

# **EXHIBIT 1**

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

In re:	)	Chapter 11
	)	
GULF PACKAGING, INC., <sup>1</sup>	)	Case No. 15-15249 (PSH)
Debtor.	)	
	)	

**STIPULATION REGARDING LA MIRADA LEASE**

**WHEREAS**, Gulf Packaging, Inc., the above-captioned debtor and debtor in possession (the “Debtor,” “GPI” or the “Company”), filed a voluntary chapter 11 petition on April 29, 2015 (the “Petition Date”);

**WHEREAS**, prior to the Petition Date, the Debtor and VOIT VIC Partners, LLC (the “Landlord”) entered into a lease (the “Lease”) of non-residential real property for the premises located at 14379 Industry Circle, La Mirada, CA 90638 (the “Premises”);

**WHEREAS**, the final date by which the Debtor must assume or reject the Lease, pursuant to 11 U.S.C. § 365(d)(4) is November 25, 2015, unless Landlord agrees otherwise in writing;

**WHEREAS**, the Debtor has filed a proposed liquidating plan (the “Plan”) and accompanying disclosure statement and has requested expedited confirmation in advance of December 31, 2015;

**WHEREAS**, the Debtor has a need to remain on the Premises until 11:59 p.m. on December 31, 2015 (the “Termination Date”) to liquidate personal property inventory located at the Premises;

**WHEREAS**, the Landlord has agreed that the Debtor may remain on the Premises until

<sup>1</sup> The last four digits of the Debtor’s tax identification number are 5030.

the Termination Date, subject to the terms and conditions set forth in this Stipulation;

**WHEREAS**, the Landlord has asked the Debtor's primary secured lender, FCC, LLC d/b/a First Capital ("FCC") to guarantee or "back-stop" the costs necessary to return the Premises to "broom-clean" condition as of the Termination Date, free of the personal property of the Debtor, subject to the terms and conditions set forth in this Stipulation;

**NOW, THEREFORE**, the Debtor, the Landlord and FCC agree and stipulate as follows:

1. Subject to the terms set forth in this Stipulation, and the entry of a bankruptcy court order in the form attached as Exhibit A, the Debtor may remain in possession of the Premises until the Termination Date.

2. The Lease shall be, and hereby is deemed to be, rejected as of 11:59 p.m. on November 25, 2015 (the "Rejection Date").

3. Notwithstanding the requirements of section 365(d)(4) the United States Bankruptcy Code (11 U.S.C. §§ 101, *et seq.*, hereinafter, the "Bankruptcy Code"), the Debtor shall be permitted to remain in possession of the Premises from the Rejection Date through the Termination Date, subject to the requirements of this Stipulation.

4. Upon the Rejection Date, the automatic stay imposed pursuant to section 362(a) of the Bankruptcy Code shall terminate and be of no further force and effect with respect to the Landlord's exercise of its rights and remedies with respect to the Premises, provided, however, that the Debtor may remain in possession of the Premises as set forth in this Stipulation. The termination of the stay includes any personal property of the Debtor remaining on the Premises at the time Landlord recovers possession of the Premises. The stay termination also includes the application of the security deposit held by Landlord to the pre-petition and rejection claims of

Landlord under the Lease. The 10-day stay provisions of Bankruptcy Rule 4001(a)(3) are hereby waived.

5. The Landlord shall have an allowed prepetition claim in the bankruptcy case in the amount of \$150,773.08, comprised of \$8,728.84 due to the Landlord for prepetition defaults under the Lease and \$142,044.20 as the damages from rejection of the Lease, representing the rent reserved under the Lease for one year as provided for under section 502(b)(6) of the Bankruptcy Code. The Landlord shall be entitled to vote on the Plan on account of its claim.

6. The Debtor shall stipulate to judgment in unlawful detainer in connection with the Premises.

7. The Debtor shall make payment of rent for the month of December, at the rate called for in the Lease, no later than the fifth (5<sup>th</sup>) business day of December.

8. If the December rent payment is not timely received by the Landlord, then unless the Landlord agrees otherwise, the Landlord may lock the Debtor out of the Premises on the sixth (6<sup>th</sup>) business day of December and such date shall be deemed the Termination Date, and Landlord may immediately dispose of the personal property left in the Premises without liability as provided in paragraph 10.

9. Notwithstanding anything to the contrary in paragraphs 4 and 6 of this Stipulation, as long as the Debtor has made the December rent payment in accordance with paragraph 7 hereof: (i) the Landlord shall not lock the Debtor out of the Premises or otherwise engage in any self-help remedies to secure possession of the Premises prior to the Termination Date; and (ii) the Landlord may not enter upon the Premises or otherwise disturb any of the Debtor's property located on the Premises, provided, however, the Debtor shall reasonably cooperate with the showing and marketing of the Premises prior to the Termination Date. In

addition, the Debtor shall be permitted to conduct sales and otherwise sell items directly out of the Premises, without regard to any prohibition on “going-out-of-business sales” or otherwise that may be contained in the Lease, and the Landlord waives any rights to enforce any such prohibitions that may exist under applicable law, provided that the Court enters an order binding on applicable governmental agencies exempting the Debtor’s compliance from such laws.

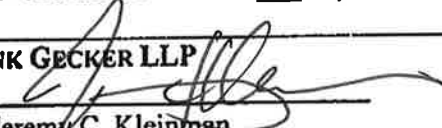
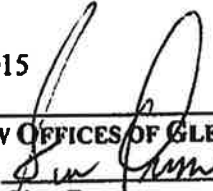
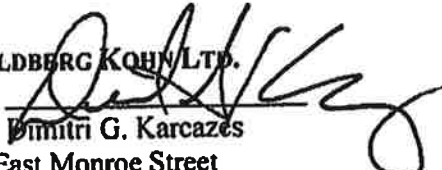
10. Upon the Termination Date, the Debtor shall vacate the Premises, surrender possession of the Premises to the Landlord, and leave the same in broom-clean condition and remove any remaining personal property. To the extent the Debtor does not leave the Premises in broom-clean condition, or leaves any personal property on the Premises, such property is deemed abandoned and the Landlord is authorized to immediately dispose of such personal property, without further notice or liability to any third party. Any damages to the Landlord arising from the failure to comply with this Stipulation shall be deemed an allowed administrative expense of the Debtor’s estate and payable as such, notwithstanding any failure to provide for the payment of such amount in the Plan or any other confirmed chapter 11 plan.

11. On December 28, 2015 or such other date selected by agreement of the Parties (but in no event later than December 31, 2015), the Debtor, the Landlord and FCC (or its designee) shall inspect the premises and determine the extent to which any further efforts need be undertaken to remove any personal property and/or to restore the Premises to “broom-clean” condition. To the extent that the Parties identify additional efforts that need be taken in order to so restore the Premises, FCC shall promptly pay to Landlord all amounts reasonably incurred thereafter by the Landlord to clean the premises or remove any of the Debtor’s Personal Property, subject to a cap of \$5,000. Any amount funded by FCC in accordance with the prior sentence shall be funded from cash collateral previously delivered to FCC in accordance with

that certain Final Order Authorizing Debtor to: (A) Use Cash Collateral on an Emergency Basis; and (B) Grant Adequate Protection and Provide Security and Other Relief to FCC, LLC, d/b/a First Capital, as Lender [Docket #153] (the "Final Cash Collateral Order"), and the Budget (as defined in the Final Cash Collateral Order) shall be deemed amended by any such amount funded by FCC.

12. The order entered into pursuant to this stipulation shall be binding upon the Debtor, any liquidating Trustee appointed pursuant to a confirmed Chapter 11 plan, or any trustee appointed in the Debtor's bankruptcy case.

13. AGREED TO this 25<sup>th</sup> day of November, 2015

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