

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11  
: :  
ANGELICA CORPORATION, *et al.*, : Case No. 17-10870 (JLG)  
: :  
Debtors.<sup>1</sup> : (Jointly Administered)  
: :  
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**NOTICE OF ASSUMPTION, ASSIGNMENT AND CURE AMOUNT WITH RESPECT TO EXECUTORY CONTRACTS AND UNEXPIRED LEASES OF DEBTORS**

Pursuant to procedures approved by order of the Bankruptcy Court for the Southern District of New York, dated April 28, 2017 (Docket No. 137) (the “Bidding Procedures Order”), Angelica Corporation and its affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) are seeking to assume and assign certain of their executory contracts and unexpired leases in connection with the sale of substantially all of their assets (the “Purchased Assets”). A party (the “Bidder”) has already submitted a binding bid (the “Bid”) for the Purchased Assets, as set forth in a certain asset purchase agreement (the “Asset Purchase Agreement”), and the Debtors are seeking court approval of this Bid (or such higher and/or better bid) pursuant to a motion, dated April 3, 2017 (Docket No. 17) (the “Sale Motion”).<sup>2</sup>

**You are receiving this Notice because you may be a party to an executory contract or unexpired lease that is proposed to be assumed and assigned to the Bidder (collectively, the “Purchased Contracts”), or to such other bidder that submits a higher or better offer for the Purchased Assets.**

The current Bidder is 9W Halo Holdings L.P. A list of the Purchased Contracts to which you are a party to is attached hereto as Exhibit A. A copy of the Asset Purchase Agreement is available for download at <https://cases.primeclerk.com/Angelica>.

The Debtors have determined the current amounts owing (the “Cure Costs”) under each Purchased Contract and have listed the applicable Cure Costs on Exhibit A. The Cure Costs are the only amounts proposed to be paid upon the assumption and assignment of the Purchased Contracts.

**To the extent that a non-Debtor party objects to (i) the assumption and assignment of such party’s Purchased Contract (including on the basis of failure to provide adequate**

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Clothesline Holdings, Inc. (1081); Angelica Corporation (5260); Angelica Textile Services, Inc.–NY (6508); Royal Institutional Services, Inc. (8906); and Angelica Textile Services, Inc.–CA (5010). The location of the Debtors’ corporate headquarters is 1105 Lakewood Parkway, Suite 210, Alpharetta, Georgia 30009.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Bidding Procedures Order or the Sale Motion.

assurance of future performance) or (ii) the applicable Cure Costs, the non-Debtor party must file and serve an objection (each, an “Objection”) by June 2, 2017 at 12:00 p.m. (Eastern Time). All Objections must be filed and served in accordance with the Bidding Procedures Order (Docket No. 137), copies of which are available for download at <https://cases.primeclerk.com/Angelica>.

If no Objection is timely received, (i) the non-Debtor party to a Purchased Contract shall be deemed to have consented to the assumption and assignment of the Purchased Contract and shall be forever barred from asserting any objection with regard to such assumption or assignment and (ii) the Cure Costs set forth on Exhibit A attached hereto shall be controlling, notwithstanding anything to the contrary in any Purchased Contract, or any other document, and the non-Debtor party to a Purchased Contract shall be deemed to have consented to the Cure Costs and shall be forever barred from asserting any other claims related to such Purchased Contract against the Debtors or the transferee, or the property of any of them.

The Debtors will seek to assume and assign the Purchased Contracts at a hearing before the Honorable James L. Garrity Jr., in the United States Bankruptcy Court for the Southern District of New York, 1 Bowling Green, New York, New York 10004 (the “Sale Hearing”) on **June 14, 2017 at 10:00 a.m. (Eastern Time)**, or at a later hearing, as determined by the Debtors and in accordance with the Bidding Procedures Order. Objections, if any, will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors in accordance with the Bidding Procedures Order.

If one or more Qualified Bids are received, other than that of the Bidder, an auction for the Purchased Assets, including the Purchased Contracts, will be conducted on **June 5, 2017 at 10:00 a.m. (Eastern Time)** (the “Auction”). After the Auction, the Debtors will file, but not serve, in accordance with the Bidding Procedures Order, a notice that identifies the Successful Bidder at the Auction. If the Successful Bidder at the Auction is not the Bidder, then the deadline for a non-Debtor party to object to the assumption and assignment of its Purchased Contract to the Successful Bidder solely on the basis of such Successful Bidder’s failure to provide adequate assurance of future performance will be extended until **June 8, 2017 at 12:00 p.m. (Eastern Time)**; *provided* that the deadline to object to the Cure Costs shall not be extended.

The inclusion of any contract or lease on Exhibit A shall not constitute or be deemed a determination or admission by the Debtors that such contract or other document is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code (all rights with respect thereto being expressly reserved).

Notwithstanding the inclusion of any lease or contract on Exhibit A, neither the Stalking Horse Bidder nor the Successful Bidder is bound to accept assignment of any Purchased Contract, and may amend the schedule of Purchased Contracts to remove any contract or lease at any time prior to the consummation of the Sale Transaction.

Dated: May 1, 2017

/s/ Matthew S. Barr

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