

**TO: BAKERY OUTLETS**  
**FROM:**  
**DATE: 11/15/2012**  
**SUBJECT: Company Liquidation**

As you know, our Company has been forced to begin liquidation. This is very sad news for all of us. Beginning now, Outlet Sales will do its part to prepare our stores for closure.

Here is what you need to know:

- 1) Corporate Office has decided that the Lead Clerk and the most senior employee will be retained to sell off as much stock as possible by Monday, November 19
- 2) Should both of the above clerks choose to stay, please collect keys from the other clerk(s) and issue them the paperwork that follows this memo (CEO Letter and Question/Answer pages). Their employment is hereby terminated and they should contact AskHR (1-800-HOSTESS) with any questions regarding unemployment, final pay, benefits, etc.
- 3) Should either of the two clerks named above NOT wish to stay, please contact me immediately. This will open up a position to the next, most senior, employee.

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**STEP BY STEP INSTRUCTIONS:**

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- 1) ALL STORES WILL CLOSE AT 5:30 BEGINNING TODAY AND AT 4PM MONDAY.
- 2) Contact me no later than 10 am to confirm which two clerks are staying (the two named above or if one, or both, decline, please send me the names of the two who WILL BE STAYING to prepare the store for closure.)
- 3) Please understand that this is a difficult time and I will be fielding many phone calls. Please fax a note to me saying who will be staying. If you need to call me, please do so and I will return calls as quickly as possible.
- 4) Today will be business as usual. Beginning TOMORROW all stores will reduce price of all store stock. Everything will be sold at 50% off It is not necessary to reprice items - just charge half of normal price.
- 5) This sale will last all of tomorrow, all of Sunday (for stores open on Sunday), and all of Monday.

**TODAY:**

- 1) Collect keys of exiting clerks and give them the number for AskHR (1-800-Hostess). Please also give them the CEO letter and Question/Answer document.
- 2) By 10am Fax me the names of the two clerks who are staying to prepare for closure.
- 3) Open at your normal time and sell all product (bread, cake, and outside purchase) at NORMAL PRICE today. ALL STORES WILL CLOSE AT 5:30.
- 4) Contact your sales reps for the following services: Ecolab, Aramark, Beverage Supplier, etc. to come pick up their equipment/property by the end business Monday, 11/19/12.
- 5) Contact a local food bank or church and let them know that any unexpired product left after close on Monday, 11/19, will be donated to them. Make arrangements for product donation to be picked up on Monday at 4:00pm.

## REMAINDER OF THIS WEEK:

- 1) BEGINNING TOMORROW - 50% off sale on everything in our stores (Bread, Cake, and Outside Purchase). Begin condensing product toward the center of the store. As shelves are emptied around the perimeter of the store, begin taking down the shelving. All shelving should be placed neatly in the back room, lean it on a wall and continue placing empties one in front of the other in a neat and orderly fashion.
- 2) Continue condensing product toward the center of the store and remove as much shelving as possible over the next few days.
- 3) On Monday, November 19, the store will close for good at 4pm and the final settlement will be completed. ALL MONEY IN THE STORE WILL BE ACCOUNTED FOR ON THAT SETTLEMENT.
- 4) Hold out \$25.00 in cash for the money order fee and for UPS or FedEx fees.
- 5) Once the settlement has been completed, place it and all support documents into an envelope. IF YOU HAVE OTHER SETTLEMENTS AND MONEY ORDERS STILL IN STORE, PLACE THEM IN AN ENVELOPE AS WELL. If too much for an envelope, place them neatly (and in order) in a box.
- 6) One key to your location will now be taped securely between two pieces of cardboard. This will also be placed inside the envelope.
- 7) BOTH CLERKS will go together to purchase the final money order. (Remember to keep \$25.00 cash for money order fee and for UPS or FedEx fees.)
- 8) BE SURE the money order is made out to IBC or Hostess Brands (whichever you normally do). Place the money order into the envelope or box that contains the final settlement, support documents, and store key and any other settlements and money orders still in store. It is IMPERATIVE that all settlements and money orders be sent to me. Make sure that everything that would normally go to your accounting office is in that envelope or box and ready to ship to me via UPS or FedEx.
- 9) With the remainder of the \$25.00 cash you retained for money order fee and UPS/FedEx fee, BOTH CLERKS will go to a UPS or FedEx shipping location. Seal the envelope or box and ship it to the address below.

You will ship this to me overnight IF YOU HAVE ENOUGH cash remaining to do so. If not, please ship it ground. Keep your receipt as proof that you sent.

- 10) If your town does not have a UPS or FedEx shipping location, you will go to the Post Office and send the envelope or box by CERTIFIED MAIL. Retain the receipt as proof that you sent.
- 11) Both clerks will return to the store and prepare donation product for pickup.
- 12) Throw away any expired product, signage, paperwork, etc.
- 13) We will keep nothing but shelving, registers, cred/deb machines, ebt machines, carts, racks, phones, fax machines (basically anything that might sell at auction). All of these items should be placed neatly in the backroom along with the shelving.
- 14) Broom clean the entire location.
- 15) All of the above should be completed by Monday, November 19, at 7pm and that will be your final day. If you finish sooner, please call me.

I will be in touch with you during this trying time. Please do your best to remain courteous, kind, and professional. DON'T DO INVENTORY.