

EXHIBIT C

SALE AND AUCTION PROCEDURES

The Bankruptcy Court shall enter an order providing for the following Auction Procedures:

1. Sale Means. The sale shall be by means of an absolute auction subject only to confirmation by the Court at the Final Hearing that the Sale and Auction Procedures Order was followed and that an Acceptable Bidder was the Highest Bidder.

2. Time and Date of Auction. The auction sale shall take place at 12:00 Noon on _____, 2016, pursuant to the Sale and Auction Procedures Order. The Sale is intended to close on or before November 1, 2016. Time is of the essence.

3. Location. The auction sale shall take place in the Section 341 creditor room of the United States Bankruptcy Court for the Middle District of North Carolina located at 101 South Edgeworth Street, Greensboro, North Carolina, or such other place as may be ordered by the U.S. Bankruptcy Court for the Middle District of North Carolina.

4. Acceptable Bidder. An Acceptable Bidder must be a party who has provided the following on or before five (5) business days before the auction:

a. A cash deposit in the amount of \$10,000.00. The Seller's attorney shall deposit said funds in a separate bank account which is FDIC insured and in a bank which is approved as a designated depository in bankruptcy matters. Seller's attorney shall cause all deposits to be returned within three (3) business days following the auction date if said depositor is not the Highest Bidder. The deposit shall be returned by first-class mail to the address and entity which the Acceptable Bidder in writing has instructed the attorney for the Seller to return the deposit. If an Acceptable Bidder desires that the deposit be returned by wire transfer then said instructions for wire transfer shall be provided to Seller's attorney upon submission of the deposit. Failure of the Acceptable Bidder to provide proper instructions for the return of deposit will authorize Seller's attorney to hold said deposit pending written instructions.

b. In conjunction with the submission of deposits, any party desiring to be an Acceptable Bidder shall deliver evidence establishing to Seller's satisfaction such prospective bidder's financial ability to consummate the sale in a timely manner if such bidder becomes the Highest Bidder at the absolute Auction Sale.

c. Upon receipt of the deposit and evidence of ability to consummate, Seller shall promptly provide to such person ("Prospective Upset Bidder") copies of the Motion, the Asset Purchase Agreement and the Sale and Auction Procedures Order.

d. The Seller shall promptly provide the name of each Prospective Upset Bidder to the Initial Acceptable Bidder ("Purchaser" as defined in the Asset Sale Agreement), the

Unsecured Creditors' Committee, if any, the Bankruptcy Administrator, and Capital Bank or any other creditor who, by written request to Seller's attorney, requests to be provided the names of Prospective Upset Bidders.

e. The Seller shall promptly but no later than three (3) business days of receiving the deposit and evidence of ability to consummate, inform the Prospective Upset Bidder whether the Seller designates the Prospective Upset Bidder as an Acceptable Bidder or takes the position, based upon evidence presented, that said party should not be so designated.

f. Initial Purchaser (as defined in the Asset Purchase Agreement) shall be deemed an Acceptable Bidder based upon its execution of the Asset Purchase Agreement.

5. Acceptable Opening Bid. The opening acceptable bid shall be deemed to be made by Initial Purchaser upon the terms and conditions set forth in the Asset Purchase Agreement. Therefore, said amount shall equal Seven Hundred Eighty-One Thousand Dollars (\$781,000.00).

6. Acceptable Upset Bids. An Acceptable Upset Bid may be made by an Acceptable Bidder. The first Acceptable Upset Bid made after the Acceptable Opening Bid must be in an amount equal to or greater than \$35,000 in excess of the Acceptable Opening Bid amount of \$781,000.00. Thereafter, any Acceptable Upset Bids must exceed the previous Acceptable Upset Bid by an amount equal to or greater than \$10,000. An Acceptable Upset Bid must be a bid to purchase all of the Sale Assets under the terms and conditions set forth in the Asset Purchase Agreement as approved by the Court. (Such bid shall hereinafter be referred to as "Acceptable Upset Bid"). (The ultimate highest bidder shall be referred to herein as the "Highest Bidder.")

7. Acceptable Bidder Dispute Resolution. The Bankruptcy Court shall hold a hearing in advance of the auction sale to hear and resolve any disputes which may exist between a Prospective Upset Bidder and the Seller as to whether said Prospective Upset Bidder should be designated an Acceptable Bidder. The hearing time shall be set at a time to be determined by the Bankruptcy Court. The Bankruptcy Court retains the jurisdiction to determine such other times and dates as it deems appropriate to hear any dispute relative to a Prospective Upset Bidder, and said hearing may be held upon an emergency notice as deemed appropriate in the sole discretion of the Bankruptcy Court.

8. How to Make Upset Bid. To be considered a valid Acceptable Upset Bid, the following is required:

a. The Upset Bid shall be made by a person or persons who satisfy the conditions set forth in the Sale and Auction Procedures Order to qualify as an Acceptable Bidder. The Initial Purchaser is deemed to qualify as an Acceptable Bidder and shall be deemed to qualify as such for all purposes of participating in the Auction;

b. The Acceptable Upset Bid made by the Highest Bidder shall remain open and be irrevocable through the Final Hearing and, if it is determined at such hearing to be

approved as the final Acceptable Bid, it shall remain open and be irrevocable through the date of closing;

c. Upon being deemed the Highest Bidder at the auction sale, said Acceptable Bidder shall execute the Asset Purchase Agreement and a representation and agreement that its highest bid has been submitted pursuant to the terms and conditions of the Sale and Auction Procedures Order, and that said terms and conditions of the Asset Purchase Agreement are agreed to.

d. The Acceptable Upset Bid or Bid of the Highest Bidder is not subject to any upset bid after the close of the absolute auction or at the Final Hearing.

9. Procedures if No Acceptable Upset Bid is Received. If no Acceptable Upset Bid is received, then the Asset Purchase Agreement's Initial Purchase Price shall be deemed the highest and best offer for the Sale Assets and shall therefore be submitted for approval by the Court at the Final Hearing.

10. Highest Bidder Deposit. The Acceptable Bidder who submits the Highest Acceptable Bid, and is therefore the Highest Bidder, shall cause to be deposited with the Seller an amount equal to ten percent (10%) of the bid which has been deemed to be the highest and best offer. Said deposit shall be submitted to and shall represent good funds on deposit with the Seller on or before Noon on the third (3rd) day prior to the hereinafter described Final Hearing. If said Final Hearing is held less than three (3) days after the auction sale, then said deposit shall be submitted on or before Noon of the day prior to the hereinafter described Final Hearing.

11. Court Hearings.

a. Initial Sale Hearing. An initial sale hearing is requested to be held by the Court on an expedited basis which will approve the sale of the Sale Assets, the requested Auction Procedures, deem the Initial Purchaser to be an Acceptable Bidder, and deem the Initial Purchaser's bid as the Acceptable Opening Bid.

b. Final Hearing/Confirmation Hearing. A final hearing will be held within five (5) business days after the auction date or as soon thereafter as can be scheduled by the Court. It shall be the purpose of said hearing to confirm that the procedures as set forth in the Sale and Auction Procedures Order have been followed by the Seller and the Auction conducted in accordance with the same, and to make such findings as are necessary to provide the purchaser with an order that properly passes title in accordance with the terms and conditions of the Asset Purchase Agreement and the order approving same. This hearing shall hereinafter be referred to as "Final Hearing."

c. Closing Date. The closing date shall be deemed to be the date upon which the consideration is paid and all closing documents are signed. This may take place immediately after the Final Hearing/Confirmation Hearing but must occur within ten (10) days of the Final Hearing/Confirmation Hearing and on or before November 1, 2016.

d. Absolute Sale. This auction shall be an absolute sale and not subject to upset bid after the auction. Cause exists to allow for the Court to waive the stay provided for in Bankruptcy Rules 6004(h) and 6006(d), in order that the order authorizes the Seller to close this sale immediately upon entry of the order approving the sale following the Final Hearing.

e. Necessary Findings for Purchaser. A sale conducted pursuant to the procedures set forth herein shall result in the Sale Assets being sold to the Highest Bidder as a good-faith purchaser. Said purchaser shall acquire all rights as can be conveyed pursuant to 11 U.S.C. § 363 including, but not limited to, the rights of a good faith purchaser pursuant to 11 U.S.C. § 363(m) and a finding, based upon the sworn representation of the Highest Bidder, that the bidding was not pursuant to any improper collusive bidding practices which would not allow for the sale to be avoided for reasons which would include 11 U.S.C. § 363(n). Furthermore, the Court, among other things, must have a finding that the Purchaser is purchasing the Sale Asset free and clear of the conditional Restrictive Use Covenants as it relates to the Sale Asset.

12. Dispute Resolution. The United States Bankruptcy Court shall retain exclusive jurisdiction to resolve any disputes which may arise concerning the Auction Procedures or other issues relevant to the Seller's sale of the Sale Assets as outlined herein.

13. Emergency Court Hearing with Notice and Hearing. The Auction Procedures Order shall authorize the Court to hold emergency hearings to resolve any disputes that may arise prior to the auction. These emergency hearings would include, but not be limited to, any hearing as to whether a party should be designated as an Acceptable Bidder. All such emergency hearings shall be held on Notice and Hearing as determined by the Court to be necessary under the circumstances and may include limited notice and/or telephonic notice to the designated parties. Where deemed necessary, the Sale and Auction Procedures Order shall allow for ex parte orders to be issued by the Court to aid and assist in the consummation of the Sale.

14. Breakup Fee. If the Initial Purchaser is not the Highest Bidder as a result of an Acceptable Upset Bid, then at closing the Initial Purchaser shall be paid a Breakup Fee of \$25,000. If the Initial Purchaser is the ultimate purchaser but the Sale Price is not the Initial Purchase Price but results from said party actively bidding and making the Highest Acceptable Bid, it shall be entitled to the breakup fee.