



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE:)
)
CORSICANA ACQUISITION LLC,)
a Delaware limited liability company,)
)
Assignor,)
) C.A. No.
To:)
)
CSC (ABC), LLC,)
a Delaware limited liability company,)
)
Assignee.)
)

**VERIFIED PETITION FOR ASSIGNMENT
FOR THE BENEFIT OF CREDITORS**

Assignee CSC (ABC), LLC (“Assignee”) petitions (the “Petition”) the Court for an assignment for the benefit of creditors and states:

I. JURISDICTION AND PARTIES

1. 10 Del. C. §§ 7381-7387 confers jurisdiction on this Court in this case.
2. Assignor Corsicana Acquisition LLC is a Delaware limited liability company headquartered in Irving, Texas, with its main facility located in Corsicana, Texas (“Assignor” or “Corsicana”).
3. Pursuant to its operating agreement, Assignee is a Delaware limited liability company, which has its principal office located at 1738 Belmar Blvd.,

Belmar, NJ 07719. A copy of Assignee's operating agreement is attached to this Petition as Exhibit A. Assignee was newly formed on November 18, 2025, and simultaneously received its EIN No. (41-2663043). Assignee is a wholly owned subsidiary of Rock Creek Advisors LLC ("Rock Creek"), a financial advisory firm possessing significant expertise in the business restructuring sector. Rock Creek's services include, without limitation, financial advisory, turnaround, restructuring, fiduciary and pension financial advisory services.

4. Rock Creek and its subsidiaries also specialize in serving as assignees in assignments for the benefit of creditors and will utilize this expertise in administering the Corsicana assignment estate (the "Assignment Estate") for the benefit of the Assignor.

II. Events Leading Up to Assignment for the Benefit of Creditors/Background

5. Assignor is indebted to creditors and unable to pay its debts as they have come due. As a result, Assignor seeks to provide for payment of its debts so far as is possible through the process afforded under 10 Del. C. §§ 7381-7387 and has solicited the assistance of the Assignee for the purpose of administering the Assignment Estate and maximizing the value of the Assignment Estate assets with the aim towards making distributions to creditors.

6. On November 21, 2025, Assignor assigned all of its right, title, and interest in its assets pursuant to that certain General Assignment executed by the

Assignor and the Assignee (the “General Assignment”). A copy of the General Assignment is attached to this Petition as Exhibit B.

7. Corsicana emerged from the chapter 11 cases, *In re Corsicana Bedding, LLC, et al.*, No. 22-90016-elm11, which Corsicana Bedding, LLC and its subsidiaries (collectively, “Corsicana Bedding”) filed in the United States Bankruptcy Court for the Northern District of Texas Fort Worth Division (the “Chapter 11 Cases”).

8. Prior to the Chapter 11 Cases, Corsicana Bedding was a U.S. based manufacturer of mattresses and foundations that offered a full range of products featuring the latest in sleep technology. Corsicana Bedding was one of the nation’s largest mattress producers.

9. Corsicana Bedding served a broad customer base across channels and geographies. Despite its substantial market presence, Corsicana Bedding’s performance began to deteriorate in the late 2010s, and its capital structure grew increasingly unsustainable in light of declining operating results. The decline was caused by a combination of factors, including industry-wide challenges, underperforming strategic initiatives, and unsatisfactory business performance.

10. Corsicana Bedding undertook arduous efforts to improve sales and profits and reduce product costs through revamping and simplifying its product offerings (SKUs) and more economical raw materials, developing a new product

lineup for a key customer, and closing facilities in Indiana and Virginia. Despite these efforts, Corsicana Bedding was left with outsized operating costs and liquidity shortages, and its financial performance continued to decline.

11. During the COVID-19 pandemic in 2020 and 2021, Corsicana Bedding further struggled with acute supply chain disruptions and significant inflationary pressures.

12. As a result, in early 2022, Corsicana Bedding hired restructuring advisors to help evaluate its strategic options. Ultimately, it determined to commence a sale process, seeking a buyer that could provide the necessary capital to the business to effectuate management's turnaround strategies. After extensive negotiations, Blue Torch Finance LLC ("Blue Torch"), the administrative and collateral agent on behalf of the lenders under certain term loan facilities, agreed to provide debtor in possession financing and to serve as a stalking horse bidder in a section 363 sale of substantially all of their assets.

13. Considering these circumstances, Corsicana Bedding, in consultation with its advisors, elected to commence the Chapter 11 Cases to effectuate a transaction with Blue Torch or such other party emerging through the section 363 sale process. Through the section 363 sale process, Assignor Corsicana Acquisition LLC successfully acquired substantially all assets of Corsicana Bedding – with the order approving the sale entered on August 24, 2022 – and consummated the sale on

September 15, 2022.

14. Following emergence from the Chapter 11 Cases, Corsicana has served a diverse customer base of over 4,200 clients. However, 4,100 of these customers are small independent retailers, each purchasing less than \$100,000 year-to-date.

15. Corsicana operated seven (7) manufacturing plants at the following locations: (1) 1100 S. 12th Street, Watertown, Wisconsin 53094 (“WI Plant”), (2) 4932 W. Colter St., Glendale, Arizona 85301 (“AZ Plant”), (3) 1 Cedar King Road, Shelbyville, Tennessee 37160 (“TN Plant”), (4) 450 Polk Street, Bartow, Florida 33830 (“FL Plant”), (5) 401 West Hanes Mill Road, Winston Salem, North Carolina 27105 (“NC Plant”), (6) 353 Alumni Road, Newington, Connecticut 06111 (“CT Plant”), and (7) 5000 Interstate 45, Corsicana, Texas 75110 (“TX Plant”). All of these facilities were leased.

16. In addition, Corsicana maintained an office in Dallas, Texas, located at 104 Decker Court Suite 100, Irving, Texas 75062 (the “Office”) and a showroom in Las Vegas, Nevada, located at 475 S. Grand Central Pkwy., Las Vegas, Nevada 89106 (the “Showroom”). Both locations were also under lease.

17. Corsicana continued to implement significant cost reductions and to pursue volume growth to restore performance. Industry conditions, however, have further deteriorated. The U.S. mattress market fell to historic lows with more than 30% below its 2021 peak and production levels beneath those seen during the 2009

financial crisis. As U.S. demand has decreased, Corsicana's sales volumes have correspondingly declined. Corsicana has experienced further sale volume reductions due to overall market contraction.

18. In early 2025, Corsicana's largest customer, Mattress Firm, the nation's largest brick-and-mortar mattress retailer, was acquired by Tempur Sealy, the largest U.S. mattress manufacturer, and the combined company was rebranded as Somnigroup. Although the Federal Trade Commission sought to block the transaction on antitrust grounds, it was ultimately unsuccessful. Following Tempur Sealy's acquisition, Mattress Firm migrated all of its purchasing volume from Corsicana to Tempur Sealy. Corsicana also lost its second-largest customer in the second quarter of 2025. Together, these accounts represented over 25% of the company's revenue.

19. Notwithstanding the execution of a new supply contract with a party Corsicana expected would become a significant customer, Corsicana was unable to replace the lost volume. The unexpected loss of these two critical customers, combined with the company's inability to recover the lost revenue left Corsicana unable to continue its operations.

20. Faced with severe revenue dislocation, constrained liquidity, and no viable pathway to fund necessary capital expenditures, marketing, and working capital while servicing its debt obligations, Corsicana pursued strategic alternatives

with Houlihan Lokey, an investment banker, to preserve value, maintain operations, and protect employment.

21. With the assistance of Houlihan Lokey, Corsicana ran a sale process that engaged two interested parties. Ultimately, that sale process resulted in a going-concern purchase for substantially all of the company's assets with South Bay International, Inc., a California corporation (the "Buyer") on or about November 14, 2025, that preserved employment for approximately 60% of Corsicana's workforce and facilitated substantial repayment of Corsicana's senior secured revolver lender, Wingspire Capital LLC.

22. The Buyer acquired the Showroom and the following three facilities: (1) the NC Plant, (2) the CT Plant, and (3) the TX Plant. However, the sale did not include the Office or remaining plant facilities, all of which have since been closed.

23. Following consummation of the sale on November 14, 2025, Corsicana retained no meaningful assets with which to continue operations. In light of the foregoing, Corsicana determined that in consultation with its seasoned professionals and consideration of numerous alternatives, the filing of an assignment for the benefit of creditors was the most appropriate mechanism for acting in the best interests of its creditors and shareholders and winding down the Assignment Estate.

24. The funding made available to the Assignment Estate consists of existing company cash. No additional financing will be required for the purposes of

administering the Assignment Estate. The Assignee will exercise its fiduciary duties to fully administer the Assignment Estate and will endeavor to keep the Court apprised of the Assignee's progress throughout the pendency of this case.

WHEREFORE, Assignee requests that the Court assert jurisdiction pursuant to 10 Del. C. §§ 7381-7387.

Dated: November 21, 2025

Womble Bond Dickinson (US), LLP

/s/ Morgan L. Patterson

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EXHIBIT A

ASSIGNEE OPERATING AGREEMENT

LIMITED LIABILITY COMPANY AGREEMENT

OF

CSC (ABC), LLC

A Delaware Limited Liability Company

Dated as of

November 18, 2025

THIS AGREEMENT HAS BEEN PREPARED ASSUMING THAT ROCK CREEK ADVISORS, LLC WILL BE THE SOLE MEMBER OF CSC (ABC), LLC AND THAT CSC (ABC), LLC WILL BE A DISREGARDED ENTITY FOR FEDERAL INCOME TAX PURPOSES. IF ADDITIONAL MEMBERS ARE ADDED, UNITS TRANSFERRED, OR AN ELECTION IS MADE TO TREAT THE ENTITY AS AN ASSOCIATION TAXABLE AS A CORPORATION FOR FEDERAL INCOME TAX PURPOSES, IT WILL BE NECESSARY TO AMEND THIS AGREEMENT.

LIMITED LIABILITY COMPANY AGREEMENT OF CSC (ABC), LLC

This Limited Liability Company Agreement (“Agreement”) is made and entered into by Rock Creek Advisors, LLC (the “Member”), the sole member of CSC (ABC), LLC (the “Company”) and shall be effective as of November 18, 2025, on the following terms and conditions. The Company shall be operated under and governed by the provisions of the Act, as the same may be amended from time to time, and for the purposes and upon the terms and conditions hereinafter set forth.

ARTICLE 1 **DEFINITIONS**

For purposes of this Agreement, unless the context clearly indicates otherwise: (i) all of the capitalized words in this Agreement shall have the meanings set forth in the Appendix attached hereto; and (ii) all non-capitalized words defined in the Act shall have the meanings set forth therein.

ARTICLE 2 **ORGANIZATION**

2.1 Formation. The Member has authorized the formation of the Company as a Delaware limited liability company pursuant to the provisions of the Act and will treat the Company as a disregarded entity for federal and state tax purposes. The Member has caused to be filed the Certificate of Formation with the Delaware Secretary of State. The Member shall forthwith execute and cause to be filed any documents and instruments as may be necessary or appropriate in connection with the transaction of business by the Company.

2.2 Name. The name of the Company is “CSC (ABC), LLC”. The Member may change the Company’s name at any time and from time to time. The Member also may cause the Company to do business at the same time under more than one fictitious name if the Member determines that doing so is in the best interest of the Company.

2.3 Purpose and Character of Business. Except as provided by the Act, the Company may pursue any purpose or purposes for which individuals may lawfully associate themselves.

2.4 Principal Office. The principal office of the Company shall be located at 1738 Belmar Blvd., Belmar, NJ 07719. The location of the principal office may be changed by the Member at any time and from time to time.

2.5 Effective Date; Term. The term of the company commenced with the filing of the Certificate of Formation with the Delaware Secretary of State, and the term of the Company shall be perpetual unless earlier dissolved and terminated pursuant to the Act or to any provisions of this Agreement.

2.6 Registered Agent. The name of the Registered Agent for service or process on the Company shall be Platinum Filings LLC, whose address is in the State of Delaware is 555 East Loockerman Street, Suite 320, Dover DE 19901. The Registered agent may be changed by consent of the Member.

2.7 Title to Property. All property owned by the Company, whether real or personal, tangible or intangible, shall be deemed to be owner by the Company, as an entity and not by the Member.

2.8 Member. The Member has been admitted to the Company as the sole member. The name, mailing address, and Interest of the sole member are set forth on Exhibit A attached hereto.

2.9 Representations and Warranties. The Member hereby represents and covenants that: (a) it is acquiring the Interest for its own account as an investment and without an intent to distribute the Interest; and (b) the Member acknowledges that the Interest has not been registered under the Securities Act of 1933, as amended, or any state securities laws, and may not be resold or transferred by the Member without appropriate registration or the availability of an exemption from such requirements.

ARTICLE 3 CAPITAL CONTRIBUTIONS

Concurrently with the execution of this Agreement, the Member shall make an initial Capital Contribution in cash or property having a fair market value in the amount set forth on Exhibit A attached hereto.

ARTICLE 4 ALLOCATIONS AND DISTRIBUTIONS

4.1 Allocation and Distribution of Profits and Losses. As long as the Company is disregarded for federal tax purposes, the Profits, Losses and Cash Flow of the Company shall be allocated and distributed to the Member for each Fiscal Year at such time and in such manner as the sole member determines.

4.2 Accounting and Records. The Company shall maintain, at its principal office, appropriate books and records, kept in accordance with accounting principles consistently applied.

ARTICLE 5 MANAGEMENT

5.1 General. In general, and except as otherwise provided herein or by applicable law, the Member shall be responsible for the management of the Company, and no individual who is not a duly elected officer of the Company shall have any responsibility, right or power to take part in the control of the Company's business or any authority or power to act or sign for or otherwise bind the Company.

5.2 Officers. The Member may elect such officers and delegate to them such duties as they determine to be appropriate for the operation of the Company's business. An officer may resign at any time. An officer may be removed and replaced by written action of the Member by designating a replacement officer at any time and for any reason or for no reason. The initial officers of the Company shall be:

President
Secretary & Treasurer

James Gansman
Paul Neitzel

The duties of each officer shall be consistent with the respective officer's title described in this section.

5.3 Powers and Authority. Except as otherwise provided herein or by nonwaivable provisions of applicable law, the powers and authority of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the discretion of the Member. Any action of the Member set forth in writing and signed by the Member shall be effective for the purpose of such action. Such action shall be binding and conclusive upon the Company and the Member.

5.4 Duties of the Member. The Member shall manage or cause to be managed the affairs of the Company in a prudent and businesslike manner, devoting such portion of its time and effort to Company affairs, as may reasonably be required for the effective management of such affairs; provided, however, that it is expressly understood and agreed that the Member shall not be required to devote its entire time or effort to the business of the Company and shall not be restricted in any manner from participating in any other business or activities.

5.5 Indemnification. The Company hereby agrees to and shall indemnify and defend the Member and any officers of the Company, and any employee or agent of the Company, and hold each of them harmless from and against any and all obligations, losses, damages, penalties, actions, judgments, suits, proceedings, costs, expenses and disbursements of any kind or nature whatsoever than may be imposed on, incurred by or asserted against the indemnified party (including, without limitation, all costs and expenses of defense, appeal and settlement) to the fullest extent permitted by the Act. The obligations of the Company under this Section 5.5 shall be satisfied solely from the assets of the Company, and the Member shall have no personal liability on account thereof.

5.6 Insurance. The Company shall have the power to purchase and maintain insurance on behalf of the Member or any person that is or was an officer of the Company or otherwise affiliated with the Company against any liability asserted against and incurred by such party in such party's capacity, or arising out of the party's status as such, whether or not the Company would have the power to indemnify the party against such liability under the provisions of Section 5.5 hereof.

ARTICLE 6 DISSOLUTION AND WINDING UP

6.1 Dissolution. The Company shall terminate upon the earliest to occur of the following events ("Liquidating Event"):

- (a) at any time that there ceases to be at least one (1) member; or
- (b) upon the entry of a decree of judicial dissolution.

Upon the occurrence of any Liquidating Event, a certificate of cancellation containing the information required by the Act shall be delivered to the Delaware Secretary of State for filing.

6.2 Winding Up. Upon dissolution of the Company, the Member shall wind up all of the Company's affairs and proceed to liquidate all of the Company's assets as promptly as is consistent with obtaining their fair value. The Company's property and cash shall be distributed:

- (a) to creditors, including the Member if such Member is a creditor of the Company, to the extent permitted by law, in satisfaction of the liabilities of the Company, then
- (b) to the Member.

Liquidation proceeds shall be paid within sixty (60) days of the end of the Company's Fiscal Year or, if later, within ninety (90) days after the date of liquidation. Such distributions shall be in cash or property (which need not be distributed proportionately) or partly in both.

ARTICLE 7 MISCELLANEOUS PROVISIONS

7.1 Entire Agreement. This Agreement and the Certificate of Formation contain the entire understanding of the Member with respect to the subject matter hereof.

7.2 No Partnership Intended for Non-Tax Purposes. The Member has formed the Company pursuant to the Act, and expressly does not intend to form a partnership or a limited partnership.

7.3 Rights of Creditors and Third Parties Under This Agreement. This Agreement is entered into by the Member for the exclusive benefit of the Company, the Member and its successors and assigns. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other Person. Except and only to the extent provided by applicable statute, no creditor or third party shall have any rights under this Agreement or any agreement between the Company and any member with respect to any Capital Contribution or otherwise.

7.4 Severability. Every provision of this Agreement is intended to be severable. If any term or provision of this Agreement is illegal or invalid for any reason, the illegality or invalidity shall not affect the legality or validity of the remainder of this Agreement.

7.5 Binding Effect. Except as otherwise provided in this Agreement, every covenant, term and provision of this Agreement shall be binding upon and inure to the benefit of the Member and its legal representatives, successors and assigns.

7.6 Notice. All notices required or permitted by this Agreement shall be in writing. Notice to the Company shall be given to the Company at its principal office or personally delivered to the custodian of the Company's records. Notice to the Member shall be given or personally delivered to the Member at the address indicated on Exhibit A, as amended from time to time, unless the Member has notified the Company in writing of a different address.

7.7 Headings, Etc. The words Article, Section, and titles or captions contained in this Agreement are for convenience of reference only, and in no way define, limit, extend or describe the scope of this Agreement or the intent of any of the provisions hereof. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the Person or Persons may require.

7.8 Exhibits. Each exhibit, schedule or certificate attached to this Agreement is incorporated and made a part of this Agreement for all purposes.

7.9 Delaware Law Controlling. The laws of the State of Delaware, including the Act, shall govern the validity of this Agreement, the construction of its terms and all the interpretation of the rights and duties of the parties hereto.

IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the day and year first above written.

ROCK CREEK ADVISORS, LLC

By: James Gansman
Name: James Gansman
Title: President

APPENDIX

“Act” means Chapter 18 of The Delaware Limited Liability Company Act, as amended from time to time.

“Certificate of Formation” means the Certificate of Formation of the Company as properly adopted and amended from time to time by the sole member and filed with the Delaware Secretary of State pursuant to the Act.

“Capital Contribution” means any contribution of cash, property or services to the Company made by or on behalf of a member pursuant to Article 3 hereof.

“Cash Flow” means, for any period, the gross cash revenues actually received from Company operations for such period, less the portion thereof used to pay operating expenses (including any additions to the working capital reserves) for such period, all as determined by the Member.

“Fiscal Year” means the taxable year of the Member.

“Interest” means the Member’s ownership interest in the Company.

“Losses” for any Fiscal Year means the net loss of the Company for such Fiscal Year or fraction thereof; as determined for federal income tax purposes.

“Person” means a natural person, trust, estate, partnership, limited liability company or any incorporated or unincorporated organization, association, or entity.

“Profits” for any Fiscal Year means the net income of the Company for such Fiscal Year or fraction thereof, as determined for federal income tax purposes.

“Registered Agent” shall mean the agent designated by the Company from time to time for service of process pursuant to the Act.

EXHIBIT A

TO THE LIMITED LIABILITY COMPANY AGREEMENT OF
CSC (ABC), LLC

<u>Member</u>	<u>Initial Capital Contribution and Value</u>	<u>Percentage Interest</u>
Rock Creek Advisors, LLC 1738 Belmar Blvd. Belmar, NJ 07719	\$10.00	100%
TOTALS	\$10.00	100%

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Case No. 2025-1364-



EXHIBIT B

GENERAL ASSIGNMENT

GENERAL ASSIGNMENT FOR THE BENEFIT OF CREDITORS

THIS GENERAL ASSIGNMENT FOR THE BENEFIT OF CREDITORS (this “General Assignment”) is made this 21st day of November, 2025 (the “Effective Date”), by and between **CORSICANA ACQUISITION, LLC**, a Delaware limited liability company located at 104 Decker Court Suite 100, Irving, Texas 75062, Federal Tax Identification Number 88-3728506, hereinafter referred to as “**Assignor**”, and **CSC (ABC), LLC**, a Delaware limited liability company, located at 1738 Belmar Blvd., Belmar, New Jersey 07719, Federal Tax Identification Number 41-2663043, solely in its capacity hereinafter referred to as “**Assignee**.**”**

RECITALS

A. Assignor is indebted to various persons, corporations, and other entities and is unable to pay its debts in full. As a result, Assignor has decided to discontinue its business and transfer all of its property to an assignee for the benefit of creditors under applicable Delaware law so that the property transferred may be expeditiously liquidated and the proceeds thereof fairly distributed to its creditors without any preference or priority, except such priority as established and permitted by law (including, without limitation, the law of contracts); and

B. Assignor has determined that Assignee is an entity possessing the capabilities to administer the Corsicana Assignment Estate (defined below), including, without limitation, the liquidation of the estate’s assets.

NOW, THEREFORE, in consideration of Assignor’s existing indebtedness to its creditors, the covenants and agreements to be performed by Assignee and other consideration, receipt of which is hereby acknowledged, it is hereby **AGREED**:

1. **Creation of Assignment Estate.** Upon the execution of this General Assignment, a certain assignment estate shall be created, the name of which is the “**Corsicana Assignment Estate**,” to enable Assignee to administer such assignment estate to be comprised of the Assigned Assets (defined in paragraph 2 below). Assignee’s administration of the Corsicana Assignment Estate shall include the orderly liquidation of the property and assets of Assignor and the distribution of the proceeds therefrom to creditors of Assignor in accordance with applicable law. Assignor hereby nominates and appoints Assignee to administer the Corsicana Assignment Estate. Assignee and its agents shall have the powers and duties hereinafter set forth and shall receive reasonable compensation for their services and reimbursement of their expenses, including, without limitation, reimbursement of attorneys’ fees and costs. Assignee may serve without bond, except to the extent a bond is required by law or court order.

2. **Transfer of Assets.**

a. Assignor hereby assigns, grants, conveys, transfers, and sets over to Assignee, in trust, for the benefit of Assignor’s creditors generally, all of Assignor’s currently existing right, title, and interest in all real or personal property and all other assets, whatsoever and wheresoever situated, which assets include, without limitation, all personal property and any interest therein, including all that certain stock of merchandise, office furniture and fixtures, machinery, equipment, leasehold interests and improvements, inventory (raw goods, work in

process and finished goods), book accounts, books and records, bills, accounts receivable, cash on hand, cash in bank, intellectual property including, without limitation, all patents, patent applications, copyrights, trademarks and trade names, and all goodwill associated therewith, proceeds of or payments on claims under insurance policies (including, subject to the limitation in section 2(b)(iii) below, from or under any and all policies for Directors and Officers Liability Insurance), tax refunds, rebates, general intangibles (including any and all causes of action), insurance refunds and claims (including any payments arising out of Directors and Officers Liability Insurance), and choses in action that are legally assignable, together with the proceeds of any non-assignable choses in action that may hereafter be recovered or received by the Assignor, and all real property interests. Further, this General Assignment specifically includes all claims for refunds or abatement of all excess taxes heretofore or hereafter assessed against or collected from the Assignor by the United States or any of its departments or agencies, any state or local taxing authority, and the Assignor agrees to sign and execute a power of attorney or such other document(s), as required, to enable Assignee to file and prosecute, compromise, and/or settle all such claims before the respective taxing authority. Assignor agrees to endorse any refund checks relating to the prior operations of said Assignor's business and to deliver such checks immediately to Assignee, except in the case of any of the foregoing, solely to the extent the same is prohibited from transfer or assignment by the terms of any applicable contract or by operation of law. All of the assets assigned by this General Assignment shall be referred to herein as the "**Assigned Assets.**"

b. Notwithstanding subsection a. above or any other provision of this General Assignment, (i) Assignee shall provide Assignor and its attorneys and other representatives with reasonable access to the books and records and other financial information of Assignor as reasonably requested from time to time, (ii) Assignee shall ensure that any agreement to sell Assignor's assets contains a provision requiring any purchaser to provide Assignor and its attorneys and other representatives with such reasonable access to the books and records and other financial information of the Assignor as reasonably requested from time to time, and (iii) the definition of Assigned Assets shall not include any policy proceeds that would be directly payable to or payable on behalf of any insured individual under Assignor's insurance policies, including, without limitation, so-called "Side A" Coverage under Assignor's Directors and Officers Liability Insurance, and nothing in this General Assignment shall be construed to prevent or hinder any such individual from seeking access to any such policy proceeds. Further, the assignment of the Assigned Assets by Assignor to Assignee hereunder is and shall be subject to all properly perfected liens encumbering any of the Assigned Assets existing as of the Effective Date.

3. **Leases and Leasehold Interests.** The Assigned Assets further include all leases and leasehold interests of Assignor, to the extent assignable, including leases in any asset of Assignor and real property leases; provided that, should Assignee determine that any said lease or leasehold interest is of no value to the Corsicana Assignment Estate, then said lease or leasehold interest may be thereby relinquished by Assignee without further liability or obligation to Assignee. This Section 3 is not intended to abrogate any assignment provision of Assignor's existing lease agreements.

4. **Delivery of Documents; Endorsements; Forwarding of Mail.** Assignor authorizes the forwarding of its mail by the U.S. Postal Service, as directed by Assignee. Assignor

agrees to (i) deliver to Assignee all existing books and records, (ii) execute and deliver all additional and reasonably necessary documents upon Assignor's reasonable discretion, promptly upon request by Assignee, and (iii) endorse all indicia of ownership, where required by Assignee in order to complete the transfer of all Assigned Assets to Assignee as intended by this General Assignment.

5. **Powers and Duties of Assignee.** Assignee shall have all powers under law necessary to marshal and liquidate the Corsicana Assignment Estate, including, without limitation:

a. To collect any and all accounts receivable and obligations owing to Assignor and not otherwise sold by Assignee;

b. To sell or otherwise dispose of all of the Assigned Assets, including, without limitation, all of Assignor's causes of action in such manner as Assignee deems best. Assignee shall have the power to execute asset purchase agreements, bills of sale and any other such documents necessary or reasonably requested to convey right, title, and interest in Assignor's property to any bona fide buyer;

c. To sell or otherwise dispose of all Assigned Assets, Assignee shall have the power to employ (i) an auctioneer and/or liquidator to conduct any public or private sale of the assets and to advertise said sale(s) in such manner as Assignee deems best, and (ii) disinterested appraisers pursuant to 10 Del. C. § 7382 to appraise the value of the Assigned Assets;

d. To employ attorneys (including ArentFox Schiff LLP), accountants, and any other additional personnel to whatever extent may be necessary to administer the Assigned Assets and claims of the Corsicana Assignment Estate and to assist in the preparation and filing of any and all State, County, or Federal Tax Returns, as required, including, without limitation, filing final state and federal tax returns for the Assignor. Assignor shall have the right to review, amend, revise, approve, and sign all state and federal tax returns;

e. To request and require all of Assignor's creditors to whom any balance is owing to submit verified statements to Assignee of said claim(s);

f. To settle any and all claims against or in favor of Assignor, with the full power to compromise or, in Assignee's sole discretion, to sue or be sued, and to prosecute or defend any claim or claims of any nature whatsoever existing with regard to Assignor;

g. To open bank accounts in the name of Assignee or its nominees or agents and to deposit the Assigned Assets or the proceeds thereof in such bank accounts and to draw checks thereon and with the further power and authority to do such acts and execute such papers and documents in connection with this General Assignment, as Assignee may deem necessary or advisable;

h. To conduct the business of Assignor should Assignee deem such operation proper;

i. To incur indebtedness, which also includes the funding of certain Assignor expenses as delineated in the ABC Budget;

j. To dissolve Assignor pursuant to applicable law governing corporate dissolutions;

k. To apply the net proceeds arising from the operation of and liquidation of Assignor's business and the Assigned Assets and as allowed by law, in the following manner as to amounts only and not time of distribution:

(1) FIRST, payment of reasonable fees to Assignee (such fees of Assignee to be in accordance with the Compensation and Expense Reimbursement Agreement (the "**Compensation Agreement**") of even date herewith between Assignor and Assignee) and payment of reasonable compensation and reimbursement of expenses for the services of attorneys for the Assignee (including, without limitation, ArentFox Schiff LLP), accountants of Assignee, accountants involved in preparation of tax returns for Assignor, certain professionals retained by the Assignor in connection with the transactions contemplated by this General Assignment, and any other professionals and/or employees retained by Assignee for assistance in the administration of the Corsicana Assignment Estate (all such fees and expenses to be within the limits set forth in the budget attached to this General Assignment as Exhibit A (the "**ABC Budget**")));

(2) SECOND, to reimburse Assignee as to all costs advanced by Assignee for the preservation of the Assigned Assets, including the maintenance and insurance of said assets, to the extent set forth in the ABC Budget;

(3) THIRD, payment of all sums required to be paid in order to discharge any lien or encumbrance on, or any security interest in, any of said property and any secured indebtedness which under applicable law is entitled to priority of payment (including, without limitation, any indebtedness secured by liens on the Assigned Assets sold by Assignee), in the order required under applicable law;

(4) FOURTH, payment of all other costs and expenses incidental to the administration of the Corsicana Assignment Estate, including, without limitation, all sales or similar tax resulting from disposition or sale of the Assigned Assets that is not paid by purchaser of such assets, legal fees of Assignor for legal services rendered, including services related to the making of and administration of the General Assignment, and fees or expenses of any other professionals Assignee deems necessary to properly administer the Corsicana Assignment Estate, to the extent not paid pursuant to section 5(j)(1) hereof (all within the limits of the ABC Budget), as well as the cost of defense and satisfaction of indemnification claims pursuant to the terms hereof and the cost of any required appraisal or bond;

(5) FIFTH, all federal taxes of any nature whatsoever owing as of the date of this General Assignment or such other claim of any federal governmental agency, as defined under 31 U.S.C. § 3713, including, without limitation, federal withholding taxes,

federal unemployment taxes, and any other federal income, excise, property, and employment taxes;

(6) SIXTH, all state, county, and municipality taxes of any nature whatsoever owing as of the date of this General Assignment, including, without limitation, employment, property, and income taxes;

(7) SEVENTH, all other debts owing as of the date of this General Assignment that are entitled to priority treatment and payment under applicable law;

(8) EIGHTH, with the exception of those classes set forth above, to other unsecured creditors of Assignor, within each class of such creditors established by Assignee, pro-rata in accordance with the terms of each creditor's indebtedness, until all such debts are paid in full. No payment shall be made to any creditor whose claim is disputed until such time as such dispute is resolved. Each creditor's otherwise pro-rata share of such distribution shall be fully reserved for by Assignee until such time as the dispute is resolved. Assignee may make interim distributions whenever Assignee has accumulated sufficient funds to enable it to make a reasonable distribution;

(9) NINTH, any monies (distributions) unclaimed by creditors ninety (90) days after the final distribution to unsecured creditors, if any, or the termination of the administration of the Corsicana Assignment Estate created by this General Assignment shall be re-distributed to all known unsecured creditors who cashed their respective distribution checks from the Corsicana Assignment Estate, so long as any such distribution exceeds one percent of each such creditor's allowed claim; and

(10) TENTH, the surplus, if any, of the Corsicana Assignment Estate or proceeds thereof, when all debts of Assignor shall have been paid in full, shall be paid and transferred to Assignor for the benefit of Assignor's members in accordance with the Assignor's operational agreement.

1. To do and perform any and all other acts necessary and proper for the liquidation or other disposition of the assets, including, without limitation, abandonment and the distribution of the proceeds derived therefrom to Assignor's creditors; provided, however, that Assignee shall not abandon any of such assets to Assignor.

6. **Rights of Creditors.** Nothing herein modifies any rights and remedies of the creditors of Assignor against any surety or sureties for Assignor, and nothing herein shall prevent the creditors or any of them from suing any third parties or persons who may be liable to any of the creditors for all or any part of their claims against Assignor, or from enforcing or otherwise obtaining the full benefit of any mortgage, charge, pledge, lien, or other security which they now hold on any property of Assignor.

7. **Administration of Corsicana Assignment Estate.** Assignee shall administer the Corsicana Assignment Estate in a manner consistent with Delaware law and other applicable state law. Additionally, Assignee will file all necessary pleadings required in an assignment for the

benefit of creditors proceeding under 10 Del. C. §§ 7381-7387. Assignee also shall have the right to ask any court of competent jurisdiction for a declaratory judgment or such other relief as Assignee may deem necessary, if, in its opinion, said action is desirable in connection with any dispute or claim arising hereunder.

8. **Limitation of Liability of Assignee; Indemnification.**

a. Assignor acknowledges that Assignee is acting solely in its limited capacity as Assignee of the Corsicana Assignment Estate, and not in Assignee's personal capacity. The parties hereto acknowledge and agree that neither Assignee nor any of its members, managers, employees, officers, agents, attorneys or representatives will assume any personal liability or responsibility for any of Assignee's acts described herein. Assignee's obligations shall be limited to the performance of the terms and conditions of this General Assignment in good faith and in the exercise of its best business judgment. No implied covenants or obligations shall be read into this General Assignment against Assignee.

b. Assignee and its professionals shall be indemnified by the Corsicana Assignment Estate for any claims brought against them for any of their acts or omissions, except where it is determined in a final judgment by a court of competent jurisdiction that Assignee's or its professionals conduct was willful or grossly negligent.

9. **Reliance.** Assignee may conclusively rely and shall be protected in acting upon the truth, accuracy, and completeness of any statement, certificate, opinion, resolution, instrument, report, notice, request, consent, order, or other paper or document furnished to Assignee by Assignor or its directors, managers, employees, officers, agents, or representatives. Assignee may conclusively rely and shall be protected in acting upon the truth, accuracy, and completeness of any statement, certificate, opinion, resolution, instrument, report, notice, request, consent, order, or other paper or document believed by it to be genuine and to have been properly signed or presented.

10. **Representations and Warranties of Assignor.**

a. As of the Effective Date, Assignor has all requisite power and authority to execute, deliver, and perform its obligations under this General Assignment, including, without limitation, to transfer the property transferred to Assignee hereby;

b. The execution, delivery, and performance of this General Assignment by Assignor has been duly authorized by all necessary corporate and other action and does not and will not require any registration with, consent or approval of, or notice to or action by, any person (including any governmental authority) in order to be effective and enforceable; and

c. This General Assignment constitutes the legal, valid, and binding obligation of Assignor, enforceable against it in accordance with the General Assignment's respective terms.

11. **Power of Attorney.** Assignor, by this General Assignment, hereby grants Assignee a general power of attorney, which power of attorney specifically includes the right of

Assignee to prosecute any action in the name of Assignor as Attorney-in-Fact. Further, on the date the General Assignment is accepted by Assignee, the Assignee shall succeed to all of the rights and privileges of Assignor, including, without limitation, any attorney-client privilege, in respect to any potential or actual claims, cases, controversies, or causes of action, and shall be deemed, subject to court approval, if necessary, to be a representative of Assignor with respect to all such potential or actual claims, cases, controversies, or causes of action. For the avoidance of doubt, this power of attorney does not constitute the Assignee's assumption of the defense to any pending litigation initiated against the Assignor in a court of law, unless the Assignee expressly assumes the defense of such litigation with the entry of a notice of appearance in such litigation.

12. **Acceptance by Assignee.** By execution of this General Assignment, Assignee does hereby accept the estate herein created and agrees to faithfully perform its duties according to the best of Assignee's skill, knowledge, and ability in accordance with applicable law. It is understood that Assignee shall receive reasonable compensation for its services in connection with the administration of the Corsicana Assignment Estate. Reasonable compensation does not replace or subsume the reimbursement of all of Assignee's expenses incurred as a result of the administration of the Corsicana Assignment Estate from the proceeds generated therefrom.

13. **Resignation by Assignee.** Assignee may resign and be discharged from its duties hereunder at any time; provided that, such resignation shall not become effective until (i) a successor assignee has been appointed by Assignee and such successor has accepted its appointment in writing delivered to Assignee, or (ii) Assignee petitions the Court of Chancery of the State of Delaware (the "**Court**") to appoint a successor assignee, and the Court so appoints such a successor. Thereupon, such successor assignee shall, without any further act, become vested with all of the estates, properties, rights, powers, trusts, and duties of its predecessor in connection with this General Assignment with like effect as if originally named therein, but Assignee shall nevertheless, when requested in writing by the successor assignee, execute and deliver an instrument or instruments conveying and transferring to such successor assignee all of the estate's properties, rights, powers, and trusts in connection with this General Assignment and shall duly assign, transfer, and deliver to such successor assignee all property and money held by Assignee hereunder.

14. **Governing Law.** This General Assignment shall be governed by and construed in accordance with the laws of the State of Delaware applicable to a contract executed and performed in such State, without giving effect to the conflicts of law principles thereof.

15. **Counterparts.** This General Assignment may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

ASSIGNOR

CORSICANA ACQUISITION, LLC

By: Sally Erickson

Name: Sally Erickson
Title: Chief Financial Officer

ASSIGNEE

CSC (ABC), LLC

By: _____

Name: James E. Gansman
Title: President

Signature Page to
General Assignment

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

ASSIGNOR

CORSICANA ACQUISITION, LLC

By: _____

Name: Sally Erickson

Title: Chief Financial Officer

ASSIGNEE

CSC (ABC), LLC

By: James Gansman

Name: James E. Gansman

Title: President

Signature Page to
General Assignment