

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF KENTUCKY  
AT LOUISVILLE  
*Electronically Filed*

THE HUNTINGTON NATIONAL BANK, AS  
TRUSTEE,

PLAINTIFF

v.

SAINT CATHARINE COLLEGE, INC., et al.,

DEFENDANT.

Civil Action No. 3:16-cv-00465-DJH

**NOTICE OF FILING OF REVISED SALE PROCEDURES ORDER**

LS Associates, LLC, solely in its capacity as the Court-appointed receiver for St. Catharine College, Inc. (the “Receiver”), by counsel, hereby files the attached revised proposed Sale Procedures Order pursuant to the Court’s instruction at the hearing on November 22, 2017. A revised proposed Sale Procedures Order is attached hereto as Exhibit 1, and a redline comparing this revision to the original proposed Sale Procedures Order is attached hereto as Exhibit 1. Undersigned counsel represents that counsel for Huntington National Bank, as Trustee and counsel for the United States of America have each reviewed and approved the proposed order for form.

Undersigned counsel states that the proposed Sale Procedures Order contains three blanks for dates to be filled in by the Court: (i) the Bid Deadline in Paragraph 8 (45 days from the date of entry); (ii) the Auction Date in Paragraph 12 (a weekday, 3-5 days after the Bid Deadline); and (iii) the Sale Hearing Date (at the Court’s earliest convenience after the Auction Date).

Respectfully submitted,

*/s/ Brian H. Meldrum*

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COUNSEL FOR RECEIVER

**CERTIFICATE OF SERVICE**

I hereby certify that on November 27, 2017, I electronically filed the foregoing with the Clerk of the Court through the Court's CM/ECF system which will send a notice of electronic filing to the following:

Ellen Arvin Kennedy  
John M. Spires  
Dinsmore & Shohl LLP - Lexington  
250 W. Main Street, Suite 1400  
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*Counsel for Huntington National Bank,  
Trustee*

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/s/ Brian H. Meldrum  
Brian H. Meldrum

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SAINT CATHARINE COLLEGE, INC., et al.,

DEFENDANT.

Civil Action No. 3:16-cv-00465-DJH

**ORDER (I) APPROVING SALE PROCEDURES AND BIDDING PROTECTIONS TO BE EMPLOYED IN CONNECTION WITH THE PROPOSED SALE OF SAINT CATHARINE'S REAL ESTATE AND OTHER ASSETS, (II) SCHEDULING AN AUCTION AND HEARING TO CONSIDER APPROVAL OF THE SALE OF SAINT CATHARINE'S ASSETS, AND (III) APPROVING NOTICE OF THE DATES, TIMES, AND PLACES FOR AN AUCTION AND FOR HEARING ON APPROVAL OF (A) SALE OF ASSETS, (B) ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (C) OTHER RELATED RELIEF**

LS Associates, LLC, solely in its capacity as court-appointed receiver (the "Receiver") for defendant Saint Catharine College, Inc. ("Saint Catharine"), having requested by motion (the "Motion") orders (A)(I) approving the sale procedures and bidding protections to be employed in connection with the proposed sale (the "Sale") of substantially all of Saint Catharine's remaining assets (collectively, the "Purchased Assets") set forth in **Exhibit 1** (the "Bidding Procedures"), (II) scheduling an auction (the "Auction") and a hearing (the "Sale Hearing") to consider approval of (i) the Sale, and (ii) other related relief, and (III) approving the proposed notice of the respective dates, times, and places for the Auction and for the Sale Hearing set forth in **Exhibit 2** ("Sale Notice") (the relief requested in such items (A)(I) through (III) is collectively referred to herein as the "Initial Relief"); and (B)(I) authorizing and approving the proposed asset purchase agreement, dated as of November 1, 2017 (the "APA"), with Runchero Corporation,

Inc. (the “Purchaser”), attached hereto as **Exhibit 3**, and the form thereof to be used by such other purchaser providing a higher or otherwise better offer for the Purchased Assets; (II) authorizing the Sale of the Purchased Assets free and clear of all Liens and all Liabilities, other than Permitted Liens and Assumed Liabilities; (III) authorizing the assumption and assignment of certain executory contracts and unexpired leases in connection with the Sale; and (IV) authorizing the Receiver to consummate all transactions related to the above; and it appearing that, under the circumstances, good, sufficient, and timely notice of the relief sought and granted in this Order having been given, and good and sufficient cause existing to approve the Initial Relief; and it further appearing that no other or further notice of the relief provided for herein need be given; and after due deliberation and sufficient cause appearing therefor, it is hereby FOUND AND DETERMINED THAT:

A. The Receiver has articulated good and sufficient reasons for approving the Bidding Procedures (including, without limitation, the Breakup Fee) and the Sale Notice,<sup>1</sup> in connection with the Sale of the Purchased Assets. The Receiver has also demonstrated a compelling and sound business justification for authorization to enter into the APA. However, the Sale remains subject to final approval by this Court. Entry of this Order is in the best interests of Saint Catharine and its estate, its creditors, and interest holders and all other parties in interest herein.

B. The Bidding Procedures, substantially in the form attached hereto to the Motion as **Exhibit 1**, are fair, reasonable, and appropriate and are designed to maximize the recovery on the Purchased Assets. The APA and its terms and conditions and the Bidding Procedures were negotiated by the Receiver and the Purchaser in good faith and at arm’s-length.

C. The Sale Notice, substantially in the form attached to the Motion as **Exhibit 2**,

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meaning assigned to them in the Motion.

provides due, adequate, and timely notice of the Auction and the Sale, and the other transactions contemplated in the APA and the Motion (collectively, the “Transactions”), and all relevant deadlines.

D. The scope of the notice of the Motion, the Bidding Procedures, the Auction, the Sale, the Sale Hearing, and all the other Transactions proposed to be provided by the Receiver in the Motion and the Bidding Procedures constitutes due, sufficient, and adequate notice to all parties-in-interest of the Auction, the Sale, and all the other Transactions, and all relevant objection deadlines. Such proposed notice of the Motion, the Bidding Procedures, the Auction, the Sale, the Sale Hearing, and all the other Transactions is appropriate and reasonably calculated to provide all interested parties with timely and proper notice and an opportunity to be heard, and no other or further notice thereof is required.

E. The Breakup Fee is an essential inducement and condition relating to the Purchaser’s entry into, and continuing obligations under, the APA. Unless the Purchaser is assured that the Breakup Fee will be available, the Purchaser is unwilling to remain obligated to consummate the Transactions or otherwise be bound under the APA (including the obligations to maintain its committed offer while such offer is subject to higher or otherwise better offers as contemplated by the Bidding Procedures). The Breakup Fee induced Purchaser to submit a bid that will serve as a minimum or floor bid at the Auction on which the Receiver, Saint Catharine’s creditors, and other bidders can rely. The Purchaser has provided a material benefit to Saint Catharine and its creditors by increasing the likelihood that the best possible purchase price for the Purchased Assets will be received. Accordingly, the Breakup Fee provides an actual benefit to Saint Catharine’s estate, is necessary to preserve Saint Catharine’s estate, represents the best method for maximizing value for the benefit of Saint Catharine’s estate, and is reasonable and

appropriate under the circumstances.

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:**

1. The Initial Relief is GRANTED as set forth herein.
2. All formal and informal objections to the Initial Relief that have not been withdrawn, waived or settled are overruled.
3. The Bidding Procedures, in the form attached to the Motion as **Exhibit 1**, are approved in their entirety and shall govern all bids and bid proceedings relating to the Purchased Assets.
4. The Receiver is authorized to conduct the Auction, if necessary, in accordance with the Bidding Procedures.
5. The Receiver is authorized to take any and all actions necessary and/or appropriate to implement the Bidding Procedures.
6. The Sale Notice attached to the Motion as **Exhibit 2** is approved in all respects. The Receiver is authorized and directed to serve the Sale Notice on (i) all parties that have expressed an interest or contacted CBRE or the Receiver regarding the Purchased Assets; (ii) all known creditors of Saint Catharine (to the extent contact information is available to the Receiver); (iii) all counterparties to contracts and/or leases affected by the Sale; and (iv) certain other courtesy notice parties, in the discretion of the Receiver. The Receiver shall file a certificate of service of the Sale Notice as reasonably promptly following service as is practical. Such service shall be deemed due, timely, good, and sufficient notice of the entry of this Order, the Auction, the Sale Motion, the Sale Hearing, the Bidding Procedures, the proposed Sale Order, and all of the Transactions, and all proceedings to be held thereon and all relevant deadlines.

7. As soon as practicable after entry of this Order, the Receiver is authorized and shall publish an abbreviated version of the Sale Notice in the *Courier-Journal* and the *Springfield Sun* in order that such notice run at least once per week, for four weeks, prior to the Bid Deadline (as defined below).

8. All bids for the acquisition of the Purchased Assets must be in writing, comply with the Bidding Procedures, and delivered to the Receiver, through its counsel, Stites & Harbison PLLC, 400 West Market Street, Suite 1800, Louisville, KY 40202-3352, Attn: Brian H. Meldrum (Telephone: (502) 681-0578, Facsimile: (502) 779-8296, email: bmeldrum@stites.com), so as to be received on or before **12:00 p.m. (prevailing Eastern time)**, on \_\_\_\_\_ (45 days from the date hereof) (the "Bid Deadline"), with copies to counsel for Huntington, bond trustee and senior secured party, through Dinsmore & Shohl LLP, 250 W. Main St., Suite 1400, Lexington, Kentucky 40507, Attn: John M. Spires (Telephone: (859) 425-1036, Facsimile: (859) 425-1099, email: john.spires@dinsmore.com).

9. The form of the APA attached as Exhibit 3 to the Motion is approved and shall be the form of any such agreement utilized in connection with the Sale of the Purchased Assets and all other Transactions in connection therewith.

10. The Breakup Fee provided for in the Bidding Procedures is hereby approved and shall be binding upon the Receiver. The Breakup Fee shall be paid by the Receiver, pursuant to the APA, without any further approval or order of this Court, immediately upon the closing of a sale of the Purchased Assets to any bidder other than the Purchaser, and shall be payable only from the proceeds of such sale. The Purchaser shall not waive or be deemed to have waived the right to payment of the Breakup Fee or the Expense Reimbursement by bidding or rebidding at the Auction.

11. The Sale shall be on an “as is, where is” basis and without representations or warranties of any kind, nature, or description by the Receiver, its agents, or its estate, except to the extent expressly set forth in the APA with the Purchaser.

12. If, in addition to the Qualified Bid of the Purchaser as embodied in the APA, one or more Qualified Bids are received by the Bid Deadline (each a “Competing Bid”), the Auction will be conducted at **Saint Catharine College (Emily W. Hundley Library) 2735 Bardstown Road, St. Catharine, Kentucky 40061, commencing at 10:00 a.m. (prevailing local time) on \_\_\_\_\_, 2017** (the “Auction Date”) in respect of each such Qualified Bid. If, however, the only Qualified Bid the Receiver has received by the Bid Deadline is the Purchaser’s Qualified Bid, then the Auction will not be held in respect of the Purchaser’s Qualified Bid, the Purchaser shall be deemed the High Bidder, and the Receiver shall be authorized to seek approval thereof at the Sale Hearing.

13. To the extent that the Qualified Bid of the Purchaser as embodied in the APA is not the High Bid at the Auction, the Receiver is authorized to file with this Court and serve a supplement (the “Supplement”), no later than three (3) business days following completion of the Auction, that will inform this Court of the results of the Auction, the High Bid, and the Second Highest Bid. The Supplement will identify, among other things, (a) the High Bidder as the proposed purchaser of the Purchased Assets, (b) the consideration to be paid by the High Bidder for the Purchased Assets, and (c) any executory contracts and unexpired leases to be assumed and assigned to the purchaser in connection with the Sale. In addition, the Receiver will attach to the Supplement, as exhibits, (a) any revised proposed order approving the Sale and (b) copies of the asset purchase agreement(s) entered into by the Receiver and the High Bidder.

14. The Receiver may, with the consent of the Purchaser and after consultation with

Huntington, modify these Bidding Procedures at the Auction, other than the requirements for a Qualifying Bidder and Qualifying Bid set forth in the Bidding Procedures, to impose additional customary terms and conditions on the proposed Sale of the Purchased Assets if in its reasonable judgment (after consultation with Huntington) such modifications would be in the best interest of Saint Catharine's estate and promote an open and fair sale process, so long as such modifications and/or additional terms are consistent with the provisions of the APA.

15. Each Competing Bid must fully disclose the identity of all other entities, if any, which shall be acquiring directly or indirectly after the Closing, a portion of the Purchased Assets under or in connection with a Qualified Bid that has been submitted.

16. All Qualified Bids submitted on or prior to the Bid Deadline shall remain open and irrevocable until the Sale Hearing; provided, however, that the High Bid and the Second Highest Bid shall be deemed to remain open and irrevocable until the actual closing of the transaction that is the subject of such bid. Acceptance of a Qualified Bid shall, in all respects, be subject to entry of an order by this Court that, among other things, authorizes the Receiver to consummate a sale to the High Bidder. Following the Sale Hearing, if the Purchaser or any other High Bidder (as the case may be) fails to consummate an approved sale because of a breach or failure to perform on its part, the next highest or otherwise best Qualified Bid, as disclosed at the Auction (if any), shall be deemed to be the High Bidder, and the Receiver shall be authorized, but not required (except if the Second Highest Bid is made by the Purchaser), to consummate the Sale with the Qualified Bidder submitting such bid (i) without the need for further notice or order of this Court and (ii) without prejudice to the Receiver's right to seek all available damages from the defaulting bidder (be it the Purchaser or the other High Bidder at the Auction, including the party that makes the Second Highest Bid, as the case may be).

17. The Sale Hearing shall be conducted before the Honorable David J. Hale, United States District Court Judge, at the United States District Court for the Western District of Kentucky, Louisville Division, 601 W. Broadway, Louisville, KY 40202, on \_\_\_\_\_, **2017 at \_\_\_\_ p.m. (prevailing Eastern Time)** (the "Sale Hearing Date"). The Receiver shall seek entry of an order at the Sale Hearing approving and authorizing the Sale with the Purchaser (or other High Bidder) on terms and conditions substantially consistent with the APA (or the Qualifying Bidder Purchase Agreement). Subject to the Bidding Procedures, the Sale Hearing may be adjourned or rescheduled without notice other than by announcement of the adjourned date at the Sale Hearing.

18. Objections to the relief requested in the Sale Motion not granted herein, including approval of the Sale must: (a) be made in writing and filed on the docket in the above-captioned action no later than seven (7) calendar days prior to the Sale Hearing Date (the "Objection Deadline"); (b) state the basis of such objection with specificity, (c) comply with the Local Rules of this Court; and (d) be served upon counsel to the Receiver and counsel to Huntington, so as to be actually received on or before 5:00 p.m. (prevailing Eastern time) on the Objection Deadline, provided, however, that any objections solely in regard to the conduct of the Auction may be filed no later than one (1) calendar day prior to the Sale Hearing Date, so as to be actually received on or before 12:00 p.m. (prevailing Eastern time), which objections must otherwise comply with the foregoing requirements.

19. Objections, if any, to the information contained in the Supplement must be in writing and filed and served so as to be actually received by counsel to the Receiver and counsel to Huntington, so that they are actually received by noon on the date that is one day prior to the Sale Hearing Date.

20. Notwithstanding the possible applicability of any rule, statute, or common law to the contrary, the terms and conditions of this Order shall be immediately effective and enforceable.

21. All time periods set forth in this Order shall be calculated in accordance with Rule 6(a) of the Federal Rules of Civil Procedure.

22. To the extent that this Order is inconsistent with any prior order or pleading with respect to the Sale Motion in this action, the terms of this Order shall govern.

23. This Court shall retain jurisdiction to resolve any dispute relating to the interpretation of the terms and conditions of the APA and this Order.

24. Notwithstanding any other provision of this Order, the objections raised in the United States' Opposition to Receiver's Sale Procedures Motion (D.N. 106) are preserved and reserved for the Sale Hearing. Nothing herein constitutes a waiver of the assertion of sovereign immunity by the United States, and the Receiver is not authorized to consummate any transaction that would convey property free and clear of any lien or other interest asserted by the United States absent further order of Court.

**IT IS SO ORDERED.**

**TENDERED BY:**

*/s/ Brian H. Meldrum*

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STITES & HARBISON PLLC  
400 West Market Street  
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Louisville, KY 40202  
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COUNSEL FOR RECEIVER



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LS Associates, LLC, solely in its capacity as court-appointed receiver (the "Receiver") for defendant Saint Catharine College, Inc. ("Saint Catharine"), having requested by motion (the "Motion") orders (A)(I) approving the sale procedures and bidding protections to be employed in connection with the proposed sale (the "Sale") of substantially all of Saint Catharine's remaining assets (collectively, the "Purchased Assets") set forth in **Exhibit 1** (the "Bidding Procedures"), (II) scheduling an auction (the "Auction") and a hearing (the "Sale Hearing") to consider approval of (i) the Sale, and (ii) other related relief, and (III) approving the proposed notice of the respective dates, times, and places for the Auction and for the Sale Hearing set forth in **Exhibit 2** ("Sale Notice") (the relief requested in such items (A)(I) through (III) is collectively referred to herein as the "Initial Relief"); and (B)(I) authorizing and approving the proposed asset purchase agreement, dated as of November 1, 2017 (the "APA"), with Runchero Corporation,

Inc. (the “Purchaser”), attached hereto as Exhibit 3, and the form thereof to be used by such other purchaser providing a higher or otherwise better offer for the Purchased Assets; (II) authorizing the Sale of the Purchased Assets free and clear of all Liens and all Liabilities, other than Permitted Liens and Assumed Liabilities; (III) authorizing the assumption and assignment of certain executory contracts and unexpired leases in connection with the Sale; and (IV) authorizing the Receiver to consummate all transactions related to the above; and it appearing that, under the circumstances, good, sufficient, and timely notice of the relief sought and granted in this Order having been given, and good and sufficient cause existing to approve the Initial Relief; and it further appearing that no other or further notice of the relief provided for herein need be given; and after due deliberation and sufficient cause appearing therefor, it is hereby FOUND AND DETERMINED THAT:

A. The Receiver has articulated good and sufficient reasons for approving the Bidding Procedures (including, without limitation, the Breakup Fee) and the Sale Notice,<sup>1</sup> in connection with the Sale of the Purchased Assets. The Receiver has also demonstrated a compelling and sound business justification for authorization to enter into the APA. However, the Sale remains subject to final approval by this Court. Entry of this Order is in the best interests of Saint Catharine and its estate, its creditors, and interest holders and all other parties in interest herein.

B. The Bidding Procedures, substantially in the form attached hereto to the Motion as Exhibit 1, are fair, reasonable, and appropriate and are designed to maximize the recovery on the Purchased Assets. The APA and its terms and conditions and the Bidding Procedures were negotiated by the Receiver and the Purchaser in good faith and at arm’s-length.

C. The Sale Notice, substantially in the form attached to the Motion as Exhibit 2,

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provides due, adequate, and timely notice of the Auction and the Sale, and the other transactions contemplated in the APA and the Motion (collectively, the “Transactions”), and all relevant deadlines.

D. The scope of the notice of the Motion, the Bidding Procedures, the Auction, the Sale, the Sale Hearing, and all the other Transactions proposed to be provided by the Receiver in the Motion and the Bidding Procedures constitutes due, sufficient, and adequate notice to all parties-in-interest of the Auction, the Sale, and all the other Transactions, and all relevant objection deadlines. Such proposed notice of the Motion, the Bidding Procedures, the Auction, the Sale, the Sale Hearing, and all the other Transactions is appropriate and reasonably calculated to provide all interested parties with timely and proper notice and an opportunity to be heard, and no other or further notice thereof is required.

E. The Breakup Fee is an essential inducement and condition relating to the Purchaser’s entry into, and continuing obligations under, the APA. Unless the Purchaser is assured that the Breakup Fee will be available, the Purchaser is unwilling to remain obligated to consummate the Transactions or otherwise be bound under the APA (including the obligations to maintain its committed offer while such offer is subject to higher or otherwise better offers as contemplated by the Bidding Procedures). The Breakup Fee induced Purchaser to submit a bid that will serve as a minimum or floor bid at the Auction on which the Receiver, Saint Catharine’s creditors, and other bidders can rely. The Purchaser has provided a material benefit to Saint Catharine and its creditors by increasing the likelihood that the best possible purchase price for the Purchased Assets will be received. Accordingly, the Breakup Fee provides an actual benefit to Saint Catharine’s estate, is necessary to preserve Saint Catharine’s estate, represents the best method for maximizing value for the benefit of Saint Catharine’s estate, and is reasonable and

appropriate under the circumstances.

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:**

1. The Initial Relief is GRANTED as set forth herein.
2. All formal and informal objections to the Initial Relief that have not been withdrawn, waived or settled are overruled.
3. The Bidding Procedures, in the form attached to the Motion as **Exhibit 1**, are approved in their entirety and shall govern all bids and bid proceedings relating to the Purchased Assets.
4. The Receiver is authorized to conduct the Auction, if necessary, in accordance with the Bidding Procedures.
5. The Receiver is authorized to take any and all actions necessary and/or appropriate to implement the Bidding Procedures.
6. The Sale Notice attached to the Motion as **Exhibit 2** is approved in all respects. The Receiver is authorized and directed to serve the Sale Notice on (i) all parties that have expressed an interest or contacted CBRE or the Receiver regarding the Purchased Assets; (ii) all known creditors of Saint Catharine (to the extent contact information is available to the Receiver); (iii) all counterparties to contracts and/or leases affected by the Sale; and (iv) certain other courtesy notice parties, in the discretion of the Receiver. The Receiver shall file a certificate of service of the Sale Notice as reasonably promptly following service as is practical. Such service shall be deemed due, timely, good, and sufficient notice of the entry of this Order, the Auction, the Sale Motion, the Sale Hearing, the Bidding Procedures, the proposed Sale Order, and all of the Transactions, and all proceedings to be held thereon and all relevant deadlines.

~~7. As soon as practicable after entry of this Order, the Receiver is authorized and shall publish an abbreviated version of the Sale Notice in the Courier-Journal and the Springfield Sun prior in order that such notice run at least once per week, for four weeks, prior to the Bid Deadline (as defined below), to the Auction in an appropriate publication or publications or~~

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~~7. via electronic mail to potential bidders or on the internet, to be determined by the Receiver in consultation with Huntington and CBRE, if the Receiver determines that such publication is in the best interest of Saint Catharine's estate.~~

8. All bids for the acquisition of the Purchased Assets must be in writing, comply with the Bidding Procedures, and delivered to the Receiver, through its counsel, Stites & Harbison PLLC, 400 West Market Street, Suite 1800, Louisville, KY 40202-3352, Attn: Brian H. Meldrum (Telephone: (502) 681-0578, Facsimile: (502) 779-8296, email: bmeldrum@stites.com), so as to be received on or before **12:00 p.m. (prevailing Eastern time)**, on \_\_\_\_\_ (45 days from the date hereof) (the "**Bid Deadline**"), with copies to counsel for Huntington, bond trustee and senior secured party, through Dinsmore & Shohl LLP, 250 W. Main St., Suite 1400, Lexington, Kentucky 40507, Attn: John M. Spires (Telephone: (859) 425-1036, Facsimile: (859) 425-1099, email: john.spires@dinsmore.com).

9. The form of the APA attached as **Exhibit 3** to the Motion is approved and shall be the form of any such agreement utilized in connection with the Sale of the Purchased Assets and all other Transactions in connection therewith.

10. The Breakup Fee provided for in the Bidding Procedures is hereby approved and shall be binding upon the Receiver. The Breakup Fee shall be paid by the Receiver, pursuant to the APA, without any further approval or order of this Court, immediately upon the closing of a

sale of the Purchased Assets to any bidder other than the Purchaser, and shall be payable only from the proceeds of such sale. The Purchaser shall not waive or be deemed to have waived the right to payment of the Breakup Fee or the Expense Reimbursement by bidding or rebidding at the Auction.

11. The Sale shall be on an “as is, where is” basis and without representations or warranties of any kind, nature, or description by the Receiver, its agents, or its estate, except to the extent expressly set forth in the APA with the Purchaser.

12. If, in addition to the Qualified Bid of the Purchaser as embodied in the APA, one or more Qualified Bids are received by the Bid Deadline (each a “Competing Bid”), the Auction will be conducted at **Saint Catharine College (Emily W. Hundley Library) 2735 Bardstown Road, St. Catharine, Kentucky 40061, commencing at 10:00 a.m. (prevailing local time) on \_\_\_\_\_, 2017** (the “Auction Date”) in respect of each such Qualified Bid. If, however, the only Qualified Bid the Receiver has received by the Bid Deadline is the Purchaser’s Qualified Bid, then the Auction will not be held in respect of the Purchaser’s Qualified Bid, the Purchaser shall be deemed the High Bidder, and the Receiver shall be authorized to seek approval thereof at the Sale Hearing.

13. To the extent that the Qualified Bid of the Purchaser as embodied in the APA is not the High Bid at the Auction, the Receiver is authorized to file with this Court and serve a supplement (the “Supplement”), no later than three (3) business days following completion of the Auction, that will inform this Court of the results of the Auction, the High Bid, and the Second Highest Bid. The Supplement will identify, among other things, (a) the High Bidder as the proposed purchaser of the Purchased Assets, (b) the consideration to be paid by the High Bidder for the Purchased Assets, and (c) any executory contracts and unexpired leases to be assumed

and assigned to the purchaser in connection with the Sale. In addition, the Receiver will attach to the Supplement, as exhibits, (a) any revised proposed order approving the Sale and (b) copies of the asset purchase agreement(s) entered into by the Receiver and the High Bidder.

14. The Receiver may, with the consent of the Purchaser and after consultation with Huntington, modify these Bidding Procedures at the Auction, other than the requirements for a Qualifying Bidder and Qualifying Bid set forth in the Bidding Procedures, to impose additional customary terms and conditions on the proposed Sale of the Purchased Assets if in its reasonable judgment (after consultation with Huntington) such modifications would be in the best interest of Saint Catharine's estate and promote an open and fair sale process, so long as such modifications and/or additional terms are consistent with the provisions of the APA.

15. Each Competing Bid must fully disclose the identity of all other entities, if any, which shall be acquiring directly or indirectly after the Closing, a portion of the Purchased Assets under or in connection with a Qualified Bid that has been submitted.

16. All Qualified Bids submitted on or prior to the Bid Deadline shall remain open and irrevocable until the Sale Hearing; provided, however, that the High Bid and the Second Highest Bid shall be deemed to remain open and irrevocable until the actual closing of the transaction that is the subject of such bid. Acceptance of a Qualified Bid shall, in all respects, be subject to entry of an order by this Court that, among other things, authorizes the Receiver to consummate a sale to the High Bidder. Following the Sale Hearing, if the Purchaser or any other High Bidder (as the case may be) fails to consummate an approved sale because of a breach or failure to perform on its part, the next highest or otherwise best Qualified Bid, as disclosed at the Auction (if any), shall be deemed to be the High Bidder, and the Receiver shall be authorized, but not required (except if the Second Highest Bid is made by the Purchaser), to consummate the

Sale with the Qualified Bidder submitting such bid (i) without the need for further notice or order of this Court and (ii) without prejudice to the Receiver's right to seek all available damages from the defaulting bidder (be it the Purchaser or the other High Bidder at the Auction, including the party that makes the Second Highest Bid, as the case may be).

17. The Sale Hearing shall be conducted before the Honorable David J. Hale, United States District Court Judge, at the United States District Court for the Western District of Kentucky, Louisville Division, 601 W. Broadway, Louisville, KY 40202, on \_\_\_\_\_, **2017 at \_\_\_\_ p.m. (prevailing Eastern Time)** (the "Sale Hearing Date"). The Receiver shall seek entry of an order at the Sale Hearing approving and authorizing the Sale with the Purchaser (or other High Bidder) on terms and conditions substantially consistent with the APA (or the Qualifying Bidder Purchase Agreement). Subject to the Bidding Procedures, the Sale Hearing may be adjourned or rescheduled without notice other than by announcement of the adjourned date at the Sale Hearing.

18. Objections to the relief requested in the Sale Motion not granted herein, including approval of the Sale must: (a) be made in writing and filed on the docket in the above-captioned action no later than seven (7) calendar days prior to the Sale Hearing Date (the "Objection Deadline"); (b) state the basis of such objection with specificity, (c) comply with the Local Rules of this Court; and (d) be served upon counsel to the Receiver and counsel to Huntington, so as to be actually received on or before 5:00 p.m. (prevailing Eastern time) on the Objection Deadline, provided, however, that any objections solely in regard to the conduct of the Auction may be filed no later than one (1) calendar day prior to the Sale Hearing Date, so as to be actually received on or before 12:00 p.m. (prevailing Eastern time), which objections must otherwise comply with the foregoing requirements.

19. Objections, if any, to the information contained in the Supplement must be in writing and filed and served so as to be actually received by counsel to the Receiver and counsel to Huntington, so that they are actually received by noon on the date that is one day prior to the Sale Hearing Date.

20. Notwithstanding the possible applicability of any rule, statute, or common law to the contrary, the terms and conditions of this Order shall be immediately effective and enforceable.

21. All time periods set forth in this Order shall be calculated in accordance with Rule 6(a) of the Federal Rules of Civil Procedure.

22. To the extent that this Order is inconsistent with any prior order or pleading with respect to the Sale Motion in this action, the terms of this Order shall govern.

23. This Court shall retain jurisdiction to resolve any dispute relating to the interpretation of the terms and conditions of the APA and this Order.

~~23-24.~~ Notwithstanding any other provision of this Order, the objections raised in the United States' Opposition to Receiver's Sale Procedures Motion (D.N. 106) are preserved and reserved for the Sale Hearing. Nothing herein constitutes a waiver of the assertion of sovereign immunity by the United States, and the Receiver is not authorized to consummate any transaction that would convey property free and clear of any lien or other interest asserted by the United States absent further order of Court.

**IT IS SO ORDERED.**

**TENDERED BY:**

/s/ Brian H. Meldrum

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COUNSEL FOR RECEIVER