

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re	:	X
	:	
	:	Chapter 11
	:	
LSC COMMUNICATIONS, INC., <i>et al.</i> , ¹	:	Case No. 20-10950 (SHL)
	:	
Debtors.	:	Jointly Administered
		X

**NOTICE OF (I) SOLICITATION OF BIDS, (II) PROPOSED SALE OF DEBTORS’
ASSETS FREE AND CLEAR OF ALL CLAIMS AND INTERESTS,
(III) AUCTION AND SALE HEARING AND (IV) RELATED RELIEF AND DATES**

PLEASE TAKE NOTICE that on April 13, 2020, LSC Communications, Inc. (“LSC Communications”) and certain of its affiliated debtors and debtors-in-possession (together with LSC Communications, the “Debtors”) each filed a voluntary petition for relief 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 Southern District of New York (the “Court”).

PLEASE TAKE FURTHER NOTICE that on May 12, 2020, the Debtors filed the *Motion for Entry of One or More Orders (I)(A) Approving Bid Procedures for Sale of Debtors’ Assets, (B) Approving Stalking Horse Bid Protections, (C) Scheduling Auction(s) for, and Hearing to Approve, Sale of Debtors’ Assets, (D) Approving Form and Manner of Notices of Sale, the Auction(s) and the Sale Hearing(s) and (E) Approving Assumption and Assignment Procedures,*² (II)(A) *Approving Sale of Debtors’ Assets Free and Clear of Liens, Claims,*

¹ The Debtors in these chapter 11 cases, together with the last four digits of each Debtor’s federal tax identification number, are as follows: LSC Communications, Inc. (9580); Courier Communications LLC (2268); Courier Kendallville, Inc. (4679); Courier New Media, Inc. (1312); Dover Publications, Inc. (0853); LSC Communications Logistics, LLC (9496); LSC Communications MM LLC (5577); LSC Communications US, LLC (4157); LSC International Holdings, Inc. (4995); National Publishing Company (8213); Publishers Press, LLC (7265); Continuum Management Company, LLC (2627); Clark Distribution Systems, Inc. (5778); Clark Holdings Inc. (9172); Clark Worldwide Transportation, Inc. (5773); The Clark Group, Inc. (6223); Courier Companies, Inc. (7588); Courier Publishing, Inc. (3681); F.T.C. Transport, Inc. (8699); LibreDigital, Inc. (7160); LSC Communications Printing Company (7012); and Research & Education Association, Inc. (3922). The Debtors’ corporate headquarters is located at 191 N. Wacker Drive, Suite 1400, Chicago, IL 60606.

² A revised proposed order was filed with respect to the Motion on May 19, 2020 which deferred seeking approval of the relief sought in the Motion with respect to the proposed Assumption and Assignment Procedures from the Bid Procedures Order (as defined below).

Interests and Encumbrances and (B) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases with Notice of Opportunity for Hearing and Notice of Hearing and (III) Granting Related Relief (the “Motion”)³ with the Court seeking entry of orders, among other things, (i) scheduling auctions for (the “Auction(s)”), and hearings to approve, the sale of the Debtors’ assets (the “Assets”) and (ii) approving the sale of the Debtors’ Assets free and clear of liens, claims, interests and encumbrances.

PLEASE TAKE FURTHER NOTICE that on June 5, 2020, the Court entered an order (the “Bid Procedures Order”) approving certain Bid Procedures (the “Bid Procedures”) attached as Exhibit 1 to the Bid Procedures Order, which establish the key dates and times related to the Sale and the Auction(s). All interested bidders should carefully read the Bid Procedures Order and the Bid Procedures in their entirety.⁴

CONTACT PERSONS FOR PARTIES INTERESTED IN SUBMITTING A BID

The Bid Procedures set forth requirements for submitting a Qualified Bid, and any person interested in making an offer to purchase the Assets must comply strictly with the Bid Procedures. Only Qualified Bids will be considered by the Debtors, in accordance with the Bid Procedures.

Any interested bidder should contact, as soon as practical:

Evercore Group L.L.C.
55 East 52nd Street
New York, NY 10055
Attn: James R. Lilly
Phone: (646) 894-0657
Email: James.Lilly@Evercore.com

IMPORTANT DATES AND DEADLINES⁵

1. **Bid Deadlines.** Potential Bidders must submit a non-binding indication of interest (a “Preliminary Bid”) not later than **5:00 p.m. (prevailing Eastern Time) on June 9, 2020** (the “IOI Deadline”). In order to participate in an Auction, a Potential Bidder shall deliver the Required Bid Documents in electronic format so as to be received not later than **5:00 p.m. (prevailing Eastern Time) on July 30, 2020** (the “Bid Deadline”), to Evercore; provided that, at any time following the IOI Deadline and after consultation with the Consulting Professionals, the Debtors may, in their reasonable business judgment and upon reasonable notice to the Potential Bidders, establish a different Bid

³ All capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

⁴ To the extent of any inconsistencies between the Bid Procedures and the summary descriptions of the Bid Procedures in this notice, the Bid Procedures shall control in all respects.

⁵ The following dates and deadlines may be extended by the Debtors or the Court pursuant to the terms of the Bid Procedures and the Bid Procedures Order.

Deadline for the whole company or for one or more segments of the company's assets (the MCL Assets, the Book Assets, the Office Product Assets and/or the Mexico Assets) without further order of the Court; and provided, further, that, after consultation with the Consulting Professionals, the Debtors may extend the IOI Deadline and the Bid Deadline without further order of the Court. If the Debtors extend the IOI Deadline or the Bid Deadline, or establish different Bid Deadlines for all of the Assets or for one or more segments of the Debtors' assets, the Debtors will promptly notify all Potential Bidders of such revised deadlines.

2. **Sale Objection Deadline.** Responses or objections (the "Objections") to the proposed sale of the above-described property must be filed and served not less than seven days before the date set for the Sale Hearing unless extended in accordance with Paragraph 5 hereof (the "Sale Objection Deadline"). If no Objection is timely filed or served, the proposed action may be taken without further notice or hearing.
3. **Auction.** In the event that the Debtors timely receive two or more Qualified Bids with respect to the same or overlapping Assets, the Debtors shall conduct one or more auctions (each, an "Auction") with respect to such Asset(s); provided that, the Debtors may elect not to conduct an Auction with respect to any segment of the Debtors' assets to the extent the Debtors determine, after consultation with the Consulting Professionals, that there are at least two higher and better Qualified Bids for such segment included in a larger transaction. The Auction(s) shall be in accordance with the Bid Procedures and upon notice to all Qualified Bidders who have submitted Qualified Bids. The Auction(s), if held, shall be conducted at the offices of Sullivan & Cromwell LLP located at 125 Broad Street, New York, New York (or, if the Debtors so determine, virtually), at a time no later than **August 4, 2020**, which dates and times (each, an "Auction Date") shall be timely communicated to all Qualified Bidders entitled to attend the applicable Auction.
4. **Status Conference.** A telephonic status conference with respect to the Hearing(s) (as defined below) shall be held before the Court on **August 5, 2020 at 2:00 p.m. (prevailing Eastern Time)**.
5. **Sale Hearing.** One or more hearings (each, a "Hearing") to consider the proposed Sale will be held before the Court on **August 6, 2020 at 2:00 p.m. (prevailing Eastern Time)**, or such other dates and times as determined by the Debtors. The Hearings may be accelerated or adjourned by the Debtors by an announcement of the adjourned date at a hearing before the Court or by filing a notice on the Court's docket. If, within 24 hours of the conclusion of an Auction, any of the Consulting Professionals notifies the Debtors that their applicable clients intend to object to the proposed Sale to the Successful Bidder(s), the Hearing in respect of such Sale(s) shall be held instead on **August 13, 2020 at 11:00 a.m. (prevailing Eastern Time)**, and the Sale Objection Deadline for the Consulting Professionals and the United States Trustee shall be extended to no less than 72 hours following the conclusion of such Auction. If the Debtors do not receive any Qualified Bids, the Debtors will report the same to the Court at the Hearings. At the Hearing, the Debtors will seek approval of the offer or offers constituting the Successful Bid(s) and, at the Debtors' election, the offer or offers constituting the Alternate Bid(s).

PLEASE TAKE FURTHER NOTICE that pursuant to the Bid Procedures Order, the Debtors are, at any time after the IOI Deadline and prior to the Auction(s), authorized to designate one or more Qualified Bids as a stalking horse bid (each, a “Stalking Horse Bid”) and execute a purchase agreement with the applicable stalking horse bidder (each, a “Stalking Horse Bidder”). No bid may be a Stalking Horse Bid if it does not constitute a Qualified Bid, except as otherwise provided in the Bid Procedures. A Potential Bidder must deliver the Required Bid Documents in electronic format so as to be received not later than 12:00 p.m. (prevailing Eastern Time) on July 30, 2020 (the “Bid Deadline”) for a bid to be a Qualified Bid.

PLEASE TAKE FURTHER NOTICE that the Debtors reserve the right to, in their reasonable business judgment, modify the Bid Procedures at any time, including, without limitation, to extend deadlines and proposed dates set forth therein, including accelerating or extending the Bid Deadline, modifying the dates of the Auction(s), and adjourning and/or rescheduling the Sale Hearing(s). This Notice is subject to the fuller terms and conditions set forth in the Bid Procedures Order and the Bid Procedures.

PLEASE TAKE FURTHER NOTICE that the Assets are to be sold free and clear of any and all liens, claims, encumbrances and other interests pursuant to section 363(f) of the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 pandemic and in accordance with the Court’s General Order M-543, dated March 20, 2020, the Sale Hearing will only be conducted telephonically. Parties should not appear in person and those wishing to participate in the Sale Hearing must make arrangements through Court Solutions LLC. Instructions to register for Court Solutions LLC are attached to the Court’s General Order M-543, a copy of which is attached hereto as Exhibit A.

PLEASE TAKE FURTHER NOTICE that Objections, if any, to the relief requested in the Motion (other than relief granted by the Bid Procedures Order) shall be in writing, shall conform to the Federal Rules of Bankruptcy Procedure and the Local Rules for the United States Bankruptcy Court for the Southern District of New York and shall be filed with the Court in accordance with the customary practices of the Court and General Order M-39. Objections must be filed and received no later than the Sale Objection Deadline and must be served on the following parties: (a) the Honorable Sean H. Lane, United States Bankruptcy Judge; (b) the Debtors, LSC Communications, Inc., 191 North Wacker Drive, Suite 1400, Chicago, Illinois 60606, Attn: Suzanne Bettman; (c) counsel to the Debtors, Sullivan & Cromwell LLP, 125 Broad Street, New York, New York 10004, Attn: Christian P. Jensen; (d) counsel to Bank of America, N.A., as administrative agent for the Debtors’ prepetition credit facility and DIP credit facility, Moore & Van Allen PLLC, 100 North Tryon Street, Suite 4700, Charlotte, North Carolina 28202, Attn: David L. Eades and Charles (Trey) R. Rayburn III; (e) counsel to the ad hoc group of term lenders, Arnold & Porter Kaye Scholer LLP, 70 West Madison Street, Suite 4200, Chicago, IL 60602-4231, Attn: Michael D. Messersmith and Sarah Gryll; (f) counsel to the ad hoc group of secured noteholders, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019-6064, Attn: Andrew N. Rosenberg and Alice B. Eaton; (g) counsel to the Committee, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, NY 10038, Attn: Brett Lawrence and Frank A. Merola; (h) the

Office of the United States Trustee for the Southern District of New York, 86 Chambers Street, 3rd Floor, New York, NY 10007; and (i) to the extent not listed herein, those parties requesting notice pursuant to Bankruptcy Rule 2002 (collectively, the “Objection Notice Parties”).

PLEASE TAKE FURTHER NOTICE that only those Objections that are timely filed, served and received will be considered at the Hearing. **Any party failing to timely file and serve an Objection on or before the Sale Objection Deadline in accordance with this Notice shall be forever barred from asserting any objection to the Motion, including with respect to the sale of the Debtors’ assets free and clear of all liens, claims, encumbrances and other interests.**

PLEASE TAKE FURTHER NOTICE that if no Objections are timely filed and served with respect to the Motion, the Debtors may, on or after the Sale Objection Deadline, submit to the Court orders substantially in the form of the proposed orders annexed to the Motion, which may be entered without further notice or opportunity to be heard.

PLEASE TAKE FURTHER NOTICE that this Notice is subject to the fuller terms and conditions of the Motion and the Bid Procedures Order, with such Bid Procedures Order controlling in the event of any conflict, and the Debtors encourage parties-in-interest to review such documents in their entirety. Copies of the Motion, the Bid Procedures and the Bid Procedures Order, as well as all related exhibits, including all other documents filed with the Court, are available (i) from the website of the Debtors’ proposed claims and noticing agent, Prime Clerk LLC (“Prime Clerk”), at <https://cases.primeclerk.com/LSC/> and (ii) on the Court’s electronic docket for the Debtors’ chapter 11 cases at <https://www.ecf.sdney.uscourts.gov> (a PACER login and password are required and can be obtained through the PACER Service Center at www.pacer.psc.uscourts.gov). In addition, copies of the Motion may be requested from Prime Clerk at (877) 429-6615 (U.S./Canada) or (646) 214-8838 (International).

Dated: June 9, 2020
New York, New York

/s/ Andrew G. Dietderich

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Counsel to the Debtors

EXHIBIT A

General Order M-543

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: :
 :
CORONAVIRUS/COVID-19 PANDEMIC, :
COURT OPERATIONS UNDER THE EXIGENT : General Order M-543
CIRCUMSTANCES CREATED BY COVID-19 :
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In order to protect public health, and in recognition of the national emergency that was declared by the President of the United States on March 13, 2020, the United States Bankruptcy Court for the Southern District of New York (“Bankruptcy Court”) hereby issues the following order:

IT IS HEREBY ORDERED, effective immediately and until further notice, that:

1. **Hearings and Conferences.** All hearings and conferences scheduled to be held in courthouses comprising the Manhattan Division, White Plains Division, and Poughkeepsie Division of the Bankruptcy Court will be conducted **telephonically** pending further Order of the Bankruptcy Judge assigned to the matter (“Bankruptcy Judge”). Any party wishing to appear in person at a hearing or conference shall file or submit an appropriate motion or request, which will be considered by the Bankruptcy Judge. Any party may request an adjournment of a hearing or conference by filing or submitting an appropriate motion or request setting forth the basis for the adjournment in conformity with the Bankruptcy Judge’s procedures for requesting adjournments. All attorneys, witnesses and parties wishing to appear at, or attend, a telephonic hearing or conference must refer to the Bankruptcy Judge’s guidelines for telephonic appearances and make arrangements with **Court Solutions LLC**. Pro se parties, Chapter 7 Trustees and Ch 13 Trustee may participate telephonically in hearings free of charge using Court Solutions. The instructions for registering with Court Solutions are attached hereto.
2. **Evidentiary Hearings and Trials.** Parties should contact the Bankruptcy Judge’s courtroom deputy or law clerk assigned to the case to inquire about whether an upcoming evidentiary hearing or trial will proceed as scheduled and be prepared to discuss procedures and technology for conducting the evidentiary hearing remotely.
3. **Official Record.** In order to assist the Bankruptcy Court in creating and maintaining the official record of proceedings before it, and to facilitate the availability of official transcripts of the proceedings, Bankruptcy Court personnel are permitted to utilize tools made available through Court Solutions to record telephonic hearings, conferences and trials. Such recordings shall be the official record. Transcripts can be ordered and corrected in the same way as before the issuance of this Order.

4. **Clerk's Office and Pro Se Filings.** Until further notice, the three Divisions of the Bankruptcy Court will remain open for all other business. Clerk's Office personnel are available by telephone, mail will be received, and the intake desks will remain open to receive *pro se* filings. *Pro se* filers can also continue to utilize the drop boxes located in the lobbies of the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007 or the Honorable Charles L. Brieant Jr. Federal Building and Courthouse, 300 Quarropas Street, White Plains, NY 10601 for delivery of documents after 5:00 pm. Any documents submitted for filing in a drop box must be time-stamped, sealed in an envelope addressed to the Clerk of Court of the Bankruptcy Court, and must include the filer's contact information.

Dated: March 20, 2020
New York, New York

/s/ Cecelia G. Morris
Cecelia G. Morris
United States Bankruptcy Chief Judge

Instructions to register for CourtSolutions.

1. Create a CourtSolutions account online.

Logon to <https://www.court-solutions.com/> to “Signup” for an account and to register a telephonic appointment for an upcoming hearing. Registration for a hearing must occur no later than 12:00 noon on the business day prior to the hearing date.

2. Register for a hearing with CourtSolutions.

After creating and signing into their CourtSolutions account at <https://www.court-solutions.com/>, a party must register for a hearing.

- a. Enter the last name of the Judge to appear before and then select the appropriate name from the list.
- b. Enter the time and date of the hearing.
- c. Select participation status: Live or Listen Only.
- d. Enter the case name, case number, and, if applicable, the name of client.
- e. There is a box to click to agree to terms/conditions, and then press “Register”.
- f. CourtSolutions will send an email confirmation of the participation request.
- g. The court staff will first confirm that a granted motion to appear telephonically is on the docket. If there exists a granted motion, the court staff will approve the reservation.
- h. CourtSolutions will then send another email confirmation.

Note that the reservation received for a registered hearing may NOT be transferred to another person. If someone dials in with someone else’s registration information, the caller information presented to the court will not match the correct person.

3. Charges.

For lawyers and participants, registration and reservations are free.

Once a party dials into a call, the cost is a flat fee of \$70, per reservation, per judge, per day. If the hearing is adjourned for a break and the party rejoins the call later that day, there is no additional charge to rejoin the call. If the hearing is continued to another day, lawyers and participants will need to re-register and the flat fee will apply again when dialing in.

If a party does not timely join a call, no fee is charged. The Judge will have the party listed as having made a reservation, but the party is not charged. However, the hearing may proceed in their absence, and they may face sanctions from the Court.

Additionally, a party may notice that there is a charge on their card after making a reservation. When making a reservation, CourtSolutions places an authorization hold on the card. If the party does not join the call, the pending hold will be removed automatically several days later, and there will be no charge.

Any issues with billing shall be directed to the vendor. The Court is not responsible for the billing or collection of the fees incurred with CourtSolutions.

4. Order of Proceeding.

CourtSolutions does not place a call to counsel on the day of the hearing. It is counsel's responsibility to dial into the call not later than 10 minutes prior to the scheduled hearing. Logging into the CourtSolutions website for the hearing is not required but is helpful to unmute your line if the Court mutes it or to raise your hand to be recognized during the hearing.

Upon connecting to the call and at the time of the hearing, a party may hear the activity in the courtroom. Unless a joining party mutes their line, he/she joins the call as an active participant and can be heard. Failure to act appropriately on the line may result with the party being disconnected by Court. When the judge is ready to hear the case, appearances will be called. Each time a telephonic party speaks, he/she should identify them self for the record. The court's teleconferencing system allows more than one speaker to be heard, so the judge can interrupt a speaker to ask a question or redirect the discussion. When the judge informs the participants that the hearing is completed, the telephonic participant may disconnect, and the next case will be called.

5. Failure to appear.

If a party does not timely call and connect to the scheduled hearing, the hearing may proceed in their absence, and they may face sanctions from the Court for their failure to appear.

6. Other/Miscellaneous.

Telephonic appearances by multiple participants are only possible when there is compliance with every procedural requirement. Sanctions may be imposed when there is any deviation from the required procedures or the Court determines that a person's conduct makes telephonic appearances inappropriate. Sanctions may include denying the matter for failure to prosecute, continuing the hearing, proceeding in the absence of a party who fails to appear, or a monetary sanction.