding that that debtor's rejection of a creditor's executory contract, which was a condition of closing a sale of substantially all of the debtor's assets, was "in the best interests of [the debtor's] estate even if there is little or no dividend to a portion of general unsecured creditors").

As the Debtors are now in the process of discontinuing operations and winding down their affairs, the Debtors have determined that the Remaining Contracts have no ongoing value to the Debtors or their estates, and are, in fact, potentially burdensome on the Debtors' estates. The Remaining Contracts are conferring no benefit upon the Debtors' estates, and could possibly result in administrative expense claims if they are not rejected. As such, the Debtors have determined in their business judgment that the Remaining Contracts must be rejected. Accordingly, the Debtors respectfully request the Court approve the rejection of the Remaining Contracts effective as of the Closing Date.

B. This Motion Should Be Approved as to All Remaining Contracts For Which a Timely Objection is Not Received.

Pursuant to Local Bankruptcy Rule 9013-1(o), the Debtors are filing this Motion with "notice of opportunity to request [a] hearing." Accordingly, counterparties to the Remaining Contracts and other interested parties shall have an opportunity to file objections to the relief requested herein, and to request a hearing on such objections. The failure of any party to object to this Motion should be deemed to constitute consent to the relief requested herein. *See* Local Bankruptcy Rule 9013-1(h). If any counterparty to a Remaining Contract files an objection to this Motion, then the Court respectfully requests that any hearing on such objection be limited to the

1 specific Remaining Contract subject to the objection, and that the relief requested in this Motion be
2 granted as to all other unexpired leases and executory contracts.

3 **III.**

4 **CONCLUSION**

5 For the foregoing reasons and based on the authority cited above, the Debtors
6 respectfully request the Court enter an order (a) authorizing the rejection of the executory contracts
7 and unexpired leases listed on Exhibit "A" to this Motion; and (b) granting such other and further
8 relief as the Court may deem just and proper.

9
10 Date: November 25, 2013

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

13 Reorganization Counsel
14 for Debtors and Debtors in Possession
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EXHIBIT "A"

EXHIBIT A

Contract Counterparty	Description
A Lot to Say 4155 Black Hawke Circle, Suite 110 Danville, CA 94506	Reseller License Agreement
ACC business PO Box 105306 Atlanta, GA 30348-5306	Customer
Agetex 553 rue de la Bataillarde F-73000 Chambéry, France	French Agent Selling France
All Aboard Mini Storage c/o Law Office of Jennifer I. Freedman 4225 Executive Square, Suite 380 La Jolla, CA 92037	Storage Unit Lease
Andy Appleford 4 Redd Landes, Shirenewton Chepstow Monmouthshire UNITED KINGDOM	English Agent
Anthem Blue Cross Blue Shield Attn: Anne Turner 602 South Jefferson Street Roanoke, VA 24011	Employee Benefit Provider Agreement (Health)
Anthem Dental Attn: Kris Taylor PO Box 1171 Minneapolis, MN 55440	Employee Benefit Provider Agreement (Dental)
Arcadis 630 Plaza Drive, Suite 600 Hilands Ranch, CO 80129	Vendor Consultant

EXHIBIT A

Ardour Capital Investments The Empire State Buidling Attn: Kerry J. Dukes 350 5 th Avenue, Suite 3018 New York, NY 10118	Exclusive placement and underwriting agreement
Argenti Inc. 230 West 39 th Street, 9 th Floor New York, NY 10018	Reseller License Agreement
AVA CAD/CAM Ltd. 1-3 St. Georges Street Macclesfield, United Kingdom SK11 6TG	Design Software
Be & D 260 West 36th Street 8th Floor New York, NY 10018	Reseller License Agreement
Carlo Via Priv. Ischia 13 Milan, Italy 20144	Italian and Turkish Sales Representative
Carolinas Automobile Supply House, Inc. 1850 East 3 rd Street, Suite 310 Charlotte, NC 28204	Car lease (car turned in)
Cheran Digital Imaging & Consulting PO Box 804 Gaffney, SC 29342	Software license (terminated)
CoCo Prints 13302 Hwy 74 East Stallings, NC 28105	Commissioned Printer (Out of Business)
Columbia Gas GTS Account PO Box 742529 Cincinnati, OH 45274-2529	Utility Service Agreement

EXHIBIT A

Confetti Fabrics 1669 N.W. 144 th Terrace Sunrise, FL 33323	Materials Supply, Authorized Reseller, and Licensing Agreements
Debs Corporation Debs Building, 2-4-16 Minami Honmachi Chuo-ku Osaka 541-0054, Japan	Reseller & Manufacturing Licensing Agreement
Deer Creek Fabrics 509 Glenbrook Road Stanford, CT 06906	Reseller License Agreement
Dickson-Constant 10 rue des Chateaux, B.P. 109 Z.I. de la Pilaterie F59443 Wasquehal Cedex France	Reseller License Agreement
Dominion Virginia Power PO Box 26543 Richmond, VA 23290-0001	Utility Service Agreement
Dream Green Productions 39 Warwick Turnpike Warwick, NY 10990	Reseller License Agreement
Eco Prints S.A./N.V. Zone Du Grand Pre, 6 7750 Amougies Belgium	Materials Supply, Authorized Reseller, and Licensing Agreements
Elaine Ferguson Designs, Inc. 2304 Beverly Road Brooklyn, NY 11226	Materials Supply, Authorized Reseller, and Licensing Agreements
Extra Space Storage - Sunnyvale. 106 Lawrence Station Rd. Sunnyvale, CA 94086	Storage Unit Lease

EXHIBIT A

Federal Express Corp. P.O Box 371461 Pittsburgh, PA 15250-7461	Delivery company
G&G Multitex, Inc. DBA Geotex 2445 S. Santa Fe Avenue Los Angeles, CA 90058	Materials Supply, Authorized Reseller, and Licensing Agreements
Good Fellows Industries 1849 East 50th Street Los Angeles, CA 90458	Reseller License Agreement
GFI Inc. 1849 East 50 th Street Los Angeles, CA 90058	Materials Supply, Authorized Reseller, and Licensing Agreements
H.T. Paper Attn: Lynn Beljova 9310 St. Lawrence Blvd, Ste 1103 Quebec H2N 1N4 Canada	Canada Sales Representative
High Associates Ltd. PO Box 10726 Lancaster, PA 17605-0726	Service Agreement re HVAC System at Charlotte, NC location
Jim Shreckhise Landscape & Design Service 967 Keezletown Road Weyers Cave, VA 24486	Landscape company/vendor
Joe Bowman Chevrolet, Inc. 2455 E. Market Street Harrisonburg, VA 22801	Car Lease (car turned in)
Leaf Capital Funding LLC 101 S. Poplar Street, Suite 101 Wilmington, DE 19801	Equipment Financing Company

EXHIBIT A

Louis Hornick & Company 261 Fifth Avenue New York, NY 10018	Reseller License Agreement
Newcastle Fabrics Corp. 140 58 th Street, Box 112 Brooklyn, NY 11220	Reseller License Agreement
Outdoor Living Hardscapes & Landscapes Attn: Daniel A. Smith 14006 Lory Mathias Ln Broadway, VA 22815	Vendor
Poseidon X 5279 El Arbol Dr. Carlsbad, CA 92008	Materials Supply, Authorized Reseller, and Licensing Agreements
Reliable Office Systems 442 Authur Kill Rd. Staten Island, NY 10309	Equipment Lease
Reid Witlin Ltd. 8638 Darby Avenue Northridge, CA 91325	Reseller License Agreement
Ric Farmer PO Box 501 Rockford, MI 49341	"Jerk" Consultant
S.I.K. Associates LLC Kaufman Organization PO Box 9020 Hicksville, NY 11820-9020	Consultant
Sprint PO Box 4181 Carol Stream, IL 60197-4181	Utility Service Agreement

EXHIBIT A

SVOE, Inc. PO Box 878 Verona, VA 24482	Vendor
Tanatex 5009 North Winthrop Avenue Chicago, IL 60640	Materials Supply, Authorized Reseller, and Licensing Agreements
Terramar Clothing Co. 5279 El Arbol Dr. Carlsbad, CA 92008	Materials Supply, Authorized Reseller, and Licensing Agreements
Tex Print USA LLC 20-21 Wagarow Road, Bldg. 37 Fairlawn, NJ 07410	Materials Supply, Authorized Reseller, and Licensing Agreements
The Fox Group c/o Mark A. Fox 7 Gramercy Park South, 5C New York, NY 10003	Employment/Consultant Agreement
Toby Mark, Inc. DBA Miss Peaches Swimwear 1055 River Road, Apt. #406 S Edgewater, NJ 07020	Customer License
Verizon Business (T1) PO Box 371355 Pittsburgh, PA 15250-7355	Utility Service Agreement

DECLARATION OF ROBERT D. KATZ

I, ROBERT D. KATZ, declare as follows:

1. I am over 18 years of age and if called upon I would and could competently testify to the matters set forth herein from my own personal knowledge. I am a Managing Director of Executive Sounding Board Associates Inc. ("ESBA"), a financial and management consulting firm having expertise in turnaround, bankruptcy and financial advisory issues. ESBA has provided clients with financial and management consulting services for over thirty-five (35) years, and ESBA's consultants individually have on average over thirty (30) years of business experience.

2. I am a Certified Public Accountant and a Certified Turnaround Professional. I hold a Masters in Business Administration from Temple University, and a BSE in accounting and management from the Wharton School of Business at the University of Pennsylvania. I have led companies through crises and turnarounds for over twenty-two (22) years. In many instances, I have acted as Interim President, Chief Financial Officer, Chief Operating Officer, Chief Restructuring Officer, or Treasurer.

3. ESBA has been retained by Colorep, Inc. ("Colorep") and Transprint USA, Inc. ("Transprint"), and together with Colorep, the "Debtors") to serve as their Chief Restructuring Officer ("CRO"), application pending in this Court. I am the supervising professional at ESBA with primary responsibility over ESBA's role as CRO for the Debtors. In addition, certain of my staff at ESBA has been retained to similarly provide crisis management services for the Debtors as a part of the Debtors' pending bankruptcy proceedings. ESBA has been serving as the Debtors' CRO since early July 2013. I am involved in and supervise the ongoing business affairs, day-to-day operations, financial condition, and books and records of each of the Debtors. I have also played a primary role in coordinating with the Debtors' bankruptcy counsel in matters relating to the Debtors' pending chapter 11 bankruptcy proceedings. Moreover, I have personal familiarity with the Debtors' general operations and obligations in their pending bankruptcy proceedings.

4. I submit this Declaration in support of the Debtors' *Motion for Order Authorizing the Debtors and Debtors in Possession to Reject Certain Unexpired Leases and Executory Contracts Under Bankruptcy Code Section 365* (the "Motion").²

A. The Debtors' Business.

5. Prior to the sale of substantially all of their assets (the "Sale"), the Debtors engaged in the business of industrial printing in the textile industry. The Debtors held, and had applied for, the patents for a process for dying and decorating fabric, which is novel because the process does not result in water pollution and significantly reduces energy use, costs and time from design to market.

6. Beginning in 2007, Colorep licensed this technology to manufacturers and resellers. At the end of 2007, Colorep acquired Transprint, a privately held, employee-owned company, with headquarters and manufacturing facilities in Harrisonburg, Virginia. In addition to their production and manufacturing facility in Harrisonburg, Virginia (the "Harrisonburg Factory"), the Debtors maintained sales operations in Charlotte, North Carolina and New York, New York. Prior to the Sale, the Debtors also owned proprietary designs and trademarks.

B. The Sale of the Debtors' Assets.

7. Shortly after the Petition Date, the Court entered an order (the "Sale Procedures Order") approving sale procedures, pursuant to which the Debtors were authorized to, among other things, market and conduct a sale of the Debtors' assets, and to assume and assign certain of the debtor's executory contracts and unexpired leases. Under the Sale Procedures Order, September 18, 2013 was the deadline for interested parties to object to the sale of the Debtors' assets free and clear of liens, claims, and interests, or to the Debtor's proposed amounts necessary to cure any assigned contract under Bankruptcy Code section 365(b)(1).

8. Despite the Debtors' marketing efforts, the Debtors received only one offer for the purchase of substantially all of their assets, from Meserole, LLC and Fuller Smith Capital Management, LLC, and their authorized assignee (collectively, the "Buyer"). The Debtors and the

² Capitalized terms not otherwise defined herein shall have the meaning afforded to them in the Motion.

1 Buyer engaged in vigorous negotiations as to the terms of any sale of the Debtors' assets. The
2 parties eventually agreed to the terms of a sale, and the Debtors and the Buyer agreed that, upon
3 closing of the Sale, the Buyer would be assigned all rights and obligations under identified executory
4 contracts and unexpired leases. A schedule of the executory contracts and unexpired leases assumed
5 by the Debtors and assigned to the Buyer (the "Assigned Contracts") was attached to the *Notice to*
6 *Counterparties to Executory Contracts and Unexpired Leases That are Proposed to Be Assumed and*
7 *Assigned* [Docket No. 194] (the "Assignment Notice").

8 9. The Sale closed on October 7, 2013 (the "Closing Date"). Since the Closing
9 Date, the Debtors have not been engaged in any ongoing business, and are currently in the process of
10 winding down their affairs.

11 **C. The Unexpired Leases and Executory Contracts to Be Rejected.**

12 10. In addition to the Assigned Contracts, the Debtors, prior to the Petition Date,
13 had entered into numerous executory contracts and leases of real and personal property (the "Non-
14 Assigned Contracts"). The Debtors have entered into stipulations with counterparties to two leases
15 of nonresidential real property as to the rejection of these leases effective October 31, 2013. The
16 Court approved these stipulations by orders entered October 29, 2013. Because the Debtors are no
17 longer engaged in ongoing business operations, the Debtors have no need for any of the services or
18 equipment provided under any of the Non-Assigned Contracts. In fact, the failure to reject these
19 Non-Assigned Contracts could result in the incurrence of additional administrative expenses. I have
20 reviewed the "Remaining Contracts" listed on Exhibit "A" to the Motion, and I believe rejection of
21 these executory contracts and unexpired leases is a sound exercise of the Debtors' business
22 judgment, and is in the best interests of the Debtors' estates.

23 I declare under penalty of perjury that the foregoing is true and correct.

24 Executed this 25th day of November, 2013, at Philadelphia, Pennsylvania.

25 
26 ROBERT D. KATZ
27
28

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*): **NOTICE OF MOTION AND MOTION FOR ORDER AUTHORIZING THE DEBTORS AND DEBTORS IN POSSESSION TO REJECT CERTAIN UNEXPIRED LEASES AND EXECUTORY CONTRACTS UNDER BANKRUPTCY CODE SECTION 365; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF; DECLARATION OF ROBERT D. KATZ IN SUPPORT THEREOF** 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*) November 25, 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*) November 25, 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.

☒ 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.

☐ 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.

November 25, 2013 Therese A. Barron

Date

Printed Name

/s/Therese A. Barron

Signature

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

Ron Maroko on behalf of U.S. Trustee United States Trustee (LA)
ron.maroko@usdoj.gov

David W. Meadows on behalf of Creditor Columbia Gas of Virginia, Inc.
david@davidwmeadowslaw.com

David W. Meadows on behalf of Creditor Virginia Electric And Power Co
david@davidwmeadowslaw.com

Stephan W Milo on behalf of Interested Party Courtesy NEF
smilo@wawlaw.com, psilling@wawlaw.com

Margreta M Morgulas on behalf of Debtor Colorep, Inc.
mmorgulas@stutman.com

Margreta M Morgulas on behalf of Debtor Transprint USA, Inc.
mmorgulas@stutman.com

Michael S Neumeister on behalf of Debtor Colorep, Inc.
mneumeister@stutman.com

Michael S Neumeister on behalf of Debtor Transprint USA, Inc.
mneumeister@stutman.com

Michael S Neumeister on behalf of Debtor In Possession Transprint USA, Inc.
mneumeister@stutman.com

Frank T Pepler on behalf of Creditor Fuller Smith Capital Management LLC
frank.pepler@dlapiper.com, keith.nesbit@dlapiper.com

Frank T Pepler on behalf of Creditor Meserole, LLC
frank.pepler@dlapiper.com, keith.nesbit@dlapiper.com

Frank T Pepler on behalf of Creditor Saviva FS 1 LP
frank.pepler@dlapiper.com, keith.nesbit@dlapiper.com

Danielle A Pham on behalf of Debtor Colorep, Inc.
dpham@stutman.com, daniellepham@gmail.com

Jeffrey M. Reisner on behalf of Interested Party Courtesy NEF
jreisner@irell.com

Christopher O Rivas on behalf of Creditor Columbia Gas of Virginia, Inc.
crivas@reedsmith.com

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

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

Bonnie Julian
1244 Pole Branch Rd
Clover, SC 29710

L.H. Charney Associates, LLC
Attn: Bruce Block
1441 Broadway
New York, New York 10018

Counsel to L.H. Charney
Associates, LLC
Attn: Scott S. Markowitz
Tarter Krinsky & Drogin LLP
1350 Broadway
New York, NY 10018

Fish & Associates
Attn: Mei Tsang
2603 Main Street, Suite 10000
Irvine, CA 92614-4271

Federal Express Corp. PO Box 371461 Pittsburgh, PA 15250-7461	Stand Energy Corporation Attn Kathy Kellems, Credit Manager 1077 Celestial St., Suite 110 Cincinnati, OH 45202	Carlo Tenconi Via Stromboli 209 Milan 20144 ITALY
Atlantic Paper Company 430 Fehleley Drive King of Prussia, PA 19406	Univar USA, Inc. Attn: Doug Putney 1001 Old Bermuda Hundred Rd Chester, VA 23836	Univar USA, Inc. P. O. Box 409692 Atlanta, GA 30384-9692
PBMares /PBGH Attn: Mary Aldrich 558 South Main Street Harrisonburg, VA 22801	Columbia Gas GTS Account P.O. Box 742529 Cincinnati, OH 45274-2529	Chemsolv, Inc. P.O. Box 13847 Roanoke, VA 24037
Dupont Company Attn: Jenna Pike 1007 Market Street Wilmington, DE 19898	Dupont Company Cashier's Office D-8003-3 1007 Market Street Wilmington, DE 19898	Shelter Capital Partners fka Yazam LLC Attn: Rodney Friedman 10880 Wilshire Blvd., Suite 1850 Los Angeles, CA 90024
Nexeo Solutions 3 Waterway Square Place Suite 1000 The Woodlands, TX 77380	Nexeo Solutions LLC 62190 Collections Center Dr Chicago, IL 60693-0621	Secured Lenders
Meserole, LLC Attn: Ari Hirt 152 W 57th Street, 4th Fl. New York, NY 10019	Counsel to Meserole LLC DLA Piper LLP (US) Attn: Stuart M. Brown 919 N. Market St., # 1500 Wilmington, DE 19801	Counsel to Meserole LLC DLA Piper LLP (US) Attn: Frank Pepler & Bertrand Pan 550 S. Hope Street, #2300 Los Angeles, CA 90071-2678
Party Asserting A Secured Interest Markman Law, PC 55 East 59th Street 17th Floor New York, NY 10022	Contract Counterparty	A Lot to Say 4155 Black Hawke Circle, Suite 110 Danville, CA 94506
ACC business PO Box 105306 Atlanta, GA 30348-5306	Agetex 553 rue de la Bataillarde F-73000 Chambéry, France	All Aboard Mini Storage c/o Law Office of Jennifer I. Freedman 4225 Executive Square, Suite 380 La Jolla, CA 92037
Andy Appleford 4 Redd Landes, Shirenewton Chepstow Monmouthshire UNITED KINGDOM	Anthem Blue Cross Blue Shield Attn: Anne Turner 602 South Jefferson Street Roanoke, VA 24011	Anthem Dental Attn: Kris Taylor PO Box 1171 Minneapolis, MN 55440

Arcadis 630 Plaza Drive, Suite 600 Hilands Ranch, CO 80129	Ardour Capital Investments The Empire State Buidling Attn: Kerry J. Dukes 350 5th Avenue, Suite 3018 New York, NY 10118	Argenti Inc. 230 West 39th Street, 9th Floor New York, NY 10018
AVA CAD/CAM Ltd. 1-3 St. Georges Street Macclesfield, United Kingdom SK11 6TG	Be & D 260 West 36th Street 8th Floor New York, NY 10018	Carlo Via Priv. Ischia 13 Milan, Italy 20144
Carolinas Automobile Supply House, Inc. 1850 East 3rd Street, Suite 310 Charlotte, NC 28204	Cheran Digital Imaging & Consulting PO Box 804 Gaffney, SC 29342	CoCo Prints 13302 Hwy 74 East Stallings, NC 28105
Columbia Gas GTS Account PO Box 742529 Cincinnati, OH 45274-2529	Confetti Fabrics 1669 N.W. 144th Terrace Sunrise, FL 33323	Debs Corporation Debs Building, 2-4-16 Minami Honmachi Chuo-ku Osaka 541-0054, Japan
Deer Creek Fabrics 509 Glenbrook Road Stanford, CT 06906	Dickson-Constant 10 rue des Chateaux, B.P. 109 Z.I. de la Pilaterie F59443 Wasquehal Cedex France	Dominion Virginia Power PO Box 26543 Richmond, VA 23290-0001
Dream Green Productions 39 Warwick Turnpike Warwick, NY 10990	Eco Prints S.A./N.V. Zone Du Grand Pre, 6 7750 Amougies Belgium	Elaine Ferguson Designs, Inc. 2304 Beverly Road Brooklyn, NY 11226
Extra Space Storage - Sunnyvale. 106 Lawrence Station Rd. Sunnyvale, CA 94086	Federal Express Corp. P.O Box 371461 Pittsburgh, PA 15250-7461	G&G Multitex, Inc. DBA Geotex 2445 S. Santa Fe Avenue Los Angeles, CA 90058
Good Fellows Industries 1849 East 50th Street Los Angeles, CA 90458	GFI Inc. 1849 East 50th Street Los Angeles, CA 90058	H.T. Paper Attn: Lynn Beljova 9310 St. Lawrence Blvd, Ste 1103 Quebec H2N 1N4 Canada
High Associates Ltd. PO Box 10726 Lancaster, PA 17605-0726	Jim Shreckhise Landscape & Design Service 967 Keezletown Road Weyers Cave, VA 24486	Joe Bowman Chevrolet, Inc. 2455 E. Market Street Harrisonburg, VA 22801

Leaf Capital Funding LLC
101 S. Poplar Street, Suite 101
Wilmington, DE 19801

Louis Hornick & Company
261 Fifth Avenue
New York, NY 10018

Newcastle Fabrics Corp.
140 58th Street, Box 112
Brooklyn, NY 11220

Outdoor Living Hardscapes &
Landscapes
Attn: Daniel A. Smith
14006 Lory Mathias Ln
Broadway, VA 22815

Poseidon X
5279 El Arbol Dr.
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Reliable Office Systems
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Staten Island, NY 10309

Reid Witlin Ltd.
8638 Darby Avenue
Northridge, CA 91325

Ric Farmer
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Sprint
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Tanatex
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5279 El Arbol Dr.
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Tex Print USA LLC
20-21 Wagarow Road, Bldg. 37
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The Fox Group
c/o Mark A. Fox
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New York, NY 10003

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DBA Miss Peaches Swimwear
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