

**NOTICE OF ASSIGNMENT FOR THE BENEFIT OF CREDITORS**  
**RELATING TO FSM COMPANY 1A, LLC f/d/b/a THE PRINTING SOURCE**

PLEASE TAKE NOTICE that on or about August 3, 2020, **FSM Company 1A, LLC f/d/b/a The Printing Source ("TPS")** executed the Trust Agreement and Assignment for the Benefit of Creditors of FSM Company 1A, LLC f/d/b/a The Printing Source (the "**Assignment**") pursuant to which the undersigned, David A. Sosne, was appointed as the "**Assignee**". By this Assignment, all remaining assets of TPS, which ceased active operations on or about September 19, 2019 (the "**Assets**"), were transferred to the Assignee for the purpose of liquidating the Assets and distributing the proceeds as set forth in the Assignment, a copy of which is enclosed as Exhibit 1. You are receiving this Notice as it is believed you are or may be a creditor of TPS.

Assignee is an attorney with the law firm of Summers Compton Wells LLC ("**SCW**") in St. Louis and has been a panel chapter 7 trustee in bankruptcy for more than thirty (30) years. Over the years, Assignee has devoted a substantial amount of time dealing with financially troubled businesses and debtor/creditor relationships.

Assignee will be communicating with you periodically through a link to the website of SCW and through mailings. To access information, go to SCW's website, (<https://www.summerscomptonwells.com>) click on the Resource section and then to the page dealing with this Assignment. The goal is to provide financial transparency to all creditors and parties in interest. Most communications will be done through the website due to the time and expense of mass mailings. If any creditor or party in interest is interested in communicating with Assignee or his staff, the preferred method would be to email Assignee or his assistant at the email addresses below. The Assignee will maintain a mailing matrix of creditors and will also maintain a list of email addresses of all creditors who provide their email addresses.

At the present time and for the reasons set forth herein, Assignee cannot predict when and if there will be available funds to pay creditors of TPS, although the hope is that there might be a modest dividend or distribution to creditors. The primary assets of TPS consist of commercial real estate, a bank account and a contingent receivable payable monthly over a period of approximately three and half (3.5) years owed by Garlich Printing Company, which purchased various TPS' assets in 2019. The liabilities of TPS include (A) a debt to Enterprise Bank of about \$3,185,000 together with interest and attorneys' fees, secured by the commercial real estate and other assets of TPS and a pledge of an approximately \$750,000 financial account ("**Affiliate Cash Account**") by an affiliate of TPS (the "**Affiliate**"), (B) a debt to the State of Missouri for unpaid sales tax in the approximate amount of \$100,000, and (C) general unsecured debt. The assets and liabilities are summarized on Exhibit 2, which is enclosed with this Notice.

The hope is to liquidate the various assets of TPS, pay the Enterprise secured debt, pay the tax debt, and distribute the remaining funds to general creditors and the Affiliate in accordance with the terms and conditions set forth in the Assignment. The timing of any sale of the commercial real property, which sale will be done by Assignee, the amount received therefrom, and the amount collected by Assignee from Garlich Printing Company will help determine what is available to creditors. Likewise, the amount of claims will also clarify and affect the extent and percentage of any distribution to creditors. When and if it appears imminent of a potential

distribution, Assignee will establish a claims process to fix and determine each claimant's claim. Based on information made available by TPS, the estimate of the assets and liabilities of TPS are summarized on Exhibit 2, which is enclosed with this Notice.

Assignee has had no prior dealings with TPS, its affiliates or principals prior to this Assignment. The terms and conditions of the Assignment are based on negotiations between TPS and Assignee. Assignee's goal is to provide an orderly process to pay creditors pro rata, after payment of secured debt and administrative expenses of this Assignment, rather than have a series of lawsuits, some of which are pending, that come with the added expense of defending litigation and a race to the courthouse to see who gets to the assets first. The Assignment does not preclude creditors from other options, such as a bankruptcy filing, in the event creditors prefer a different approach to liquidation.

Assignee urges all creditors to refrain from inundating Assignee with requests and demands for information so that the process can proceed smoothly and expeditiously. Nevertheless, Assignee will do his best, within reason, to answer any inquiries and to liquidate and distribute the Assets in a timely and orderly fashion.

David A. Sosne, Assignee  
Summers Compton Wells LLC  
8909 Ladue Road  
St. Louis, MO 63124  
(314) 991-4999  
[dsosne@summerscomptonwells.com](mailto:dsosne@summerscomptonwells.com)

Christina L. Hauck, Assistant to Assignee  
[chauck@summerscomptonwells.com](mailto:chauck@summerscomptonwells.com)



**TRUST AGREEMENT AND ASSIGNMENT FOR THE BENEFIT OF CREDITORS  
OF FSM COMPANY 1A, LLC f/d/b/a THE PRINTING SOURCE**

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THIS TRUST AND AGREEMENT AND ASSIGNMENT FOR THE BENEFIT OF CREDITORS (the "Assignment"), is made and entered into this 3<sup>rd</sup> day of August, 2020, by and between FSM COMPANY 1A, LLC f/d/b/a THE PRINTING SOURCE, a Delaware limited liability company, located at 2373 Ball Drive, Maryland Heights, Missouri 63146 (hereinafter referred to as "TPS"), and David A. Sosne, of Summers Compton Wells LLC located at 8909 Ladue Road, St. Louis, Missouri 63124 (hereinafter referred to as the "Assignee").

**WITNESSETH:**

WHEREAS, TPS is indebted to various persons, corporations and other entities and is unable to pay its debts in full, and has discontinued its ongoing business operations, and is desirous of transferring its property to an Assignee for the benefit of its creditors so that the property so transferred may be expeditiously liquidated and the proceeds thereof be fairly distributed to its creditors without any preference of priority, except such priority as is established and permitted by applicable law;

NOW, THEREFORE, in consideration of TPS' existing indebtedness to its creditors, the express undertakings of the Assignee and the mutual covenants contained herein, it is hereby AGREED:

I. **Creation and Object of Trust.** The name of this assignment shall sometimes be referred to herein as the "TPS ABC Agreement" and its object shall be the orderly liquidation of the assets and property of TPS, and the distribution of the proceeds therefrom to creditors of TPS, in accordance with applicable law. TPS hereby nominates and appoints David A. Sosne as Assignee to carry out the purpose of this Assignment in accordance

with its terms and conditions. The Assignee shall have the powers and duties hereinafter set forth, and shall receive reasonable compensation for his services and reimbursement of his expenses, including, but not limited to reimbursement of his attorneys' fees and costs. The Assignee may serve without bond. In the event of death, inability or refusal to act, or the resignation of David A. Sosne, as Assignee, then, in any such event Brian LaFlamme also of Summers Compton Wells LLC, is hereby appointed as Successor Assignee with all the duties, rights, and powers herein imposed upon and granted to David A. Sosne, as the original Assignee.

2. **Transfer of Assets.** TPS does hereby grant, convey, assign, transfer and set over to the Assignee all property and assets of TPS, whatsoever and wheresoever situated, which are now, or ever have been, used in connection with the operation of TPS's business. The property and assets transferred shall include, without limitation, if any such assets exists, all real and personal property, tangible and intangible, including, without limitation, all cash on hand, bonds, bank accounts, all accounts receivable, all furniture, fixtures, equipment, leasehold improvements, inventory, general intangibles, patents, insurance premium and/or policy refunds, trade names, trademarks, franchises, service marks, and causes of action (collectively, the "Assigned Assets"). Title to the Assigned Assets of TPS shall immediately vest in the Assignee for the use and purpose hereinafter set forth, subject only to any valid liens or security interests existing on any of the assets to be transferred on the date hereof

3. **Powers and Duties of Assignee.** The Assignee shall have, inter alia, the following powers, rights and duties:

- (a) To collect any and all accounts receivable owing to TPS.
- (b) To sell, or otherwise dispose of, if such exists, all real property of TPS in such manner as the Assignee deems best. The Assignee shall have the power to execute any and all documents, including, without limitation, any

agreements and deeds, and to perform such other duties necessary to effectuate a sale of said real property and to convey title to same.

- (c) To sell, or otherwise dispose of, if such exists, all tangible and intangible personal property of TPS, including, but not limited to, all of its machinery, equipment, inventory, service marks, trade names, trademarks, patents, franchises, causes of action and general intangibles, at private or public sale upon such notice and upon such terms as the Assignee deems best. The Assignee shall have the power to execute bills of sale and any other documents necessary to convey title to TPS's personal property.
- (d) To employ attorneys, realtors, brokers, auctioneers, accountants, and such additional professionals or personnel to do whatever may be necessary to sell the assets of TPS, to distribute assets to creditors, to assist the Assignee in connection with any legal or accounting functions, and to handle such other administrative details or duties required of this Assignment.
- (e) To establish a claims procedure for the resolution of all claims of creditors of TPS and to require all such creditors of TPS to whom a balance is now owing to submit verified statements of their accounts.
- (f) To settle any and all claims against or in favor of TPS, with full power to compromise, or in the discretion of the Assignee, to sue or be sued, and to prosecute or defend any claim or claims of any nature whatsoever existing against or in favor of TPS.
- (g) To pay the creditors of TPS out of the monies that shall come into his hands as Assignee, according to the priorities set forth in R.S.Mo. §515.625, except as set forth in Section 4 hereof.

(h) To do and perform any and all other acts necessary and proper for the orderly liquidation or other disposition, including, but not limited to, abandonment of the assets and property of TPS and the distribution of the proceeds derived therefrom to the creditors of TPS.

4. **Special Provisions Regarding Enterprise Bank's Secured Claim; Claims of Affiliates.**

See Schedule A attached hereto and incorporated herein by this reference.

5. **Employment of Counsel of Assignee; Compensation for Assignee and His Counsel.** It is hereby represented and agreed by the parties that the law firm of Summers Compton Wells LLC, located at 8909 Ladue Road, St. Louis, Missouri 63124, shall be employed to act as attorney for the Assignee, and shall render such legal services as the Assignee requires during the existence of this Assignment. Additional special or other counsel may be retained by the Assignee should he deem the same necessary to prosecute or defend any legal or equitable action or to perform such other duties as may be required in the circumstances. Upon acceptance of the assignment, the Assignee shall transfer the sum of Thirty Thousand Dollars (\$30,000.00) to his law firm's IOLTA trust account (the "Trust Account"). The Assignee and his counsel shall be compensated for

services rendered hereunder on a monthly basis by withdrawing funds from the Trust Account. The Assignee's hourly rate for himself and any other lawyers at the Firm shall be \$375, and the Assignee reserves the right to charge for paraprofessionals employed by the Firm as their then current standard hourly rates. Any unused portion of this retainer shall be used to pay other expenses of the estate created hereby or, to the extent appropriate, to make distributions to holders of allowed claims. In the event the compensation due to the Assignee, his firm or any other professionals exceeds \$30,000.00, they shall be entitled to utilize any funds then available in the estate created hereby for payment of such compensation.

6. **Rights of Creditors.** All rights and remedies of the creditors against any surety or sureties for TPS are hereby expressly reserved and nothing herein contained 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 TPS, 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, creditors or effects of TPS.

7. **Administration of Assignment.** This Assignment shall be administered out of court. The Assignee shall, however, have the right to ask any court of competent jurisdiction for a declaratory judgment or such other relief as the Assignee may deem necessary, if, in his opinion, said action is desirable in connection with any dispute or claim arising hereunder.

8. **Liability of Assignee.** It is understood and agreed that the Assignee is to assume no personal liability or responsibility for any of his acts as Assignee herein, but his

obligation shall be limited to the performance of the terms and conditions of this Assignment in good faith and/or in the exercise of his judgment. The Assignee shall have no liability for any acts performed in within the scope or ordinary course of his duties and shall further have no liability except in the event of reckless, willful and intentionally wrongful acts or omissions. The Assignee shall be entitled to utilize any assets, or any proceeds therefrom, assigned to him pursuant to this Assignment in the defense of any claims asserted against him or anyone he employs to assist him or them with regard to any matters in the scope or course of Assignee's duties, in the exercise of good faith, and/or in the exercise of his or their judgment, irrespective of whether the claims asserted are alleged to be negligent.

9. **Warranties.** FSM COMPANY IA, LLC f/d/b/a THE PRINTING SOURCE hereby warrants as follows:

- (a) To the best of TPS's best information and belief, the list of creditors delivered concurrently herewith to the Assignee is complete and correct as reflected by the books and records of TPS, or through its officers, managers, employees or members, as to names of said creditors, their addresses and the amounts due them, and TPS shall provide the Assignee with any updated information regarding the creditors promptly after receipt of same.
- (b) TPS, through its officers, managers, employees or members, shall perform any and all acts reasonably requested by the Assignee in the orderly maintenance and liquidation of TPS assets and the collection of monies owing to TPS, and in the distribution of said monies and the proceeds of asset sales to TPS creditors



without compensation, including such tasks as maintaining and preserving the real property.

(c) **TPS**, through its officers, managers, employees or members, shall provide such other and further documents as requested by the Assignee to fulfill the Assignee's obligations hereunder, including without limitations, deeds, bills of sale, and other instruments of conveyance.

10. **Acceptance by Assignee.** The Assignee does hereby accept this Assignment herein created and agrees to faithfully perform the same according to the best of the Assignee's skill, knowledge and ability. It is understood that the Assignee shall receive reasonable compensation for his services rendered in connection with this Trust.

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

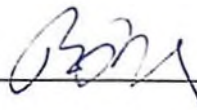
**FSM COMPANY 1A, LLC**  
**f/d/b/a THE PRINTING SOURCE**

By:   
Name: Robert D. Millstone  
Title: Manager

By: \_\_\_\_\_  
Name: Fred Flegel  
Title: Manager

Read and Agreed To:

FSM FUND I, L.P.

By:  \_\_\_\_\_

MILLSTONE CAPITAL ADVISORS. LLC

By:  \_\_\_\_\_

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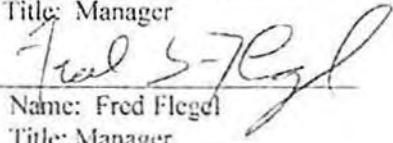
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IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

FSM COMPANY 1A, LLC  
f/d/b/a THE PRINTING SOURCE

By: \_\_\_\_\_  
Name: Robert D. Millstone  
Title: Manager

By:   
Name: Fred Flegel  
Title: Manager

Read and Agreed To:

FSM FUND L.L.P.

MILLSTONE CAPITAL ADVISORS, LLC

By: \_\_\_\_\_

By: \_\_\_\_\_

ACCEPTANCE

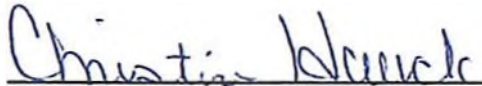
I, David A. Sosne hereinabove named, do hereby accept this Assignment hereinafter set forth, not individually, but solely in his capacity as Assignee, subject to the conditions set forth above.

  
\_\_\_\_\_  
David A. Sosne, Assignee

Date: 8/3/20

STATE OF MISSOURI    )  
                                  )  
COUNTY OF ST. LOUIS    )

Subscribed and sworn to before me this 3<sup>rd</sup> day of August 2020.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:



CHRISTINA HAUCK  
My Commission Expires  
August 5, 2022  
Jefferson County  
Commission #14629322

**ACTION BY THE BOARD OF MANAGERS**

The undersigned<sup>1</sup>, being all of the Board of Managers (hereinafter referred to as the "Board") of FSM COMPANY 1A, LLC f/d/b/a THE PRINTING SOURCE, a Delaware limited liability company (hereinafter referred to as the "Company"), without a meeting upon other and further notice, the same being hereby waived, that the following actions be taken by the Company:

1. IT IS RESOLVED: That the Company shall enter into the Trust Agreement and Assignment of FSM Company 1A, LLC, a/k/a the Printing Source (the "Assignment") and shall cause to be made an assignment of its assets with the object being an orderly liquidation of the Company's business and assets.

3. IT IS FURTHER RESOLVED: That the Managers of the Company are hereby authorized and directed to execute and deliver all necessary papers and documents pertaining to the creation of the Assignment to David A. Sosne, as Assignee, and said Assignee shall be authorized to do any and all acts necessary in order to fully carry out the intent and purposes of such Trust Agreement and Assignment for the Benefit of Creditors.

4. IT IS FURTHER RESOLVED: That the Managers of the Company are hereby authorized and directed to execute and deliver any and all other papers and documents, and to take any and all other acts which may be necessary in order to fully carry out the intent and purposes of the Assignment.

DATED: July 29, 2020

By:   
Robert D. Millstone

DATED: \_\_\_\_\_

By: \_\_\_\_\_  
Fred Flegel

<sup>1</sup> This Action by the Board of Managers may be executed in counterparts, and when taken together, the counterparts shall constitute one original document.

ACTION BY THE BOARD OF MANAGERS

The undersigned<sup>1</sup>, being all of the Board of Managers (hereinafter referred to as the "Board") of FSM COMPANY 1A, LLC f/d/b/a THE PRINTING SOURCE, a Delaware limited liability company (hereinafter referred to as the "Company"), without a meeting upon other and further notice, the same being hereby waived, that the following actions be taken by the Company:

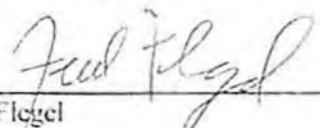
1. IT IS RESOLVED: That the Company shall enter into the Trust Agreement and Assignment of FSM Company 1A, LLC, a/k/a the Printing Source (the "Assignment") and shall cause to be made an assignment of its assets with the object being an orderly liquidation of the Company's business and assets.
3. IT IS FURTHER RESOLVED: That the Managers of the Company are hereby authorized and directed to execute and deliver all necessary papers and documents pertaining to the creation of the Assignment to David A. Sosne, as Assignee, and said Assignee shall be authorized to do any and all acts necessary in order to fully carry out the intent and purposes of such Trust Agreement and Assignment for the Benefit of Creditors.
4. IT IS FURTHER RESOLVED: That the Managers of the Company are hereby authorized and directed to execute and deliver any and all other papers and documents, and to take any and all other acts which may be necessary in order to fully carry out the intent and purposes of the Assignment.

DATED: \_\_\_\_\_

By: \_\_\_\_\_

Robert D. Millstone

DATED: 7/28/2022

By: 

Fred Flegel

<sup>1</sup> This Action by the Board of Managers may be executed in counterparts, and when taken together, the counterparts shall constitute one original document.

**Schedule A to Trust Agreement and Assignment for the Benefit of Creditors  
of FSM Company 1A, LLC f/d/b/a The Printing Source**

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The following is made a part of the foregoing Trust Agreement and Assignment for the Benefit of Creditors of FSM Company 1A, LLC, f/d/b/a The Printing Source. All of the terms and conditions in this Schedule A are in addition to, and not in lieu of, any of the terms in the foregoing.

Notwithstanding anything to the contrary set forth herein, the parties agree to the following:

(a) As soon as practicable after the date hereof, FSM Fund I, L.P. ("Fund I") will liquidate the cash deposited at Enterprise Bank & Trust ("Enterprise") pursuant to the Bank Account Pledge Agreement dated as of October 5, 2018 (such account shall be the Special Deposit Account") and the proceeds of such liquidation shall be used to (i) pay off Loan No. 8232308 at Enterprise and (ii) the remaining balance will be retained by the Assignee for use hereunder.

(b) Pending a sale of the real estate located at 2373 Ball Drive, St. Louis, Missouri 63146 (the "Real Estate"), the Assignee shall continue to make all installment payments ("Real Estate Payment") when due to Enterprise on Loan No. 8232324 (the "Real Estate Loan") and all installment payments due to the Missouri Department of Revenue on account of past due sales tax ("Sales Tax Payment"), provided, however, if at any time there are insufficient funds available to the Assignee to make (i) the Real Estate Payment or (ii) the Sale Tax Payment without jeopardizing the Assignee's ability to pay other costs of administering the assignment hereunder, then either Fund I or Millstone Capital Advisors, LLC ("Millstone Capital") shall cause the Real Estate Payment or the Sale Tax Payment when due, and neither Fund I nor Millstone Capital shall be entitled to

reimbursement from the Assignee for any such payments made prior to the sale of the Real Estate.

(c) if the Real Estate is sold, and the net sale proceeds thereof are more than sufficient to pay the Real Estate Loan in full, then the Assignee and Fund I shall share equally in the amount of any such excess, provided, however, that in no event shall Fund I receive more than the balance in the Special Deposit Account on the date of the assignment.

(d) if the Real Estate is sold, and the net sale proceeds thereof are insufficient to pay the Real Estate Loan in full, and Millstone Capital thereafter must make one or more payment(s) to Enterprise pursuant to the Guaranty Agreement dated October 5, 2018 (the "Millstone Capital Guaranty"), then all amounts thereafter collected by the Assignor on account of the receivable due from Garlich Printing Company shall be paid first to Millstone Capital to the extent of its actual post-closing payments under the Enterprise Guaranty (the "Subrogation Payments").

(e) All amounts collected by the Assignee from the Assigned Assets after the Real Estate Loan is paid in full and the Subrogation Payments have been reimbursed to Millstone Capital shall be split two-thirds to the Assignee and one-third to Fund I, provided, however, that in no event shall Fund I receive more than the proceeds in the Special Deposit Account on the date of this Assignment.

(f) Neither Fund I, Millstone Capital, nor any other "affiliate" (as defined in R.S. Mo. §515.505(1)) of Fund I or Millstone Capital shall be entitled to receive any distributions from the Assignee except as set forth in this Schedule A.

**EXHIBIT 2**

<b><u>ASSET</u></b>	<b><u>ESTIMATED VALUE</u></b>
Real Property located at 2373 Ball Drive, St. Louis, Missouri 63146	\$3,250,000.00 (Listing price; value to be determined by actual sale price).
Garlich Press Receivable (Contingent)	Amount to be collected is unknown due to many variables; monthly payments for approximately 3.5 years depending on sales and collections
Restricted financial account pledged to Enterprise Bank by affiliate of TPS	\$754,000.00
Panel Truck	\$10,000.00
Checking Account (less \$30,000 to be held initially by Assignee as listed below)	\$30,000.00
Funds allocated for Administrative Expenses held by Assignee for fees of Assignee and his attorneys	\$30,000.00

<b><u>LIABILITIES<sup>1</sup></u></b>	<b><u>ESTIMATED</u></b>
Enterprise Bank (secured)	\$3,185,000.00 plus interest and fees
General unsecured debt	Approximately \$2,000,000.00
Anticipated Administrative expenses for Assignee and professionals	Unknown but estimated at \$40,000.00 (amount may vary) \$30,000.00 held as security initially for certain Administrative Expenses
Missouri Sales Tax	Approximately \$100,000.00

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<sup>1</sup> The IRS has also asserted a claim, but it is believed that the IRS claim will be fully resolved with no further payment.