Exhibit C
Asset Purchase Agreement

ASSET PURCHASE AGREEMENT

BY AND AMONG

SUGARFINA, INC. AND ITS SUBSIDIARIES

AND

CANDY CUBE HOLDINGS, LLC

September 6, 2019

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (as amended, supplemented, or modified from time to time, this "Agreement") is entered into as of September 6, 2019 (the "Execution Date") by and among Sugarfina, Inc., a Delaware corporation, Sugarfina International, LLC, a Delaware limited liability company, and Sugarfina (Canada), Ltd., a Canadian limited company (collectively, "Seller"), and Candy Cube Holdings, LLC, a Delaware limited liability company ("Buyer"). Seller and Buyer are each referred to herein as a "Party" and collectively as the "Parties".

WITNESSETH

WHEREAS, each Seller intends to file a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") on September 6, 2019 (the "Petition Date") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court");

WHEREAS, Seller operates an upscale candy brand for adults through wholesale and corporate sales, licensing, e-commerce, and retail boutiques (including travel boutiques) (collectively, the "Business");

WHEREAS, subject to the terms and upon the conditions set forth herein, Seller desires to sell, transfer, assign, and contribute to Buyer, and Buyer desires to purchase, acquire, assume, and accept the contribution from Seller, all of the Acquired Assets and Assumed Liabilities, on the terms and subject to the conditions set forth in this Agreement and in accordance with sections 105, 363, 365, and all other applicable provisions of the Bankruptcy Code, all as more specifically provided herein;

WHEREAS, each Seller has determined that it is advisable and in the best interests of its estate and the beneficiaries of its estate to consummate the transactions provided for herein pursuant to the Bidding Procedures Order and the Sale Order and has approved this Agreement; and

WHEREAS, the transactions contemplated by this Agreement are subject to the approval of the Bankruptcy Court and will be consummated only pursuant to the Sale Order to be entered in the Bankruptcy Case.

NOW, THEREFORE, in consideration of the mutual promises herein made, and the agreements, covenants, representations, and warranties hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which are acknowledged and accepted, the Parties, intending to be legally bound hereby, agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. For purposes of this Agreement:

"Accounts Receivable" means all accounts, accounts receivable, credit card receivables, notes receivable, and other rights to payments of Seller of whatever kind or nature, including all vendor rebates and current or deferred rights to payment for goods, by-products, or services rendered on or prior to the Closing Date and all claims, rights, interests, and proceeds related thereto, but excluding any rights to payments arising out of the Acquired Judgments, Tax refunds, or Causes of Action that are Excluded Assets.

"Acquired Accounts Receivable" has the meaning set forth in Section 2.3(c).

"Acquired Assets" means all of Seller's right, title, and interest in, to, and under all of the business, assets, properties, contractual rights, goodwill, going concern value, rights, and claims owned by Seller, except as otherwise provided herein, wherever situated and of whatever kind and nature, real or personal, tangible or intangible, and whether or not reflected on the Files and Records of Seller to be acquired by Buyer and contributed to Buyer at the Closing, in any case, other than the Excluded Assets. Without limiting the foregoing, the Acquired Assets include all of Seller's rights, title, and interests in, to, and under each of the following assets:

(a) all Acquired Accounts Receivable;

(b) all cash on hand and cash in registers at the Assumed Leased Real Property or Retained Leased Real Property as of the Closing;

(c) all Acquired Inventory;

(d) all Furnishings and Equipment;

(e) all Business Intellectual Property;

(f) all credits, deposits, and bonds related to any of the Acquired Assets;

(g) all marketing materials, including signage;

(h) all deposits and prepaid expenses arising under any Assumed Contract or in connection with any Assumed Liability, including the deposits listed on Section 1.1A of the Disclosure Schedule;

(i) all automobiles, trucks, tractors, and trailers used or held for use in the Business set forth on Section 1.1A of the Disclosure Schedule;

(j) to the maximum extent permitted by the Bankruptcy Code, all Leases designated as an Assumed Contract pursuant to Section 5.10 (each, an "Assumed Lease"), together with (to the extent of Seller's interest therein) the buildings, fixtures, and improvements located on or attached to such real property, and (to the maximum extent transferable and permitted by the Bankruptcy Code) all rights arising therefrom (including all options and rights of first refusal) and all tenements, hereditaments, appurtenances, and other real property rights appertaining thereto, subject to the rights of the applicable landlord (including rights to ownership or use of such property) under such Assumed Leases;

(k) to the maximum extent permitted by the Bankruptcy Code, all Contracts designated as an Assumed Contract pursuant to Section 5.10, the rights and benefits accruing thereunder, and all documents related thereto;

(l) all files, documents, instruments, papers, computer files, information and records, and all other files and records of Seller in any media primarily relating to the Acquired Assets (collectively, the "Files and Records");

(m) to the extent requested by Buyer and to the extent assignable to Buyer under applicable Law, all Permits held, used, or intended to be used by Seller in connection with the Business, and all of the rights and benefits accruing thereunder;

(n) any rights, demands, claims, causes of action (including all Avoidance Actions), prepayments, refunds, rights of recovery, credits, allowances, rebates, rights of setoff or subrogation, and other claims of Seller against any Person, including any rights against third parties under Assumed Contracts, arising out of or relating to any of the Acquired Assets (collectively, "Causes of Action");

(o) all proceeds due to Seller relating to judgments rendered in favor of Seller prior to Closing, including the judgment against Sweet Pete, but excluding the Excluded Judgments (the "Acquired Judgments");

(p) all rights, title, and interest of Seller in and to any property subject to a Personal Property Lease that is used in or held for use in the Business, to the extent any such Personal Property Lease is an Assumed Contract; and

(q) to the extent transferable, all rights of Seller under or pursuant to all warranties, representations, and guarantees made by suppliers, manufacturers, and contractors to the extent relating to the Business or any of the Acquired Assets, or any services provided to Seller in connection with the Business or the Acquired Assets, or to the extent otherwise affecting any Acquired Assets, other than any warranties, representations, and guarantees pertaining exclusively to any Excluded Assets.

"Acquired Inventory" has the meaning set forth in Section 2.3(b)(iii).

"Acquired Judgments" has the meaning set forth in the definition of Acquired Assets.

"Affiliate" means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such specified Person, where "control" means the power, directly or indirectly, to direct or cause the direction of the management and policies of another Person, whether through the ownership of voting securities, by Contract, or otherwise.

"Agreement" has the meaning set forth in the preamble.

"Allocation Principles" has the meaning set forth in Section 2.6.

"Alternative Transaction" means any of the following with respect to a Person other than Buyer or any Affiliate of Buyer: (a) a merger, consolidation, share exchange, business combination, reorganization, recapitalization, or other similar transaction or series of related transactions providing for the direct or indirect sale, or other disposition of any or all of the Acquired Assets; (b) any sale, lease, exchange, transfer, or other disposition (including by way of merger, consolidation, license, exchange, plan of reorganization, plan of liquidation, or restructuring), in a single transaction or a series of related transactions, of any or all of the Acquired Assets; (c) any issuance, sale, or other disposition of equity interests (or options, rights, or warrants to purchase, or interests convertible into or exchangeable for, such equity interests) of any entity then currently owning, directly or indirectly, any or all of the Acquired Assets; (d) any combination of the foregoing; or (e) any transaction contemplated by a Competing Bid.

"Amended and Restated Limited Liability Company Agreement" has the meaning set forth in Section 2.5(a)(i)(H).

"Annual Financial Statements" has the meaning set forth in Section 3.17(a).

"Assignment and Assumption Agreement" has the meaning set forth in Section 2.5(a)(i)(C).

"Assumed Contract" has the meaning set forth in Section 5.10(a)(ii).

"Assumed Lease" has the meaning set forth in the definition of Acquired Assets.

"Assumed Leased Real Property" Leased Real Property subject to an Assumed Contract.

"Assumed Liabilities" means, subject to the terms and conditions set forth in this Agreement, and provided that the following shall not include any Excluded Liabilities, as of the Closing, the following obligations of Seller related to the Acquired Assets acquired in respect of such Closing, and no others shall be assumed by Buyer:

(a) all Liabilities relating to Buyer's ownership or operation of the Acquired Assets, to the extent arising from events, facts, or circumstances that occur from and after the Closing, but excluding any Liabilities to the extent relating to Seller's ownership or operation of the Acquired Assets prior to the Closing or relating to any goods or services that were sold or provided by Seller prior to the Closing;

(b) all Liabilities under Customer Programs;

(c) all Cure Costs payable with respect to Assumed Contracts; and

(d) Liabilities of Seller under the Retained Contracts, from and after the Closing, solely as set forth in Section 5.10(a)(v).

"Assumption and Assignment Notice" has the meaning set forth in Section 5.10(a)(ii).

"Auction" has the meaning set forth in the Bidding Procedures Order.

"Avoidance Actions" means all Causes of Action for the avoidance of any transfer, including any preferential transfer, fraudulent conveyance, or fraudulent transfer, arising under sections 544, 547, 548, 549, or 550 of the Bankruptcy Code or any state fraudulent conveyance or fraudulent transfer statute.

"Bankruptcy Case" means each Chapter 11 case of a Seller.

"Bankruptcy Code" has the meaning set forth in the recitals.

"Bankruptcy Court" has the meaning set forth in the recitals.

"Bid Deadline" has the meaning set forth in the definition of Bidding Procedures Order.

"Bidding Procedures Order" means an order of the Bankruptcy Court, substantially in the form attached hereto as Exhibit A and in form and substance acceptable to Buyer in its reasonable discretion that, among other things, (a) approves and authorizes the payment of the Break-Up Fee and Expense Reimbursement on the terms and conditions set forth in Section 5.5, (b) grants Buyer a superpriority lien on account of the Break-Up Fee and Expense Reimbursement junior only to the liens granted to the lender under the DIP Facility, (c) grants superpriority administrative expense status to the Break-Up Fee and Expense Reimbursement (senior to any other superpriority administrative expense claims except for administrative expense claims of the lender under the DIP Facility) pursuant to sections 363, 503(b), and 507(a)(2) of the Bankruptcy Code, (d) establishes a date for the Sale Hearing, and (e) establishes procedures for the bidding and Auction process, including: (i) the receipt by Seller of a Qualified Bid by the Bid Deadline; (ii) the amount of the cash bid required for a Qualified Bid; (iii) the nature of the financial information that potential bidders must submit to consummate a Qualified Bid; (iv) the requirement that for a Qualified Bid a duly authorized and fully executed purchase agreement must be included, with terms that are substantially the same as, not more burdensome in any material way than, and no more conditional than, the terms of Buyer's proposed transaction under the terms of this Agreement; (v) the nature of the information that potential bidders must submit to demonstrate their ability to provide adequate assurance of future performance with respect to potential Contracts and Leases that may be assumed and assigned; (vi) the minimum bid required to start the Auction; and (vii) the subsequent bid increments for the Auction, which in any event shall be no less than Two Hundred and Fifty Thousand Dollars ($250,000).

"Bill of Sale" has the meaning set forth in Section 2.5(a)(i)(B).

"Bonding Requirements" means standby letters of credit, guarantees, indemnity bonds, and other financial commitment credit support instruments issued by third parties on behalf of Seller regarding any of the Acquired Assets.

"Bonus" has the meaning set forth in Section 6.3(b).

"Break-Up Fee" has the meaning set forth in Section 5.5(a).

"Budget" has the meaning set forth in the DIP Facility at the time that the motion to approve the DIP Facility is initially filed with the Bankruptcy Court.

"Business" has the meaning set forth in the recitals.

"Business Day" means any day, other than a Saturday, Sunday, and any day that is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in the State of New York are authorized or required by Law or other governmental action to close.

"Business Intellectual Property" means all Intellectual Property of Seller, including the name "Sugarfina," any Trademark or other indicia of origin that includes such name, or any related abbreviations, acronyms, or other formatives based on such names, whether alone or in combination with any other words, phrases, or designs, and all registrations, applications, and renewals thereof, and all rights and goodwill associated therewith.

"Buyer" has the meaning set forth in the preamble.

"Cash Equivalents" means cash, checks, money orders, funds in time and demand deposits or similar accounts, marketable securities, short-term investments, and other cash equivalents and liquid investments.

"Casualty" has the meaning set forth in Section 6.7.

"Causes of Action" has the meaning set forth in the definition of Acquired Assets.

"Closed Leased Real Property" means those locations of Leased Real Property where Seller closes operations prior to the Closing Date.

"Closing" has the meaning set forth in Section 2.4.

"Closing Date" has the meaning set forth in Section 2.4.

"Competing Bid" has the meaning set forth in Section 5.5(b).

"Confidentiality Agreement" means the confidentiality agreement, dated as of June 27, 2019, by and between Buyer and Seller.

"Consent" means any consent, waiver, approval, exemption, order, or authorization of, or registration, declaration, or filing with or notice to, any Person.

"Contract" means any written agreement, contract, arrangement, commitment, promise, obligation, right, instrument, document, sales order, purchase order, or other similar understanding that is binding on any Person or any part of its property under applicable Law (including commitments to enter into any of such).

"Contract Schedule" has the meaning set forth in Section 5.10(a)(i).

"Contracting Parties" has the meaning set forth in Section 9.15.

"Copyrights" has the meaning set forth in the definition of Intellectual Property.

"Cost Value" has the meaning set forth in Section 2.3(b)(i).

"Cure Costs" means any and all amounts, costs, or expenses that must be paid or actions or obligations that must be performed or satisfied pursuant to the Bankruptcy Code to effectuate the assumption by the applicable Seller, and the assignment to Buyer, of the Assumed Contracts, as determined by the Bankruptcy Court or agreed to by Seller and the non-Seller counterparty to the applicable Assumed Contract.

"Cure Notice" has the meaning set forth in Section 5.10(a)(i).

"Customer Programs" means any program implemented in the Ordinary Course of the Business consistent with past practice, to promote customer interest in the Business, including any, discount, coupon, gift card, or gift certificate programs.

"Decree" means any judgment, decree, ruling, appeal, injunction, assessment, attachment, undertaking, award, charge, writ, executive order, administrative order, or any other order of any Governmental Authority.

"Delivered Accounts Receivable" has the meaning set forth in Section 2.3(a)(i).

"Deposit" has the meaning set forth in Section 2.3(e).

"Designation Cost Overage" has the meaning set forth in Section 5.10(a)(v).

"DIP Facility" means the debtor-in-possession financing facility provided to Seller in the Bankruptcy Case.

"Disclosure Schedule" has the meaning set forth in Article III.

"Employee Benefit Plans" has the meaning set forth in Section 3.12(a).

"Environmental Law" means any applicable foreign, federal, state, or local Law currently in effect relating to pollution, the protection of the environment, or natural resources.

"Environmental Liability" means all liabilities, monetary obligations, financial assurance requirements, losses, damages, punitive damages, consequential damages, treble damages, natural resource damages, costs and expenses (including all fees, disbursements, and expenses of counsel, experts, and consultants and costs of investigations and feasibility studies), fines, penalties, sanctions, and interest incurred as a result of any claim or demand by any Governmental Authority or any third party, and that relate to (a) the compliance or actual or alleged non-compliance with or violation of any Environmental Law or term or condition of any environmental Permit or (b) any actual or alleged environmental condition or the presence, use, handling, storage, disposal, Release or threatened Release of, or exposure to, any Hazardous Material.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means, with respect to any entity, trade, or business, any other entity, trade, or business that is, or was at the relevant time, a member of a group described in Section 414(b), (c), (m), or (o) of the IRC or Section 4001(b)(1) of ERISA that includes or included the first entity, trade, or business, or that is, or was at the relevant time, a member of the same "controlled group" as the first entity, trade, or business pursuant to Section 4001(a)(14) of ERISA.

"Equity Term Sheet" has the meaning set forth in Section 2.3(a)(ii).

"Escrow Agent" has the meaning set forth in Section 2.3(e).

"Excluded Assets" means all assets of Seller in and to the following:

(a) all capital stock and other equity interests of Seller;

(b) all of Seller's cash and Cash Equivalents;

(c) all Permits that are not part of the Acquired Assets as provided herein;

(d) all insurance policies and binders and, except to the extent otherwise included as part of the Acquired Assets, refunds and credits from insurance policies or binders due or to become due with respect to such policies or binders, together with any claims or Causes of Action under such insurance policies (except as set forth in Section 2.9 hereof);

(e) all of Seller's rights under this Agreement or any Related Agreement;

(f) all Causes of Action related exclusively to the Excluded Assets, including all Causes of Action against MJC Confections LLC and GLJ, Inc.;

(g) all proceeds due to Seller relating to judgments by the Seller against Global Retail Limited and Sweitzer LLC/Sweitzer Lakewood LLC (the "Excluded Judgments");

(h) all assets, but not Accounts Receivable, in and related to the Excluded Leases (except to the extent Buyer consents to Inventory at any such Excluded Leases being transferred to Assumed Leased Real Property or Retained Leased Real Property, which Inventory shall be Acquired Assets);

(i) all Excluded Inventory;

(j) the Reserve Account;

(k) all Intellectual Property owned, used, or held for use by Seller, other than the Business Intellectual Property;

(l) all Contracts set forth on Section 1.1B of the Disclosure Schedule (the "Excluded Contracts");

(m) all Leases set forth on Section 1.1B of the Disclosure Schedule (the "Excluded Leases");

(n) (i) copies of organizational documents, including copies of any qualifications to conduct business as a foreign corporation, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, seals, minute books, stock transfer books, stock certificates, and other documents relating to any Person that is not an Acquired Asset; (ii) Files and Records in any media related to (A) Taxes paid or payable by Seller (including all Taxes that constitute Excluded Liabilities), (B) any Liabilities not included in Assumed Liabilities, (C) intercompany receivables and obligations, or (D) personally identifiable information of third parties obtained prior to November 6, 2017; and (iii) except as otherwise provided in this Agreement, any Tax refund, deposit, prepayment, credit, attribute, or other Tax asset of or with respect to Seller; and

(o) all rights and interests in Employee Benefit Plans and any assets securing such Employee Benefit Plans;

(p) any Tax refunds or reimbursements due to Seller; and

(q) those items set forth on Section 1.1B of the Disclosure Schedule under the heading "Other Excluded Assets" (as amended or supplemented from time to time in accordance with this Agreement).

"Excluded Contracts" has the meaning set forth in the definition of Excluded Assets.

"Excluded Inventory" has the meaning set forth in Section 2.3(b)(iii).

"Excluded Judgments" has the meaning set forth in the definition of Excluded Assets.

"Excluded Leases" has the meaning set forth in the definition of Excluded Assets.

"Excluded Liabilities" means any Liabilities of Seller or any predecessor or Affiliate of Seller, of any nature whatsoever, existing before or on the Closing Date or arising thereafter, other than the Assumed Liabilities, including all of the Liabilities of Seller or of any predecessor or Affiliate of Seller not specifically and expressly assumed by Buyer pursuant to this Agreement. For the avoidance of doubt, and without limiting the foregoing, Buyer shall not be obligated to assume, and it does not assume, and hereby disclaims all of the following Liabilities of Seller or of any predecessor or Affiliate of Seller other than the Assumed Liabilities (and any such Liabilities shall be considered Excluded Liabilities for all purposes of this Agreement):

(a) any Liability arising out of, under, or in connection with the Excluded Assets;

(b) all Liabilities for any accounts payable of Seller that are not Assumed Liabilities;

(c) any Liability accrued on any financial statement of Seller;

(d) any Liability associated with any and all indebtedness of Seller for borrowed money;

(e) any Liability of Seller to the Internal Revenue Service or any other Governmental Authority, including those relating to Seller's employees (whether or not triggered by the

transactions contemplated by this Agreement or the announcement thereof (except as provided for in Section 6.3);

(f) any Liability of Seller under this Agreement or any Related Agreement and the transactions contemplated hereby or thereby;

(g) any Liability of Seller related to current or former employees, officers, directors, agents, or consultants of Seller, including those arising under any Law, Employee Benefit Plan, or other Contract with any employee, officer, director, agent, or consultant; or to the extent arising from activities or events occurring prior to the date on which he or she becomes an employee of Buyer, including, without limitation, any obligation to offer them continued employment, further leave, reinstatement or reassignment or to offer them or their qualified beneficiaries the opportunity to elect health care continuation coverage, compensation and other benefits, any obligation under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), vacation or sick time, payroll Taxes, leave of absences (e.g., FMLA benefits), retirement plan payables and any liabilities or obligations with respect to any Employee Benefit Plan or any other employee benefit or retirement plan or policy or obligations arising from the termination of liquidation of any Employee Benefit Plan, and any liability or potential liability for any claims arising out of any Employee's employment or termination of employment with Seller, including but not limited to, contract, wrongful termination, unfair labor practices, discrimination or retaliation, failure to accommodate, ERISA, wage and hour, FMLA or other protected leave time, tort, unemployment compensation, workers' compensation, or claim for violation of personnel policy or practice;

(h) without limiting the generality of clause (g) above, all Liabilities relating to, or in respect of, any wages, bonuses, or other compensation or benefits, including vacation days, sick days, or other paid time-off, that is earned or accrued by, or with respect to, employees, officers, directors, or contractors of Seller or any Affiliate of Seller prior to the Closing;

(i) all Liabilities under ERISA;

(j) all Liabilities related to the Transferred Employees, including, without limitation, (1) all wages, benefits, vacation pay, sick pay, paid time off, severance pay and other forms of compensation; (2) all withholding taxes, unemployment insurance contributions and social security taxes based on payments; (3) all contributions, premiums or other payments to any employee benefit plans or for prepaid health care, temporary disability or workers compensation coverage earned, accrued or based on hours worked before the Effective Time; (4) all defense costs and settlement or judgment expense with respect to any claim threatened or made under Title VII of the Civil Rights Act of 1964, Sections 1981 through 1988 of Title 42 of the United States Code, the Age Discrimination in Employment Act, the Equal Pay Act, the Americans With Disabilities Act, Sections 503 and 504 of the Rehabilitation Act of 1973, the Older Workers Benefit Protection Act, the Family Medical Leave Act, the Fair Labor Standards Act, the Immigration Reform and Control Act, the Fair Credit Reporting Act, the Employee Retirement Income Security Act, the Occupational Safety and Health Act, the Workers' Adjustment and Retraining Notification Act, the National Labor Relations Act, any Michigan statutory law regarding retaliation/discrimination for filing a workers' compensation claim or Illinois common law claim for retaliation for filing a workers' compensation claim, or any other

federal or state law against discrimination, harassment, retaliation or wrongful discharge, or requiring leave or other accommodation or otherwise regarding employment terms and conditions or termination from employment based on acts or omissions that allegedly occurred before the Effective Time;

(k) all Liabilities based on any "de facto merger", "business continuation" or "successor-in-interest," or similar theories of liability;

(l) all Environmental Liabilities arising prior to the Closing Date;

(m) penalties, fines, settlements, interest, costs, and expenses arising out of or incurred as a result of any presence or release of any materials of environmental concern at any location or any actual or alleged violation by Seller of any Law and/or Environmental Law prior to the Closing Date;

(n) any Liability to any Person arising out of any act or omission under any Law, including any Environmental Law;

(o) any Liability under the WARN Act, if any, arising out of or resulting from (i) layoffs or termination of employees by Seller or (ii) the consummation of the transactions contemplated by this Agreement;

(p) all Liabilities for expenses (i) incurred in connection with the negotiation and preparation of this Agreement and (ii) relating to the transactions contemplated by this Agreement, in each case to the extent incurred by Seller and including those related to legal counsel, accounting, brokerage, and investment advisor fees and disbursements; and

(q) any and all other Liabilities not expressly assumed.

"Execution Date" has the meaning set forth in the preamble.

"Expense Reimbursement" has the meaning set forth in Section 5.5(a).

"Files and Records" has the meaning set forth in the definition of Acquired Assets.

"Final Order" shall mean an order, ruling, judgment, or the operation or effect of a judgment or other decree issued and entered by the Bankruptcy Court that has not been reversed, vacated, stayed, modified, or amended and as to which: (a) the time to appeal or petition for review, rehearing, certiorari, reargument, or retrial has expired and as to which no appeal or petition for review, rehearing, certiorari, reargument, or retrial is pending; or (b) any appeal or petition for review, rehearing, certiorari, reargument, or retrial has been finally decided and no further appeal or petition for review, rehearing, certiorari, reargument, or retrial can be taken or granted.

"Financial Statements" has the meaning set forth in Section 3.17(a).

"FIRPTA Affidavit" means an affidavit of an officer of Seller, sworn to under penalty of perjury, setting forth such Seller's (or, if applicable, regarded owner's) name, address, and

federal tax identification number and stating that such Seller (or, if applicable, regarded owner) is not a "foreign person" within the meaning of section 1445 of the IRC and otherwise complying with the treasury regulations issued pursuant to section 1445 of the IRC.

"Furnishings and Equipment" means all tangible personal property (other than Intellectual Property), including fixtures, trade fixtures, store models, tables, chairs, and equipment (including information technology (other than such technology used by Seller pursuant to licenses that prohibit the sublicense or transfer thereof and for which consent to sublicense or transfer has not been obtained by Seller) and other equipment), in each case that is located at the Leased Real Property and used or intended to be used in the Business.

"GAAP" means United States generally accepted accounting principles consistently applied.

"Governmental Authority" means any federal, state, local, or foreign government or governmental or regulatory authority, agency, board, bureau, commission, court, department, or other governmental entity.

"Hazardous Materials" means (a) any petroleum, petroleum-derived substances or petroleum products, flammable explosives, radioactive materials, radon, asbestos, or PCBs and (b) any chemicals, wastes, materials, or substances that are regulated, classified, or defined as "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollutant," or "contaminant" or any similar denomination under any Environmental Law.

"Insurance Policies" means all of Seller's material policies of insurance by which the Acquired Assets are covered.

"Intellectual Property" means all worldwide: (a) issued patents and patent applications, together with all reissuances, continuations, continuations-in-part, divisionals, extensions, and reexaminations thereof ("Patents"); (b) Trademarks; (c) all copyrights, together with all registrations and applications for registration therefor and renewals in connection therewith ("Copyrights"); (d) trade secrets, know-how, technology, improvements, inventions, confidential business information, formulas, research and development, customer and supplier lists, pricing and cost information, business, and marketing plans and proposals; (e) domain names, websites, and mobile device applications; (f) licenses relating to any of the foregoing; (g) registrations and applications for registration and renewal of the foregoing; (h) Software; and (i) any past, present, or future claims or causes of action arising out of or related to any infringement or misappropriation of any of the foregoing.

"Intellectual Property Assignment Agreement" has the meaning set forth in Section 2.5(a)(i)(E).

"Interim Financial Statements" has the meaning set forth in Section 3.17(a).

"Inventory" means all of Seller's now owned or hereafter acquired inventory and goods, wherever located, including inventory in transit, raw material inventory, work in process, finished goods inventory, packaging materials, and/or other material used or consumed or held for sale in connection with the Business other than such inventory and goods that are disposed of in the Ordinary Course of Business prior to the Closing Date.

"Inventory Report" has the meaning set forth in Section 2.3(b)(iii).

"IRC" means the Internal Revenue Code of 1986, as amended.

"IRS" means the Internal Revenue Service.

"Knowledge of Seller" or "Seller's Knowledge" (and other words of similar import) means the actual knowledge of those Persons set forth on Section 1.1C of the Disclosure Schedule under the heading "Seller Knowledge Parties". "Knowledge of Buyer" or "Buyer's Knowledge" (and other words of similar import) means the actual knowledge of those Persons set forth on Section 1.1D of the Disclosure Schedule under the heading "Buyer Knowledge Parties".

"Law" means any constitution applicable to, and any statute, treaty, code, rule, regulation, ordinance, or requirement of any kind of, any Governmental Authority.

"Lease Assignment Agreement" has the meaning set forth in Section 2.5(a)(i)(D).

"Lease" means all leases, subleases, licenses, concessions, options, contracts, extension letters, easements, reciprocal easements, assignments, termination agreements, subordination agreements, nondisturbance agreements, estoppel certificates, and other agreements (written or oral), and any amendments or supplements to the foregoing, and recorded memoranda of any of the foregoing, pursuant to which Seller holds any leasehold or subleasehold estates, and other rights in respect of any property.

"Leased Real Property" shall mean all real property leased pursuant to the Leases, including all buildings and other structures, facilities, or leasehold improvements, currently or hereafter located thereon, all fixtures, systems, equipment, and items of personal property and other assets of every kind, nature, and description of Seller located at or attached or appurtenant thereto and all easements, licenses, rights, options, privileges, and appurtenances relating to any of the foregoing.

"Liability" means all indebtedness, losses, claims (including "claims" as defined in section 101(5) of the Bankruptcy Code), damages, expenses, fines or other penalties, costs, royalties, proceedings, deficiencies, duties, obligations, and other liabilities (including those arising out of any Litigation, such as any settlement or compromise thereof or judgment or award therein) of a Person (whether absolute, accrued, contingent, fixed, liquidated or unliquidated, or otherwise, and whether known or unknown, and whether due or to become due, and whether in Contract, tort, strict liability, or otherwise, and whether or not resulting from third-party claims).

"Lien" means any mortgage, pledge, lien, encumbrance, charge, security interest, option, right of first refusal, right of first offer, servitude, easement, hypothecation, restrictive covenant,

encroachment, security agreement, equitable interest, earn-out, conditional sale, or other title retention device or arrangement, deed of trust, or other similar encumbrance or restriction of any kind, in each case whether contingent, fixed, or otherwise and whether relating to any property or right or the income or profits therefrom; provided, however, that "Lien" shall not be deemed to include any license of Intellectual Property.

"Litigation" means any action, cause of action, arbitration, suit, claim, investigation, audit, demand, hearing, or proceeding, whether civil, criminal, administrative, investigative, or arbitral, whether at Law or in equity, and whether before any Governmental Authority.

"Material Adverse Effect" means a material adverse effect on (a) the operations, business assets or properties, or condition (financial or otherwise) of Seller (other than those resulting solely from the commencement of the Bankruptcy Case), (b) the ability of Seller to perform any of its obligations under this Agreement (other than those resulting solely from the commencement and continuation of a Chapter 11 case), (c) the legality, validity, or enforceability of this Agreement, (d) the rights and remedies of Buyer under this Agreement, or (e) the validity, perfection, or priority of Buyer's rights, claims, and interests on account of the Break-Up Fee and Expense Reimbursement, but excluding such effect to the extent resulting from or arising in connection with (i) the transactions contemplated by this Agreement or the public announcement thereof, (ii) changes or conditions affecting the industries generally in which Seller operates, (iii) changes in national or international business, economic, political or social conditions, including the engagement of the United State of America in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the United State of America or any of its territories, possessions or diplomatic or consular offices or upon any military instillation, equipment or personnel of the United States of America, (iv) changes in financial, banking or securities markets (including any disruption thereof or any decline in the price of securities generally or any market or index), (v) changes in Law or GAAP or interpretations thereof, (vi) any actions taken by Seller required by (or as contemplated by) this Agreement, (vii) actions taken by Seller pursuant to (or as contemplated by) Orders entered by the Bankruptcy Court in the Bankruptcy Case, or (viii) the commencement or continuation of the Bankruptcy Case.

"Maquiladora Location" means that certain land, building, and/or operation located at Chilpancingo 91-4, Ciudad Industrial, Tijuana, Baja California, CP 22440, Mexico, Sections "R" and "A."

"Non-Party Affiliates" has the meaning set forth in Section 9.15.

"Omitted Contract Motion" has the meaning set forth in Section 5.10(b).

"Order" means any order, injunction, judgment, decree, ruling, writ, assessment, or arbitration award.

"Ordinary Course of Business" means the ordinary and usual course of normal day to day operations of the Business through the date hereof consistent with past practice.

"Outside Date" has the meaning set forth in Section 8.1(c).

"Party" and "Parties" have the meaning set forth in the preamble.

"Patents" has the meaning set forth in the definition of Intellectual Property.

"Permit" means any franchise, approval, authorization, consent, clearance, permit, license, order, registration, certificate, variance, or similar right issued, granted by, given by, or under the authority of a Governmental Authority or pursuant to any Law, including Environmental Law.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or any other entity, including any Governmental Authority or any group of any of the foregoing.

"Personal Property Leases" has the meaning set forth in Section 3.10(b).

"Petition Date" has the meaning set forth in the recitals.

"Previously Omitted Contract" has the meaning set forth in Section 5.10(b).

"Purchase Price" has the meaning set forth in Section 2.3(a)(i).

"Purchase Price Allocation" has the meaning set forth in Section 2.6.

"Qualified Bid" has the meaning set forth in the Bidding Procedures Order.

"Qualified Bidder" has the meaning set forth in the Bidding Procedures Order.

"Registered" means, with respect to Intellectual Property, issued, registered, renewed, or the subject of a pending application.

"Registered Business Intellectual Property" has the meaning set forth in Section 3.14(a).

"Rejected Contract" has the meaning set forth in Section 5.10(a)(ii).

"Rejection Notice" has the meaning set forth in Section 5.10(a)(ii).

"Related Agreements" means the Bill of Sale, the Assignment and Assumption Agreement, the Lease Assignment Agreement, the Intellectual Property Assignment Agreement, the Amended and Restated Limited Liability Company Agreement, the Transition Services Agreement, and the Sales Agency Agreement (if determined by Buyer to be necessary in connection with the Closing).

"Release" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching, or migration into the indoor or outdoor environment.

"Representative" means, when used with respect to a Person, the Person's controlled Affiliates (including Subsidiaries) and such Person's and any of the foregoing Persons' respective officers, directors, managers, members, shareholders, partners, employees, agents,

representatives, and advisors (including financial advisors, bankers, consultants, legal counsel, and accountants).

"Reserve Account" has the meaning set forth in Section 5.10(a)(iv).

"Retained Contract" has the meaning set forth in Section 5.10(a)(ii).

"Retained Contracts Period" has the meaning set forth in Section 5.10(a)(iv).

"Retained Contracts Budget" has the meaning set forth in Section 5.10(a)(v).

"Retained Leased Real Property" means Leased Real Property subject to a Retained Contract.

"Sale Hearing" means a hearing before the Bankruptcy Court to approve this Agreement and the Sale Order.

"Sale Order" means an order of the Bankruptcy Court, substantially in the form attached hereto as Exhibit B and in form and substance acceptable to Buyer in its sole and absolute discretion that, among other things: (a) approves (i) this Agreement and the execution, delivery, and performance by Seller of this Agreement and the other instruments and agreements contemplated hereby, (ii) the sale of the Acquired Assets to Buyer free and clear of all Liens and Liabilities (other than Assumed Liabilities), (iii) the assumption of the Assumed Liabilities by Buyer on the terms set forth herein, and (iv) the assumption and assignment to Buyer of the Assumed Contracts on the terms set forth herein; (b) determining that Buyer is a good faith purchaser and has provided adequate assurance of future performance with respect to the Assumed Contracts; and (c) providing that the Closing will occur in accordance with the terms and conditions hereof.

"Sales Agency Agreement" has the meaning set forth in Section 2.5(a)(i)(G).

"Selected Employees" has the meaning set forth in Section 6.3(b).

"Seller" has the meaning set forth in the preamble.

"Seller Names" has the meaning set forth in Section 6.8.

"Software" means any and all: (a) computer programs, including any and all software implementations of algorithms, models, and methodologies, whether in source code or object code; (b) databases and compilations, including any and all data and collections of data, whether machine readable or otherwise; (c) descriptions, flow-charts, and other work product used to design, plan, organize, and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons, and icons; and (d) all documentation, including user manuals and other training documentation, related to any of the foregoing.

"Subsidiary" means, with respect to any Person, on any date, any Person (a) the accounts of which would be consolidated with and into those of the applicable Person in such Person's consolidated financial statements if such financial statements were prepared in accordance with

GAAP as of such date or (b) of which securities or other ownership interests representing more than fifty percent (50%) of the equity or more than fifty percent (50%) of the ordinary voting power or, in the case of a partnership, more than fifty percent (50%) of the general partnership interests or more than fifty percent (50%) of the profits or losses of which are, as of such date, owned, controlled, or held by the applicable Person or one or more subsidiaries of such Person.

"Tax" or "Taxes" means any United States federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, stamp, occupation, premium, windfall profits, environmental (including taxes under section 59A of the IRC), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, escheat, value added, alternative, or add-on minimum, estimated, or other tax of any kind whatsoever, whether computed on a separate or consolidated, unitary, or combined basis or in any other manner, including any interest, penalty, or addition thereto, whether disputed or not.

"Tax Return" means any return, declaration, report, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Trademarks" means trademarks, service marks, trade dress, logos, trade names, and Internet domain names, together with all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith.

"Transfer Tax" has the meaning set forth in Section 6.4(a).

"Transition Services Agreement" has the meaning set forth in Section 2.5(a)(i)(I).

"WARN Act" shall mean the Worker Adjustment and Retraining Notification Act, as amended.

Section 1.2 Interpretations. As used in this Agreement and unless otherwise indicated herein to the contrary:

(a) When a reference is made in this Agreement to an Article, Section, Exhibit, Disclosure Schedule, clause, or subclause, such reference shall be to an Article, Section, Exhibit, Disclosure Schedule, clause, or subclause of this Agreement.

(b) The words "include," "includes," and "including" and other words or phrases of similar import shall be deemed to be followed by the words "without limitation" whether or not they are in fact followed by such word or words of like import.

(c) The words "hereof," "herein," and "hereunder" and other words or phrases of similar import refer to this Agreement as a whole and not to any particular provision of this Agreement.

(d) The word "if" and other words or phrases of similar import shall be deemed, in each case, to be followed by the phrase "and only if."

(e) The use of "or" herein is not intended to be exclusive.

(f) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine, or neuter forms, and the singular form of names and pronouns shall include the plural and vice versa.

(g) All terms defined in this Agreement have their defined meanings when used in any certificate or other document made or delivered pursuant hereto, unless otherwise defined therein.

(h) References to any statute shall be deemed to refer to such statute as amended from time to time and to any rules or regulations promulgated thereunder. References to any Contract are to that Contract as amended, modified, or supplemented from time to time in accordance with the terms hereof and thereof. References to a Person are also to its successors and permitted assigns. References to a Governmental Authority shall be deemed to include reference to any successor thereto. References from or through any date means, unless otherwise specified, from and including or through and including such date, respectively.

(i) References to "Dollars" or "$" shall mean United States dollars.

(j) References to "days" shall refer to calendar days unless Business Days are specified. If any period expires on a day that is not a Business Day or any event or condition is required by the terms of this Agreement to occur or be fulfilled on a day that is not a Business Day, such period shall expire or such event or condition shall occur or be fulfilled, as the case may be, on the next succeeding Business Day.

(k) Unless the context otherwise requires, the word "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and such phrase does not mean simply "if."

ARTICLE II
PURCHASE AND SALE

Section 2.1 Purchase and Sale of Assets. On the terms and subject to the conditions set forth in this Agreement, Buyer will purchase from Seller, and Seller will sell, transfer, assign, convey, and deliver to Buyer on the Closing Date the Acquired Assets, free and clear of all Liens and Liabilities (other than the Assumed Liabilities). Nothing herein shall be deemed an agreement to sell, transfer, assign, convey, or deliver the Excluded Assets to Buyer, and Seller shall retain all right, title, and interest in, to, and under the Excluded Assets.

Section 2.2 Assumed Liabilities. On the terms and subject to the conditions set forth in this Agreement, at the Closing, Buyer shall assume no Liabilities of Seller, other than the Assumed Liabilities. Buyer agrees to pay, perform, honor, and discharge, or cause to be paid, performed, honored, and discharged, all such Assumed Liabilities in accordance with the terms thereof. Notwithstanding anything in this Agreement to the contrary, Buyer shall not assume, and shall be deemed not have assumed, any of the Excluded Liabilities.

Section 2.3 Consideration.

(a) Purchase Price. The aggregate consideration for the Acquired Assets shall be:

(i) an amount equal to Thirteen Million Dollars ($13,000,000), which shall be reduced by each of the following (as so reduced, the "Purchase Price"): (A) the aggregate amount of the Cure Costs for any Assumed Contracts that are transferred pursuant to the Sale Order at Closing; provided, that such aggregate amount shall not exceed Six Hundred Fifty Thousand Dollars ($650,000); (B) the aggregate amount of the Reserve Account for Retained Contracts determined in accordance with Section 5.10(a)(iv); (C) the amount by which the aggregate book value of all Accounts Receivable at Closing (the "Delivered Accounts Receivable") is less than $1,646,962; (D) the amount by which the Acquired Accounts Receivable determined in accordance with Section 2.3(c) is less than the Delivered Accounts Receivable; (E) the Cost Value of Acquired Inventory at any of the Closed Leased Real Property (unless Buyer consents to such Inventory being transferred to Assumed Leased Real Property or Retained Leased Real Property) determined in accordance with Section 2.3(b); (F) the amount by which the Cost Value of Acquired Inventory at Assumed Leased Real Property, Retained Leased Real Property (including the Inventory being transferred to such Assumed Leased Real Property or Retained Leased Real Property), or the Maquiladora Location determined in accordance with Section 2.3(b) is less than the Cost Value of Seller's Inventory at the values set forth on Section 2.3(b) of the Disclosure Schedule with respect to Assumed Leased Real Property, Retained Leased Real Property, or the Maquiladora Location; and (G) the amount by which the Liability incurred by Seller after the Execution Date for Customer Programs exceeds $50,000 on the Closing Date;

(ii) Buyer's issuance of equity interests to Seller described in the equity term sheet attached hereto as Exhibit C (the "Equity Term Sheet"); and

(iii) the assumption of the Assumed Liabilities.

(b) Physical Inventory.

(i) Two (2) Business Days prior to the Closing Date, Seller shall provide Buyer and its Representatives access to all Leased Real Property and the Maquiladora Location in order for Buyer and Seller to jointly conduct an SKU level physical inventory of the Inventory to determine its Cost Value. For purposes of this Agreement, "Cost Value" means, with respect to each item of Inventory, the lower of (A) the lowest cost determined by applicable inventory accounting unit for such SKU item of Inventory on the date such physical inventory is taken and (B) the lowest ticketed retail price for such item of Inventory at any Leased Real Property; provided, however, only subsection (A) shall apply for purposes of determining the Cost Value of raw material Inventory.

(ii) Buyer and Seller will conduct the physical inventory in accordance with such procedures and instructions as may be mutually and reasonably agreed upon by Buyer and Seller and otherwise in accordance with the terms and conditions of this Section 2.3(b). Seller and Buyer agree that the physical inventory for the Leased Real Property will be conducted during non-business hours and that Seller will work with the manufacturer at the Maquiladora Location to conduct an off-cycle physical inventory at a time when minimal business activity is being conducted. Seller and Buyer further agree that until the physical inventory at a particular Leased Real Property or Maquiladora Location is completed, neither the Seller nor Buyer shall: (A) move Inventory within or about the Leased Real Property or Maquiladora Location so as to make any such items unavailable for counting as part of physical inventory; or (B) remove or add any hang tags, price tickets, inventory control tags affixed to any Inventory, or any other kind of in-store pricing signage within the Leased Real Property or Maquiladora Location. Seller agrees to cooperate with Buyer to conduct the physical inventory (including by making available to Buyer information relating to sales, units, costs, and Cost Value, and making available to Buyer books, records, work papers, and personnel to the extent reasonably necessary to calculate the Cost Value of the Inventory).

(iii) The Parties shall mutually agree to a written report of the amount of Inventory counted and the Cost Value assigned to Acquired Inventory at each Leased Real Property and Maquiladora Location (the "Inventory Report"). For purposes of this Agreement, "Acquired Inventory" shall mean all Inventory, other than Inventory that is (A) not saleable in the Ordinary Course of Business because it is so damaged or defective that it cannot reasonably be used for its intended purpose, (B) obsolete, discontinued, or expired Inventory, (C) Inventory for which Buyer and Seller cannot agree to the Cost Value, or (D) Inventory at any of the Closed Leased Real Property (unless Buyer consents to such Inventory being transferred to Assumed Leased Real Property or Retained Leased Real Property). All Inventory that is not Acquired Inventory shall be referred to herein as "Excluded Inventory."

(c) Determination of Acquired Accounts Receivable; Collection of Acquired Accounts Receivable. Three (3) Business Days prior to the Closing, Seller shall provide to Buyer a true, accurate and complete list of the Accounts Receivable of the Seller as of the Closing. At the Closing, Section 2.3(c) of the Disclosure Schedule shall set forth the name of the creditors and the related aggregate amount of the Accounts Receivable of Seller as of the Closing for such creditors that Buyer agrees to acquire at Closing (the "Acquired Accounts Receivable"). Any misdirected payments of Accounts Receivable shall be sent to the appropriate party as set forth in Section 9.3.

(d) Acquired Judgments. Buyer shall remit to Seller fifty percent (50%) of the aggregate recovery of proceeds from the Acquired Judgments net of all out of pocket costs and amounts paid by Buyer to third parties, including lawyers, accountants, and experts in the collection thereof. Provided that Buyer uses reasonable efforts after the Closing to collect the Acquired Judgments, Buyer shall have the sole authority to determine the means, strategy, and

tactics used in collecting the Acquired Judgments, and neither Seller nor any other Person shall have any right to inquire into Buyer's actions in such regard or to assert any actual or implied duties of Buyer in such collection. Seller shall use reasonable efforts to cooperate with Buyer in its collection of the Acquired Judgments.

(e) Deposit. No later than two (2) Business Days after Purchaser and Seller agree on the form and content of the Disclosure Schedule, Purchaser shall provide a cash deposit to be held by a third party escrow agent mutually agreed to by the Parties (the "Escrow Agent") in the amount of Five Hundred Thousand Dollars (the "Deposit"). The Parties shall cause the Escrow Agent to pay the Deposit to Seller at the Closing, and such amount shall reduce the amount of the Purchase Price to be paid by Purchaser at Closing. The Deposit shall otherwise be distributed in accordance with Section 8.2 upon a termination of this Agreement.

Section 2.4 Closing. The closing of the purchase and sale of the Acquired Assets and the assumption of the Assumed Liabilities and the consummation of any other transactions contemplated hereunder (the "Closing") shall take place by the release of the closing documents listed in Section 2.5 via facsimile or electronic mail (email), or by such other method mutually agreed upon in writing by the Parties on the first Business Day after satisfaction or waiver of the conditions set forth in Section 7.1 and Section 7.2, other than those conditions that by their nature are to be satisfied at the Closing, but subject to the fulfillment or waiver of those conditions (the "Closing Date"). The transactions to be consummated on the Closing Date shall be deemed to have been consummated as of 11:59 p.m. Pacific Standard Time on the Closing Date. At the Closing, all proceedings to be taken and all documents to be executed and delivered by all parties shall be deemed to have been taken and executed simultaneously, and no proceedings shall be deemed to have been taken or not taken nor documents executed or delivered until all have been taken, executed, and delivered.

Section 2.5 Closing Payments and Deliveries.

(a) On the Closing Date:

(i) Buyer shall:

(A) (1) pay to Seller an amount equal to the Purchase Price (which shall be paid by a credit bid of any secured debt of Seller that Buyer owns as of the Closing Date that reduces the Purchase Price dollar-for-dollar and, for any remaining amounts of the Purchase Price, by wire transfer of immediately available funds) and (2) pay to each counterparty to an Assumed Contract the amount of the applicable Cure Costs;

(B) deliver to Seller a bill of sale, in customary form reasonably agreed to among Buyer and Seller prior to the Bid Deadline, duly executed by Buyer, for the Acquired Assets to be acquired in the Closing (the "Bill of Sale");

(C) deliver to Seller an assignment and assumption agreement, in customary form reasonably agreed to among Buyer and Seller prior to the Bid Deadline, duly executed by Buyer, for the Acquired Assets (other

than Assumed Leases) and Assumed Liabilities to be acquired in the Closing (the "Assignment and Assumption Agreement");

(D) deliver to Seller an assignment and assumption of lease, in customary form reasonably agreed to among Buyer and Seller prior to the Bid Deadline, duly executed by Buyer, for each Assumed Lease to be assigned and assumed in the Closing (each, a "Lease Assignment Agreement");

(E) deliver to Seller an Intellectual Property assignment agreement, in customary form reasonably agreed to among Buyer and Seller prior to the Bid Deadline, duly executed by Buyer, acknowledging the assignment of the Business Intellectual Property to Buyer (the "Intellectual Property Assignment Agreement");

(F) deliver to Seller a duly executed certificate from an officer of Buyer to the effect that each of the conditions specified in Section 7.2(a) and Section 7.2(b) is satisfied;

(G) deliver to Seller a sales agency agreement, if determined by Buyer to be necessary in connection with the Closing, in customary form designating a third party selected by Buyer to liquidate Acquired Assets at the Closing reasonably agreed to among Buyer, Seller, and the designated third party prior to the Bid Deadline, duly executed by Buyer and the designated third party (the "Sales Agency Agreement");

(H) deliver to Seller an amended and restated limited liability company agreement among Buyer, Seller, and the other members of Buyer in the form reasonably agreed to among Buyer, Seller, and other members of Buyer prior to the Bid Deadline that substantially includes the terms set forth in the Equity Term Sheet, duly executed by Buyer and the other members of Buyer (the "Amended and Restated Limited Liability Company Agreement");

(I) deliver to Seller a transition services agreement, in customary form reasonably agreed to among Buyer and Seller prior to the Bid Deadline, duly executed by Buyer (the "Transition Services Agreement"); and

(ii) Seller shall:

(A) deliver to Buyer a Bill of Sale, duly executed by Seller, for the Acquired Assets to be acquired in the Closing;

(B) deliver to Buyer an Assignment and Assumption Agreement, duly executed by Seller, for the Acquired Assets (other than Assumed Leases) and Assumed Liabilities to be acquired in the Closing;

(C) deliver to Buyer a Lease Assignment Agreement, duly executed by Seller, for each Assumed Lease to be assigned and assumed in the Closing;

(D) deliver to Buyer an Intellectual Property Assignment Agreement, duly executed by Seller, effecting the assignment of the Business Intellectual Property to Buyer;

(E) deliver to Buyer a duly executed certificate from an officer of Seller to the effect that each of the conditions specified in Section 7.1(a) and Section 7.1(b) is satisfied;

(F) deliver to Buyer a duly executed FIRPTA Affidavit from Seller (or, if such Seller is a disregarded entity for U.S. federal income tax purposes, its regarded owner);

(G) deliver to Buyer the Amended and Restated Limited Liability Company Agreement, duly executed by Seller;

(H) deliver to Buyer a duly executed Sales Agency Agreement, if determined by Buyer to be necessary in connection with the Closing, duly executed by Seller; and

(I) deliver to Buyer a Transition Services Agreement, duly executed by Seller.

Section 2.6 Allocation. Buyer and Seller agree to allocate the Purchase Price, the Assumed Liabilities, and all other relevant items among the Acquired Assets in accordance with section 1060 of the IRC and the treasury regulations thereunder (the "Allocation Principles"). No later than one hundred and twenty (120) days after the Closing Date, Buyer shall deliver to Seller an allocation of the Purchase Price and the Assumed Liabilities (and all other relevant items) as of the Closing Date among the Acquired Assets determined in a manner consistent with the Allocation Principles (the "Purchase Price Allocation"). Buyer and Seller agree (and agree to cause their respective Subsidiaries and Affiliates) to prepare, execute, and file IRS Form 8594 and all Tax Returns on a basis consistent with the Purchase Price Allocation delivered by Buyer, and none of the Parties will take any position inconsistent with the final Purchase Price Allocation on any Tax Return or in any audit or Tax proceeding, in each case unless otherwise required by a change in Law or pursuant to the good faith resolution of a Tax contest. Notwithstanding any other provision of this Agreement, the terms and provisions of this Section 2.6 shall survive the Closing without limitation.

Section 2.7 Modification of the Disclosure Schedule. Between the Execution Date and the Closing Date, Seller shall notify Buyer of, and shall promptly supplement or amend the Disclosure Schedule to this Agreement with respect to, any matter that (a) may arise after the Execution Date and that, if existing or occurring at or prior to the Execution Date, would have been required to be set forth or described in the Disclosure Schedule to this Agreement or (b) makes it necessary to correct any information (including incomplete or missing information) in the Disclosure Schedule or in any representation and warranty of Seller that has been rendered

inaccurate thereby. Each such notification or supplementation shall be made promptly. No supplement or amendment to the Disclosure Schedule (including delivery of previously incomplete or missing information) to this Agreement or any delivery of Disclosure Schedule after the Execution Date (unless expressly acknowledged and agreed by Buyer in its sole and absolute discretion, as a cure or modification) shall be deemed to cure any inaccuracy of any representation or warranty made in this Agreement or Buyer's right to terminate this Agreement (and receive the Break-Up Fee and Expense Reimbursement in accordance with Section 5.5).

Section 2.8 Delivery of Possession. At the Closing, Seller shall deliver to Buyer possession of the Assumed Leased Real Property or Retained Leased Real Property, and all Excluded Assets shall have been removed by Seller from each of such Assumed Leased Real Property or Retained Leased Real Property (unless otherwise agreed by the Parties). Buyer shall assume all risk of loss by fire or other casualty and all risks relating to the operation of the Business with respect thereto occurring upon or following the effective time on the Closing Date. At such time, Seller shall deliver to Buyer's designated representative the keys and access and security codes to Assumed Leased Real Property or Retained Leased Real Property and the combinations to all safes located thereon, and Buyer shall immediately make arrangements to have such locks and codes changed.

Section 2.9 Insurance Proceeds. If between the Execution Date and the Closing there is any damage or other loss to any item of Furnishings and Equipment, Inventory, or other items of property, plant, or equipment that is covered by insurance, then at the Closing, Buyer shall receive the insurance proceeds that Seller shall have received (or be entitled to receive), or, in the event the proceeds have not been received by a Seller at the time of Closing, an assignment by the applicable Seller of all of its rights in and to adjust and receive the insurance proceeds. Seller shall credit to Buyer the amount of any insurance deductible at Closing. Post-Closing and with respect to insurance claims made for damages or losses occurring after the Execution Date, Seller shall not have the right to participate in any insurance adjustment, settlement, or claim or condemnation proceeding but shall, at all times, reasonably cooperate with Buyer in pursuing any claim settlement, adjustment, or prosecution, and any and all insurance proceeds shall be the sole property of Buyer.

Section 2.10 Withholding. Notwithstanding any other provision of this Agreement to the contrary, Buyer shall be entitled to deduct and withhold from any consideration or other amounts payable to any Person pursuant to this Agreement such amounts as it is required to deduct and withhold with respect to the payment of such consideration or other amounts under any provision of United States federal, state, local, or non-United States Tax law. If Buyer determines that any deduction or withholding is required, Buyer will provide prior written notice to Seller of any such determination within a commercially reasonable amount of time prior to the Closing Date. If Seller disputes such deduction or withholding, Seller will provide prior written notice to Buyer prior to the Closing Date and the Parties will work together in good faith to resolve such dispute. If the Parties cannot resolve the dispute, it will be submitted to the Bankruptcy Court for resolution. Any amounts so deducted and withheld shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made.

ARTICLE III
SELLER'S REPRESENTATIONS AND WARRANTIES

Seller represents and warrants to Buyer that the statements contained in this Article III are true, accurate, and complete, except as set forth in the Disclosure Schedule accompanying this Agreement (the "Disclosure Schedule").

Section 3.1 Organization of Seller; Good Standing. Seller is a duly organized, validly existing limited liability company or corporation in good standing under the laws of the jurisdiction of its incorporation or formation and as listed on Section 3.1 of the Disclosure Schedule and is qualified to do business in those jurisdictions listed on Section 3.1 of the Disclosure Schedule. Section 3.1 of the Disclosure Schedule also sets forth each Seller's Federal Employer Identification Number (if applicable). Seller has, subject to the necessary authority from the Bankruptcy Court, all requisite corporate power and authority to own, lease, and operate its assets and to carry on its business as now being conducted and is duly qualified or licensed to do business and is in good standing in each jurisdiction where the character of its business or the nature of its properties makes such qualification or licensing necessary.

Section 3.2 Authorization of Transaction. Subject to the Bankruptcy Court's entry of the Bidding Procedures Order, the Sale Order, and any other necessary order to close the sale of the Acquired Assets, Seller has full power and authority (including full corporate or other organizational power and authority) to execute and deliver this Agreement, the Related Agreements, and all other agreements contemplated hereby and thereby to which it is a party and to perform its obligations hereunder and thereunder. The execution, delivery, and performance of this Agreement, the Related Agreements, and all other agreements contemplated hereby and thereby to which Seller is a party have been duly authorized by such Seller. Upon due execution hereof and thereof by Seller, this Agreement, the Related Agreements and all other agreements contemplated hereby to which Seller is a party (assuming in each case due authorization, execution, and delivery by Buyer where applicable) shall constitute, subject to the Bankruptcy Court's entry of the Bidding Procedures Order, the Sale Order, and any other necessary order to close the sale of the Acquired Assets, the valid and legally binding obligations of such Seller, enforceable against such Seller in accordance with their respective terms and conditions.

Section 3.3 Noncontravention; Government Filings. Except as set forth on Section 3.3 of the Disclosure Schedule, neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in Section 5.10), will (a) conflict with or result in a breach or violation of or default under the organizational documents of Seller, (b) subject to the entry of the Sale Order and any other necessary order to close the sale of the Acquired Assets, conflict with or result in any violation or breach of or default (with or without notice or lapse of time, or both) under any Law or Decree to which Seller is subject in respect of the Acquired Assets, or (c) subject to the entry of the Sale Order and any other necessary order to close the sale of the Acquired Assets, conflict with, result in a breach or violation of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any Contract or Permit constituting an Acquired Asset to which Seller is a party or to which any of the Acquired Assets is subject. Other than as required or pursuant to the Bankruptcy Code, the Bidding Procedures Order, the Sale Order, and any other necessary order

to close the sale of the Acquired Assets, Seller is not required to give any notice to, make any filing with, or obtain any Consent from any Person for the Parties to consummate the transactions contemplated by this Agreement or any Related Agreement.

Section 3.4 Title to Assets. Immediately prior to the Closing, Seller will have, and upon delivery to Buyer on the Closing Date of the Related Agreements, and in accordance with the terms of the Sale Order, Seller will thereby transfer to Buyer, good and valid title to, or, in the case of property leased by Seller, a valid leasehold interest in, all of the Acquired Assets to be transferred as part of the Closing, free and clear of all Liens and Liabilities. Except for the Excluded Assets, the Acquired Assets, whether real or personal, and tangible or intangible, comprise all of the assets, properties, and rights that are used by Seller as of the date of this Agreement and necessary to conduct the Business in the manner presently conducted.

Section 3.5 Real Property. Seller does not own any real property. Section 3.5 of the Disclosure Schedule sets forth a true, accurate, and complete list of each Contract that is a Lease of Leased Real Property, together with the address, usage, owner, and monthly base rent for each Lease. Seller has not leased or otherwise granted to any Person the right to use or occupy any Leased Real Property. Seller has made available to Buyer a true and complete copy of each Lease in Seller's possession or control. With respect to each Lease, (a) such Lease is in full force and effect, (b) Seller has a valid and enforceable leasehold interest under such Lease, free and clear of all Liens, and (c) neither such Seller nor, to Seller's Knowledge, the counterparty thereto is in breach or default under such Lease, except for those defaults that will be cured in accordance with the Sale Order or waived in accordance with section 365 of the Bankruptcy Code (or that need not be cured under the Bankruptcy Code to permit the assumption and assignment of the Leases and that would not constitute a Liability of Buyer at or after the Closing).

Section 3.6 Litigation; Decrees. Other than the Bankruptcy Case or with respect to any Excluded Liabilities, and except as set forth on Section 3.6 of the Disclosure Schedule, (a) there is no Litigation pending, or, to Seller's Knowledge, threatened by or before any Governmental Authority, nor, to Seller's Knowledge, is there any investigation pending by any Governmental Authority, in each case, against Seller in connection with the Business, and (b) neither Seller nor any of its assets or properties is subject to any outstanding Decree applicable to the Business.

Section 3.7 Labor Relations.

(a) Seller is not party to any labor or collective bargaining agreement.

(b) No labor organization representing any current or former employee of Seller has made any demand against Seller for recognition, and there are no representation proceedings or petitions seeking a representation proceeding against Seller involving any current or former employee or, to Seller's Knowledge, threatened to be brought or filed against Seller with the United States National Labor Relations Board or any other labor relations tribunal inside or outside of the United States. There is no ongoing organizing activity involving employees of Seller pending or, to Seller's Knowledge, threatened by any labor organization or group of employees of Seller.

Section 3.8 Brokers' Fees. Seller has not entered into any Contract to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated hereby for which Buyer or any of its Affiliates could become liable or obligated to pay.

Section 3.9 Taxes.

(a) In each case with respect to the Acquired Assets and the Business, except as would not reasonably be expected to result in a Material Adverse Effect, Seller has timely filed all Tax Returns required to be filed with the appropriate Tax authorities in all jurisdictions in which such Tax Returns are required to be filed (taking into account any extension of time to file granted or to be obtained on behalf of Seller), and all such Tax Returns are true, correct, and complete in all material respects; and all amounts of Taxes payable by or on behalf of Seller have been timely paid.

(b) Seller has complied in all material respects with all applicable Laws relating to the payment and withholding of Taxes with respect to the Acquired Assets and the Business and have duly and timely withheld and paid over to the appropriate Tax authorities all amounts required to be so withheld and paid over under all applicable Laws with respect to the Acquired Assets and the Business.

(c) There is no action, suit, investigation, audit, claim, or assessment pending, with respect to Taxes of the Business.

Section 3.10 Tangible Personal Property.

(a) Seller has good and valid title to all Furnishings and Equipment, free and clear of all Liens other than Liens that will be released at Closing.

(b) Section 3.10(b) of the Disclosure Schedule sets forth a list of all Assumed Contracts that constitute Leases of personal property ("Personal Property Leases") relating to personal property held, used, or intended to be used by Seller in the Business. Seller has made available to Buyer true and complete copies of the Personal Property Leases.

(c) Seller has a valid and enforceable leasehold interest under each of the Personal Property Leases. No party to any of the Personal Property Leases has validly and effectively exercised any termination rights with respect thereto.

Section 3.11 Assumed Contracts and Retained Contracts.

(a) Each of the Assumed Contracts and the Retained Contracts is in full force and effect and is a valid and binding obligation of the applicable Seller and, to Seller's Knowledge, the other parties thereto, in accordance with its terms and conditions, in each case subject to the terms of the Sale Order. Seller has made available to Buyer true and complete copies of each Assumed Contract and each Retained Contract in Seller's possession or control. Except for those defaults that will be cured or waived in accordance with section 365 of the Bankruptcy Code (or that do not need to be cured under the Bankruptcy Code to permit the assumption and assignment of the Assumed Contracts and the Retained Contracts and that would not be a Liability of Buyer at or after the Closing), there is no default under any of the Assumed

Contracts or the Retained Contracts by Seller or, to the Knowledge of Seller, by any other party thereto, and Seller has not received any written notice of any default and Seller is not aware of any event that with notice or lapse of time or both would constitute a default by Seller under any Assumed Contract or Retained Contract. Subject only to the satisfaction of the Cure Costs applicable to the Assumed Contracts and the Retained Contracts and the entry of the Sale Order, each Assumed Contract and each Retained Contract may be assumed by Seller and assigned to Buyer pursuant to section 365 of the Bankruptcy Code.

(b) Section 3.11(b) of the Disclosure Schedule sets forth a list of all Bonding Requirements required as of the date hereof with respect to the Assumed Contracts and the Retained Contracts, with the amount of such Bonding Requirements set forth in Section 3.11(b) of the Disclosure Schedule next to each such Assumed Contract and each such Retained Contract, as applicable.

Section 3.12 Employee Benefits.

(a) Section 3.12(a) of the Disclosure Schedule lists all Employee Benefit Plans. "Employee Benefit Plans" means all "employee benefit plans," as defined in section 3(3) of ERISA, and all other employee benefit plans, programs, policies, practices, or other arrangements providing benefits (other than governmental plans and statutorily required benefit arrangements), including bonus or incentive plans, deferred compensation arrangements, stock purchase, stock option, change of control, severance pay, sick leave, vacation pay, disability, medical insurance, and life insurance, in each case, maintained or contributed to by Seller and ERISA Affiliates with respect to any current or former employees of Seller (including, solely for purposes of this Section 3.12(a), employees of the Seller who are on short-term disability, long-term disability, or any other approved leave of absence).

(b) True and correct copies of the most recent plan summaries distributed to employees, if any, and all amendments or supplements thereto, with respect to each of the Employee Benefit Plans (as applicable) have been made available to Buyer.

Section 3.13 Compliance with Laws; Permits.

(a) The Business is being conducted in all material respects in compliance with all applicable Laws and Orders promulgated by any Governmental Body applicable to Seller.

(b) Section 3.13(b) of the Disclosure Schedule sets forth a list of all material Permits held, used, or intended to be used by Seller, or otherwise required, to operate the Business in substantially the same manner as such Leased Real Property have been operated in the past six (6) months, including all Permits required pursuant to any Environmental Law, in each case each of which is in effect on the date hereof, and all applications for any such Permits that are in process on the date hereof. Seller is in compliance in all respects with all such Permits. Seller holds all such Permits and such Permits constitute all Permits that are required for the Business as presently conducted. Each such Permit is in full force and effect and has not expired. To the Knowledge of Seller there are no pending disciplinary actions, unresolved citations, unsatisfied penalties, Litigation, or other past disciplinary actions related to the Permits

that would reasonably be expected to have an adverse impact on Seller or the Business or its ability to maintain or renew any Permits, and Seller has not received notice of any pending or threatened modification, suspension, revocation, or cancellation of any Permit. Seller is not in default or violation (and no event has occurred that, with notice or the lapse of time or both, would constitute a default or violation) of any term, condition, or provision of any such Permit to which Seller is a party.

(c) Section 3.13(c) of the Disclosure Schedule sets forth a list of all Bonding Requirements required as of the date hereof with respect to the Permits listed in Section 3.13(b) of the Disclosure Schedule, with the amount of such Bonding Requirements set forth in Section 3.13(c) of the Disclosure Schedule next to each such Permit.

Section 3.14 Intellectual Property.

(a) Section 3.14(a) of the Disclosure Schedule sets forth a list of each item of Business Intellectual Property that is Registered (including the respective registration or application number and the record owner thereof) (collectively, the "Registered Business Intellectual Property"). Each item of Registered Business Intellectual Property is subsisting (and, to the Knowledge of Seller, no such fees or filings with respect to any Registered Business Intellectual Property are due within ninety (90) days after the date of the Closing) and is, to Seller's Knowledge, valid and enforceable. No such item of Registered Business Intellectual Property, or any Trademark related to the Business that is not Registered, is subject to any outstanding Order, judgment, or Decree restricting its use by Seller or adversely affecting Seller's rights thereto. Except as set forth on Section 3.14(a) of the Disclosure Schedule, one of Seller owns or has valid rights to use each item of Registered Business Intellectual Property and each Trademark related to the Business that is not Registered, free and clear from all Liens, and no item of Registered Business Intellectual Property or Trademark related to the Business that is not Registered is the subject of any exclusive outbound license of Intellectual Property.

(b) Except as set forth in Section 3.14(b) of the Disclosure Schedule: (i) the use of the Business Intellectual Property in the operation of the Business does not infringe, violate, or misappropriate the Intellectual Property of any Person; and (ii) no such claim for infringement, violation, or misappropriation is pending or has been threatened in a written notice delivered to Seller.

(c) To the Knowledge of Seller, except as set forth in Section 3.14(c) of the Disclosure Schedule, no Person is infringing, violating, or misappropriating any of the Business Intellectual Property. Seller has not delivered written notice of any such claim for infringement, violation, or misappropriation to any Person.

Section 3.15 Environmental Matters. With respect to the Leased Real Property and the business and operations conducted at each Leased Real Property by the applicable Seller:

(a) Seller is in and has been in, compliance with all Environmental Laws, and Seller not has received any written notice of or been charged with the breach or violation of any Environmental Laws that remains outstanding;

(b) there is no Litigation pending, or to Seller's Knowledge, threatened against Seller pursuant to any Environmental Law or otherwise with respect to any alleged violation of Environmental Law or Release of, or exposure to, any Hazardous Materials; and

(c) there has been no Release of any Hazardous Material into the indoor or outdoor environment (whether on-site or off-site) arising from Seller's operation of any Property in violation of or in a manner or location that could reasonably be expected to require any remediation or other response actions that would reasonably be expected to result in Seller incurring Liabilities under Environmental Laws.

Section 3.16 Material Vendors. Seller has not received any notice, and has no reasonable basis to believe, that any of the vendors or suppliers set forth on Section 3.16 of the Disclosure Schedule has ceased, will cease, or intends to cease to supply goods or services to the Seller or to otherwise terminate or materially reduce its relationship with the Seller.

Section 3.17 Financial Statements.

(a) Copies of the following financial statements are attached to Section 3.17 of the Disclosure Schedule: (i) the audited balance sheet of the Seller as of December 31, 2018, and the related statements of income, changes in stockholders' equity, and cash flows for the calendar year then ended; and (ii) the audited balance sheet of the Seller as of December 31, 2017, and the related statements of income, changes in stockholders' equity, and cash flows for the calendar year then ended (such financial statements referenced in clauses (i) and (ii) collectively, the "Annual Financial Statements"), and the unaudited, internally-prepared balance sheet of the Seller as of July 27, 2019, and the related unaudited, internally-prepared statements of income, and cash flows for the seven-months then ended (the "Interim Financial Statements" and, together with the Annual Financial Statements, the "Financial Statements"). The Financial Statements have been prepared in accordance with GAAP and fairly present in all material respects the financial position, and results of operations, changes in stockholders' equity, and cash flows of the Seller as of the dates and for the periods indicated, subject, in the case of the Interim Financial Statements only, to the absence of footnote disclosure, statement of cash flows and any customary year-end adjustments, which are not material in the aggregate. The Financial Statements were derived from the books and records of the Seller, which are accurate and complete in all material respects.

(b) Section 3.17 of the Disclosure Schedule sets forth a true, accurate, and complete amount of the Liabilities outstanding under the Customer Programs as of the Effective Date. Section 3.17 of the Disclosure Schedule shall be updated as of the Closing to set forth a true, accurate and complete amount of the Liabilities outstanding under the Customer Programs as of the Closing Date.

Section 3.18 No Other Representations or Warranties. Except for the representations and warranties contained in Article IV and in the certificate delivered to Seller pursuant to Section 2.5(a)(i)(F), Seller acknowledges that neither Buyer nor any of its Representatives has made, and Seller has not relied upon, any representation or warranty, whether express or implied, with respect to Buyer or any of Buyer's Subsidiaries or their respective businesses, affairs, assets, liabilities, financial condition, results of operations, future operating or financial results,

estimates, projections, forecasts, plans, or prospects (including the reasonableness of the assumptions underlying such estimates, projections, forecasts, plans, or prospects), or with respect to the accuracy or completeness of any other information provided or made available to Seller by or on behalf of Buyer.

ARTICLE IV
BUYER'S REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller that the statements contained in this Article IV are true, accurate, and complete.

Section 4.1 Organization of Buyer; Good Standing. Buyer is a Delaware limited liability company duly organized, validly existing, and in good standing under the Laws of the State of Delaware and has all requisite power and authority to own, lease, and operate its assets and to carry on its business as now being conducted and is duly qualified or licensed to do business and is in good standing in each jurisdiction where the character of its business or the nature of its properties makes such qualification or licensing necessary, except where the failure to be so organized, existing, qualified, or licensed, in good standing, or to have such power and authority would not, individually or in the aggregate, prevent or materially impair or delay Buyer's ability to consummate the transactions contemplated hereby or perform its obligations hereunder on a timely basis.

Section 4.2 Authorization of Transaction. Buyer has full power and authority (including full corporate or other entity power and authority) to execute and deliver this Agreement, the Related Agreements, and all other agreements contemplated hereby, to which it is a party and to perform its obligations hereunder and thereunder. The execution, delivery, and performance of this Agreement, the Related Agreements, and all other agreements contemplated hereby and thereby to which Buyer is a party have been duly authorized by Buyer. Upon due execution hereof and thereof, this Agreement, the Related Agreements, and all other agreements contemplated hereby and thereby to which Buyer is a party (assuming in each case due authorization, execution, and delivery by Seller) shall constitute the valid and legally binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms and conditions.

Section 4.3 Noncontravention. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in Section 5.10) will (a) conflict with or result in a breach or violation of or default under the certificate of incorporation or bylaws, or other organizational documents, of Buyer, (b) conflict with, or result in any violation or breach of or default (with or without notice or lapse of time, or both) under any Law or Decree to which Buyer or its assets or properties are subject or (c) conflict with, result in a violation or breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any Contract to which Buyer is a party or by which it is bound, except, in the case of either clause (b) or clause (c), for such conflicts, breaches, violations, defaults, accelerations, rights, or failures to give notice as would not, individually or in the aggregate, prevent or materially impair or delay Buyer's ability to consummate the transactions contemplated hereby or perform its obligations hereunder on a timely basis. Subject to requisite

Bankruptcy Court approval, as applicable, Buyer is not required to give any notice to, make any filing with, or obtain any Consent from any Person for the Parties to consummate the transactions contemplated by this Agreement or any Related Agreement.

Section 4.4 Litigation; Decrees. There is no Litigation pending or, to Buyer's Knowledge, threatened in writing that challenges the validity or enforceability of this Agreement or seeks to enjoin or prohibit consummation of the transactions contemplated hereby. Buyer is not subject to any outstanding Decree that would prevent or materially impair or delay Buyer's ability to consummate the transactions contemplated hereby or perform its obligations hereunder on a timely basis. Section 4.4 of the Disclosure Schedule sets forth a true, accurate, and complete list of all proceeds due to Seller relating to judgments rendered in favor of Seller prior to the Closing.

Section 4.5 Brokers' Fees. Buyer has not entered into any Contract to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Seller could become liable or obligated to pay.

ARTICLE V
PRE-CLOSING COVENANTS

The Parties agree as follows with respect to the period between the execution of this Agreement and Closing (except as otherwise expressly stated to apply to a different period):

Section 5.1 Efforts; Cooperation. Upon the terms and subject to the conditions set forth in this Agreement, each of the Parties shall use its commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other Parties in doing, all things necessary, proper, or advisable to consummate and make effective, in the most expeditious manner reasonably practicable, the transactions contemplated hereby (including by giving, or causing to be given, any notices to, making any filings with, and using commercially reasonable efforts to obtain any Consents of Governmental Authorities as are necessary and appropriate to consummate the transactions contemplated hereby). Subject to Section 5.1(b) and Section 5.5, without limiting the generality of the foregoing, (a) Seller shall use its commercially reasonable efforts to cause the conditions set forth in Section 7.1 that are within its control or influence to be satisfied or fulfilled and (b) Buyer shall use its commercially reasonable efforts to cause the conditions set forth in Section 7.2 that are within its control or influence to be satisfied or fulfilled.

Section 5.2 Conduct of the Business Pending Closing. From the Execution Date until the Closing Date, except as set forth on Section 5.2 of the Disclosure Schedule and as otherwise expressly provided in this Agreement and subject to the obligations of Seller to comply with applicable Law or any Order of the Bankruptcy Court, and the provisions of the Bankruptcy Code, Seller shall: (a) operate in the Ordinary Course of Business and carry on the Business in substantially the same manner as it has prior to the Execution Date; (b) maintain the Acquired Assets in substantially the same condition as the Acquired Assets were maintained as of the Execution Date, ordinary wear and tear excepted; (c) not dispose of or sell any Acquired Asset, other than the sale of Inventory or the collection of Accounts Receivable, each in the Ordinary Course of Business; (d) take all actions reasonably necessary and appropriate to deliver to Buyer

title to the Acquired Assets free and clear of all Liens and Liabilities (other than Assumed Liabilities) pursuant to the Sale Order and cooperate with Buyer to obtain appropriate releases, consents, estoppels, certificates, and other instruments as Buyer may reasonably request; (e) keep in full force and effect present insurance policies or other comparable insurance benefiting the Acquired Assets and the conduct of the Business; (f) maintain and preserve its tax status, as applicable; and (g) discontinue the offering of (i) Customer Programs without purchase through Seller's marketing channels for distribution to influencers and (ii) Customer Programs in the form of electronic promotional gift cards without purchase.

Section 5.3 Certain Actions. From the Execution Date until the Closing Date, except as otherwise expressly provided in this Agreement, or as required by the Bankruptcy Court and the provisions of the Bankruptcy Code, Seller, except in the Ordinary Course of Business consistent with past practice or as set forth on Section 5.3 of the Disclosure Schedule, shall not take any of the following actions without first obtaining the written consent of Buyer, which shall not be unreasonably withheld, delayed, or conditioned: (a) amend or terminate any Assumed Contract; (b) sell, assign, transfer, distribute, or otherwise transfer or dispose of any Acquired Assets or other plant, equipment, account receivable, or other assets or property, in each case, other than sales of Inventory in the Ordinary Course of Business; (c) take, cause, or permit to occur any action or event that would be reasonably likely to result in any representation or warranty of Seller being inaccurate as of the Closing Date; (d) make any changes in cash management practices, pricing policies, credit or allowance policies, monetary policies, or accounting policies; (e) make any payment to, or undertake any transaction with, any Affiliate, officer, director, owner, or manager of Seller other than the payment of compensation or benefits; (f) adopt, amend, or terminate any Employee Benefit Plan or other employee plan; or (g) change the compensation or benefits, or terminate without cause or change the position, of any employee of Seller.

Section 5.4 Access to and Provision of Additional Information.

(a) From the Execution Date until the Closing Date, Seller shall cooperate fully with Buyer and its Representatives in connection with Buyer's investigation of the business, Acquired Assets, Contracts, rights, and Liabilities of Seller and its Business, and provide to Buyer and its Representatives, upon reasonable advanced notice, during normal business hours, reasonable access to and the right to inspect the Business, any facilities associated with or used in the Business, the Acquired Assets, and Files and Records and shall furnish to Buyer and its Representatives all material information concerning the Acquired Assets and the Business not otherwise disclosed pursuant to this Agreement and all financial, operating, and other data and information regarding the Business as Buyer may from time to time reasonably request. In addition, Seller shall use commercially reasonable efforts to cause Seller's agents, representatives, remaining employees, officers, directors, vendors, and suppliers to cooperate with Buyer and its Representatives in connection with Buyer's due diligence review as it reasonably relates to any Contracts between any such vendors and suppliers and Seller.

(b) From the Execution Date until the Closing Date, Seller shall use commercially reasonable efforts to cause its officers and employees to confer with one or more Representatives of Buyer and to answer Buyer's questions regarding matters relating to the conduct of the Business and the status of the transaction contemplated by this Agreement.

(c) Prior to disclosure of any information to any Qualified Bidder, Seller shall require that such Qualified Bidder enter into a confidentiality agreement that does not deviate in any material way from the Confidentiality Agreement.

(d) Seller shall reasonably cooperate with Buyer and its Representatives: (i) in Buyer's efforts to obtain all Consents and Permits required to carry out the transactions contemplated by this Agreement (including those of Governmental Authorities) or that Buyer reasonably deems necessary or appropriate; (ii) in the preparation of any document or other material that may be required by any Governmental Authority as a predicate to or result of the transactions contemplated in this Agreement; and (iii) in Buyer's efforts to effectuate the assignment of Assumed Contracts to Buyer as of the Closing Date. To the extent Buyer needs certain information and data that is in the possession of Seller for Buyer to complete Buyer's Consent and Permit applications or filings, Buyer shall receive, upon request, reasonable assistance from Seller in connection with the provision of such information.

Section 5.5 Bankruptcy Court Matters.

(a) Approval of Break-Up Fee and Expense Reimbursement. Subject to entry of the Bidding Procedures Order, if this Agreement is terminated pursuant to Section 8.1(c), Section 8.1(d), Section 8.1(f), Section 8.1(g), or Section 8.1(h), in consideration for Buyer having expended considerable time and expense in connection with this Agreement and the negotiation thereof and the identification and quantification of assets of Seller, Seller shall pay Buyer, in accordance with the terms hereof and the Bidding Procedures Order, an amount equal to (i) $500,000 (the "Break-Up Fee"), *plus* (ii) the actual, reasonable, and documented expenses of Buyer incurred in connection with the negotiation, execution, and preparation for the consummation of the transactions contemplated by this Agreement (the "Expense Reimbursement"), by wire transfer of immediately available funds to the account specified by Buyer to Seller in writing. The Expense Reimbursement shall be paid on the first Business Day following termination of this Agreement, and the Break-Up Fee shall be paid upon consummation of an Alternative Transaction. Nothing in this Section 5.5 shall relieve Buyer or Seller of any Liability for a breach of this Agreement prior to the date of termination. Buyer acknowledges and agrees that payment and delivery of the Break-Up Fee or Expense Reimbursement pursuant to this Section 5.5(a) will constitute liquidated damages and be the sole and exclusive remedy of Buyer and its Representatives and Affiliates whether at Law or in equity, and upon the payment and delivery thereof to Buyer, Buyer and its Representatives and Affiliates will be deemed to have fully released and discharged Seller and its Representatives and Affiliates from any Liability resulting from the termination of this Agreement.

(b) Solicitation of Competing Bids. This Agreement is subject to approval by the Bankruptcy Court and the consideration by Seller of higher and/or better competing bids in respect of the Acquired Assets (any such competing bid or combination of bids, a "Competing Bid"). On and after entry into this Agreement, Seller may market and pursue a Competing Bid and may perform any and all acts related thereto subject to and in accordance with the Bankruptcy Code, the Bidding Procedures Order, and any other applicable Law; provided, however, that Seller agrees that it shall not enter into any definitive documentation with respect to a Competing Bid or other Alternative Transaction until the termination of this Agreement.

(c) Bankruptcy Court Milestones.

(i) No later than August 30, 2019, each Seller shall file a petition with the Bankruptcy Court seeking relief from its creditors under Chapter 11 of the Bankruptcy Code.

(ii) Seller shall file the "first day" motions and seek and receive "first day" orders that are customary for situations of this type that are in form and substance reasonably acceptable to Purchaser, including the approval of relief to pay the Persons that the Seller contemplates as potential beneficiaries of the authority to be requested from the Bankruptcy Court as critical vendors or essential suppliers to the Sellers in accordance with the Budget.

(iii) No later than one (1) Business Day after the Petition Date, Seller shall file with the Bankruptcy Court a motion seeking entry of the Bidding Procedures Order (which shall, among other things, approve and authorize payment of the Break-Up Fee and Expense Reimbursement in accordance with this Section 5.5) and the Sale Order, in form and substance reasonably acceptable to Buyer. Buyer agrees that it will promptly furnish such affidavits or other documents or information for filing with the Bankruptcy Court as are reasonably requested by Seller to assist Seller in obtaining entry of the Bidding Procedures Order and the Sale Order, including a finding of adequate assurance of future performance by Buyer with respect to the Assumed Contracts and the Retained Contracts.

(iv) Seller shall use its best efforts to obtain entry of the Bidding Procedures Order by the Bankruptcy Court on or before fifteen (15) days after the Petition Date. The Bidding Procedures Order shall be entered no later than twenty-one (21) days after the Petition Date.

(v) The Bidding Procedures Order shall contain a provision providing that the deadline for the submission of any Competing Bid to be a Qualified Bidder it must be submitted in accordance with the Bidding Procedures Order no later than thirty (30) days after the Petition Date.

(vi) Three (3) Business Days prior to the Bid Deadline, Seller shall file the agreed upon Related Agreements with the Bankruptcy Court.

(vii) If a Qualified Bid is submitted pursuant to the Bid Procedures Order, Seller shall complete the Auction in accordance with the Bidding Procedures Order on or before thirty-four (34) days after the Petition Date.

(viii) The Sale Hearing shall be no later than thirty-seven (37) days after the Petition Date.

(ix) Seller shall use its best efforts to obtain entry of the Sale Order by the Bankruptcy Court on or before forty-two (42) days after the Petition Date. The

Sale Order shall be entered no later than forty-five (45) days after the Petition Date.

(x) Seller shall be prepared to have the Closing no later than three (3) Business Days after the Sale Order is entered.

(xi) Seller shall promptly file such motions or pleadings as may be necessary or appropriate to assume and assign the Assumed Contracts and to determine and resolve, if necessary, the amount of the Cure Costs.

(d) Bankruptcy Filings. At least two (2) Business Days prior to filing any motion, pleading, or other filing with the Bankruptcy Court relating to this Agreement, the sale of the Acquired Assets, the Bidding Procedures Order, or the Sale Order, Seller shall deliver to Buyer a copy in draft form. Seller shall reasonably cooperate with Buyer with respect to all such filings and incorporate any reasonable comments of Buyer and its counsel into such document. If any Person shall file an appeal, petition for certiorari, motion for rehearing, motion for reargument, motion for reconsideration, motion for revocation of the Bidding Procedures Order or the Sale Order or motion for a stay pending a decision on any such request, Seller shall (A) immediately notify Buyer of such filing, (B) provide Buyer a copy of any such filing within one (1) Business Day, and (C) use its best efforts to defend against, oppose, and seek the dismissal of any such filing as expeditiously as practicable. Buyer may file or join in any motion, pleading, or other Bankruptcy Court filing in support or seeking approval of, and reply to any response or objection to, the Bidding Procedures Order (including the bidding procedures set forth therein), the sale of the Acquired Assets hereunder, and the Sale Order, and shall cooperate with Seller and use commercially reasonable efforts to obtain an expedited appeal of any adverse ruling concerning the Sale Order or Bidding Procedures Order.

(e) Sale Order. Provided Buyer is selected as the winning bidder in respect of the Acquired Assets at the Auction, at the Sale Hearing Seller shall seek entry of the Sale Order and any other necessary orders to close the sale. Seller shall provide notice of the Sale Order to all Persons necessary to provide Buyer with the benefits and protections set forth in the Sale Order (including notice to all applicable Tax authorities).

Section 5.6 Notice of Developments. Seller and Buyer will give prompt written notice to the other Party of (a) the existence of any fact or circumstance, or the occurrence of any action or event, of which it has Knowledge that has caused, or would reasonably be likely to cause, a condition to a Party's obligations to consummate the transactions contemplated hereby set forth in Article VII not to be timely satisfied or (b) the receipt of any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement. The delivery of any notice pursuant to this Section 5.6 shall not have any effect on the representations, warranties, covenants, and agreements contained in this Agreement for purposes of determining satisfaction of any condition herein and shall not be deemed to amend or supplement this Agreement. The failure to deliver any such notice shall not constitute a waiver of any right or condition to the consummation of the transactions contemplated hereby by any Party.

Section 5.7 Access; No Contact.

(a) Upon the reasonable request of Buyer and to the extent not otherwise prohibited by applicable Law, Seller will permit Buyer and its Representatives to have, upon reasonable advance written notice, reasonable access to all premises, properties (including access to conduct environmental site assessments), Files and Records, Permits, Assumed Contracts, and Retained Contracts included in the Acquired Assets during normal business hours and in a manner so as not to interfere unreasonably with the normal business operations of Seller. No such access or examination, whether occurring prior to or after the date of this Agreement, shall diminish or obviate any of the representations, warranties, covenants, or agreements of Seller contained in this Agreement or the Related Agreements. Without limiting the foregoing, from and after the entry of the Sale Order, Seller shall reasonably cooperate with Buyer and use its best efforts to provide access to the Leased Real Property to facilitate the timely transition of the Leased Real Property and Business to Buyer; provided that (i) such access shall not interfere with the normal business operations of Seller and (ii) Seller may, in its sole and absolute discretion, chaperone any such visits to the Leased Real Property prior to the Closing.

Section 5.8 Bulk Transfer Laws. Buyer acknowledges that Seller will not comply with the provisions of any bulk transfer Laws or similar Laws of any jurisdiction in connection with the transactions contemplated by this Agreement, including the United Nations Convention on the Sale of Goods, and hereby waives all claims related to the non-compliance therewith.

Section 5.9 Replacement Bonding Requirements. At Closing, Buyer shall cause itself or one or more of its Affiliates to provide replacement guarantees, standby letters of credit, or other assurances of payment with respect to all Bonding Requirements set forth on Section 3.11(b) and Section 3.13(c) of the Disclosure Schedule, in form and substance reasonably acceptable to Seller and any banks or other counterparty thereto, and cooperate with Seller to obtain a release in form and substance reasonably acceptable to Buyer and Seller with respect to all such Bonding Requirements. To the extent Buyer is unable to make such arrangements with respect to such Bonding Requirements as of the Closing Date, Buyer shall effect such arrangements as soon as practicable after the Closing Date, but in any event within three (3) months thereof.

Section 5.10 Assumption and Assignment and Rejection of Assumed Contracts, Retained Contracts, and Rejected Contracts; Cure Costs.

(a) Assignment and Assumption at Closing.

(i) No later than ten (10) days after the Petition Date, Seller shall provide to Buyer a schedule setting forth (A) each Contract or Lease to which Seller is a party or by which Seller is bound and that is used in or related to the Business or any of the Acquired Assets, (B) all Cure Costs (if any) for each such Contract or Lease and (C) a general description of each such Contract or Lease (such schedule is referred to herein as the "Contract Schedule");

(ii) No later than two (2) days after entry of the Bidding Procedures Order, Seller shall send a notice to each counterparty to a Contract or Lease on the Contract Schedule setting forth the proposed Cure Costs (if any) for such Contracts and Leases (the "Cure Notice"). In the Cure Notice, Seller shall (x) set forth the procedures for the assumption and assignment of a Contract or Lease and (y) notify counterparties that their Contract or Lease may be assumed by the Seller and assigned to the Buyer or rejected by the Seller.

(iii) No later than three (3) days prior to the Closing Date, Buyer shall, by delivering written notice to Seller, designate each Contract or Lease on the Contract Schedule as "assumed," "rejected," or "retained." Each Contract or Lease to be assumed by the Seller and assigned to the Buyer will be so designated as "assumed" and is referred to herein as an "Assumed Contract"; each Contract or Lease to be rejected by the Seller will be so designated as "rejected" is referred to herein as a "Rejected Contract"; and each Contract or Lease that may become designated as "assumed" or "rejected" will be so designated as "Retained" is referred to herein as a "Retained Contract." Prior to the Closing Date, Seller shall file a notice with the Bankruptcy Court setting forth the Assumed Contracts, the Rejected Contracts, and the Retained Contracts. The Sale Order shall provide that (A) Assumed Contracts or Retained Contracts that are later designated as Assumed Contracts are assumed by the Seller and assigned to the Buyer effective upon Seller filing a notice with the Bankruptcy Court and the counterparty being paid any Cure Costs (each, an "Assumption and Assignment Notice") and (B) the Rejected Contracts or Retained Contracts that are later designated as Rejected Contracts are rejected by the Seller effective upon Seller filing a notice with the Bankruptcy Court (each, a "Rejection Notice").

(iv) Seller shall take all actions necessary to cause all Assumed Contracts to be assumed by Seller and assigned to Buyer in accordance with section 365 of the Bankruptcy Code and all actions necessary to cause all Rejected Contracts to be rejected by Seller in accordance with section 365 of the Bankruptcy Code.

(v) At Closing, Buyer shall fund a reserve account controlled by Buyer in the aggregate amount of the Cure Costs for Retained Contracts (the "Reserve

Account"). Between the Closing Date and the date that is ninety (90) days after Closing] (the "Retained Contracts Period"), Buyer may designate any Retained Contract as an Assumed Contract or a Rejected Contract. Any Retained Contract that is designated as an Assumed Contract shall be an Acquired Asset, and any assets located at Assumed Leased Real Property shall be an Acquired Asset. Any Retained Contract that is not designated as an Assumed Contract with the timely filing of an Assumption and Assignment Notice and is not designated as a Rejected Contract with the timely filing of a Rejection Notice on or before the expiration of the Retained Contracts Period shall automatically become a Rejected Contract immediately after the expiration of the Retained Contracts Period. The balance in the Reserve Account, if any, after the expiration of the Retained Contract Period and after Cure Costs have been paid to all counterparties to Assumed Contracts shall be paid to Seller.

(vi) Any Retained Contract shall be held by Seller and not rejected in accordance with section 365 of the Bankruptcy Code unless and until the Retained Contract is designated as a Rejected Contract or automatically becomes a Rejected Contract in accordance with Section 5.10(a)(iv). With respect to any Retained Contract: (i) Buyer shall be solely responsible for and directly pay for all costs associated with the continuation, operation, or holding by Seller of such Retained Contract, as set forth in a budget proposed by Seller and approved by Buyer ("Retained Contracts Budget"), for the period from the Closing Date through the date the Retained Contract is designated as an Assumed Contract or is designated as a Rejected Contract or automatically becomes a Rejected Contract in accordance with Section 5.10(a)(iv). In the case whereby Buyer cannot directly pay the costs associated with the continuation or holding by Seller of such Retained Contract, Buyer shall promptly reimburse Seller for such cost. For the avoidance of doubt, Buyer shall retain the right to use all assets at any Leased Real Property that is subject to a Retained Contract, and to receive all the proceeds from any sale or use of goods and services at the Leased Real Property during the Retained Contracts Period. Notwithstanding anything herein to the contrary, if Buyer fails to pay when due any costs associated with the continuation or holding by Seller of any Retained Contract set forth in the Retained Contracts Budget in accordance with this Section 5.10(a)(v), then such Retained Contract shall be deemed, upon delivery of three (3) Business Days' prior written notice from Sellers to Buyer of such breach and an opportunity to cure during such three (3) Business Day time period, an Excluded Asset for all purposes under this Agreement, except with respect to Buyer's obligations to pay all amounts associated with such Retained Contract as provided in the Retained Contracts Budget with respect thereto. In the event that the costs associated with any Retained Contract exceed the Retained Contracts Budget (a "Designation Cost Overage"), Buyer shall not be liable for such Designation Cost Overage, other than as a result of damage or destruction of any Real Property Lease or as a result of the Buyer's gross negligence or willful misconduct.

(b) Previously Omitted Contracts. In the event that it is discovered that a Contract or Lease should have been listed on the Contract Schedule but was not listed on the

Contract Schedule (any such Contract or Lease, a "Previously Omitted Contract"), Seller shall, immediately following the discovery thereof (but in no event later than two (2) Business Days following the discovery thereof), (i) notify Buyer of such Previously Omitted Contract and all Cure Costs (if any) for such Previously Omitted Contract and (ii) file a motion with the Bankruptcy Court on notice to the counterparties to such Previously Omitted Contract seeking entry of an order (the "Omitted Contract Motion") requesting that the Bankruptcy Court fix the Cure Costs and authorize the assumption and assignment or rejection of such Previously Omitted Contract in accordance with this Section 5.10. Buyer shall then have until the later of the Retained Contract Deadline or ten (10) Business Days after the receipt of notice of the Previously Omitted Contract to designate such Previously Omitted Contract as an Assumed Contract, Rejected Contract, or, if the Retained Contracts Period is at least twenty (20) Business Days in the future, a Retained Contract. Seller shall take all other actions necessary or appropriate to cause any Previously Omitted Contract to be treated in accordance with this Section 5.10. Seller shall be responsible for the payment of any Cure Costs related to a Previously Omitted Contract designated as an Assumed Contract to the extent that the Reserve Account is not sufficient to pay all Cure Costs or the balance has already been paid to Seller pursuant to Section 5.10(a)(iv).

ARTICLE VI
OTHER COVENANTS

The Parties agree as follows with respect to the period from and after the Closing:

Section 6.1 Further Assurances. At any time, and from time to time at and after the Closing, if any further action is necessary to carry out the purposes of this Agreement, each of the Parties will, at the requesting Party's sole cost and expense (unless the Party receiving the request is already obligated under this Agreement to honor such request at its own cost and expense) take such further action (including the execution and delivery of such other reasonable instruments of sale, transfer, conveyance, assignment, assumption, and confirmation or providing materials and information) as the other Party may reasonably request that shall be reasonably necessary to transfer, convey, or assign to Buyer all of the Acquired Assets or to confirm Buyer's assumption of the Assumed Liabilities.

Section 6.2 Access; Enforcement; Record Retention. From and after the Closing, upon the written request by Seller, Buyer will permit Seller and its Representatives to have reasonable access during normal business hours, and in a manner so as not to interfere with the normal business operations of Buyer, to all premises, properties, personnel, Files and Records, and Contracts of or related to the Acquired Assets or the Assumed Liabilities for the purposes of (a) preparing Tax Returns, (b) monitoring or enforcing rights or obligations of Seller under this Agreement or any of the Related Agreements, (c) complying with the requirements of any Governmental Authority, (d) reconciling any claims filed in the Bankruptcy Case, or (e) the winddown of the Bankruptcy Case; provided, however, that, for avoidance of doubt, the foregoing shall not require Buyer to take any such action if (i) such action may result in a waiver or breach of any attorney/client privilege, (ii) such action could reasonably be expected to result in violation of applicable Law, or (iii) providing such access or information would be reasonably expected to be disruptive to its normal business operations. Buyer agrees to maintain the Files or Records that are contemplated by the first sentence of this Section 6.2 in a manner consistent in

all material respects with its document retention and destruction policies, as in effect from time to time, for two (2) years following the Closing.

Section 6.3 Employment Matters.

(a) Offer of Employment. As promptly as practicable following the Execution Date hereof (and no later than five (5) days following the Execution Date), Seller shall provide Buyer with a list of all employees including their current base wage and hourly rate, incentive bonus opportunities, and other material compensation terms, and with respect to each employee, his or her name, address of employment, position/employment occupation classification, status as full-time or part-time, date of hire, status as active or on leave (and, if on leave, the nature of the leave and the anticipated date of return), and status as exempt or non-exempt for purposes of federal and state overtime pay requirements. As of the Closing Date, Buyer shall have the right to offer employment to any and all employees of Seller on terms and conditions of employment, including salaries and benefits, as Buyer should determine in its sole and absolute discretion; provided that Buyer and Seller expressly agree that Buyer shall not be deemed for any purpose to be a "successor employer" of the Seller and that Buyer's operation of the Business following the Closing Date shall for all purposes be deemed to have occurred with a substantial interruption and substantial change from the operation of the Business by Seller prior to the Closing Date. Furthermore, notwithstanding any of the above, Buyer shall have no obligation to offer employment as of the Closing Date to any employee of any Seller.

(b) Bonus. Buyer shall offer a one-time bonus, which shall be separate from the Purchase Price (the "Bonus"), to certain selected employees of Seller (the "Selected Employees"). Such Bonus shall be an aggregate amount of $321,024. Seller and Buyer shall mutually agree upon (i) the amount to be offered to each Selected Employee in their reasonable discretion and (ii) the terms that the Bonus to be paid to each Selected Employee.

(c) No Third Party Beneficiary Rights. The Parties agree that nothing in this Section 6.3, whether express or implied, is intended to create any third party beneficiary rights in any employee of Seller or Buyer.

(d) Access to Employees. From and after the date of the entry of Bidding Procedures Order, Buyer and/or its Representatives may meet and otherwise communicate with employees of Seller, upon prior written notice to Seller (in a manner so as not to interfere unreasonably with the normal business operations of Seller) to discuss the impact of the pending transaction and Buyer's intentions with respect to Seller's employees and to interview and offer employment pursuant to the terms of this Section 6.3 to Seller's employees. Seller may elect to have its Representatives present during such communications, and Buyer shall provide Seller with copies of written communications to such employees at least two (2) Business Days prior to distribution thereof to such employees. Notwithstanding the foregoing, (i) commencing not later than five (5) Business Days after the Execution Date, Buyer shall be permitted to introduce itself to the employees of Seller at in-person meetings, and attend additional in-person meetings with employees of Seller following the initial meetings, in each case, in the presence of Representatives of Seller at such locations and times as are mutually agreed by the Parties (such agreement not to be unreasonably withheld, delayed, or conditioned), and (ii) Buyer and Seller shall cooperate in good faith in developing and implementing an employee communication plan

pursuant to which one or more written communications about Buyer, the transactions contemplated hereby, and Buyer's plans or intentions with respect to the future operation of the Business will, from time to time, be distributed to employees and pursuant to which meetings of Buyer with employees of Seller may be scheduled.

(e) Notwithstanding anything to the contrary in this Section 6.3, prior to the entry of the Sale Order, Buyer shall not engage in any solicited communication with any employees of Seller without Seller's prior consent (not to be unreasonably withheld, delayed, or conditioned), it being understood that Seller shall not be required to be present for any interviews of employees, and the Parties acknowledge and agree to reasonably cooperate with each other with respect to such communication.

Section 6.4 Certain Tax Matters.

(a) Transfer Taxes. All stamp, documentary, filing, recording, registration, sales, use, transfer, added-value, or similar non-income Taxes, fees, or governmental charges imposed under applicable Law in connection with the transactions contemplated hereby (a "Transfer Tax") shall be split equally between Buyer and Seller. The Party that is required by applicable Law to file any Tax Returns in connection with Transfer Taxes shall prepare and timely file such Tax Returns; provided, however, that the other Parties shall be entitled to receive such Tax Returns and other documentation reasonably in advance of filing by such preparing Party, but not less than ten (10) Business Days prior to the due date of such Tax Returns, and such Tax Returns and other documentation shall be subject to the other Parties' approval, which shall not be unreasonably withheld, delayed, or conditioned. The Parties hereto shall cooperate to permit the filing Party to prepare and timely file any such Tax Returns and shall provide each other with any applicable exemption certificates.

(b) Change of Ownership and Address. From and after the Closing Date, Buyer agrees to use commercially reasonable efforts to take such actions as are reasonably necessary to notify applicable federal, state, and local Governmental Authorities of the change of ownership and address to which all such Tax statements and related information should be mailed to ensure Buyer's receipt thereof.

Section 6.5 Insurance Matters.

(a) Except as provided in Section 6.5(b), Buyer acknowledges that, upon the Closing, all insurance coverage provided in relation to Seller, the Leased Real Property, or the Acquired Assets transferred in such Closing that is maintained by Seller (whether such policies are maintained with third party insurers or with such Seller) shall cease to provide any coverage to Buyer, the Leased Real Property, or the Acquired Assets transferred in such Closing and no further coverage shall be available to Buyer, the Lease Real Property, or such Acquired Assets under any such policies.

(b) Notwithstanding anything to the contrary in this Agreement, Seller shall use commercially reasonable efforts to: (x)(i) assign, to the extent assignable, to Buyer the right, power, and authority to make directly to the insurer any request for payment under the Insurance Policies relating to any Assumed Liability or the Acquired Assets or (ii) to the extent Seller is

unable to make such assignment, cooperate with Buyer in filing any claims under the Insurance Policies and in the collection of proceeds therefrom, including, where permitted by law and the applicable Insurance Policies, transferring to Buyer the right to pursue insurance proceeds thereunder related to the Assumed Liabilities or the Acquired Assets, as applicable; and (y) assign, to the extent assignable, to Buyer the right to receive any proceeds from such claims relating to such Assumed Liability or Acquired Asset, in the case of each of the foregoing clauses (x) and (y), at Buyer's sole cost and expense. Any Party receiving a notice under an Insurance Policy with respect to any Assumed Liability or Acquired Asset shall promptly notify the other Parties hereto.

Section 6.6 Press Releases and Public Announcements. No Party shall issue any press release or make any public announcement relating to the existence or subject matter of this Agreement without the prior written approval of the other Party unless a press release or public announcement is required by applicable Law or a Decree of the Bankruptcy Court. If any press release or public announcement is required, it shall be in form and substance reasonably acceptable to Buyer and Seller. If any such announcement or other disclosure is required by applicable Law or a Decree of the Bankruptcy Court, the disclosing Party shall give the nondisclosing Party prior notice of, and an opportunity to comment on, the proposed disclosure. The Parties acknowledge that Seller shall file this Agreement with the Bankruptcy Court in connection with obtaining the Bidding Procedures Order and the Sale Order.

Section 6.7 Casualty. If, between the Execution Date and the Closing, any of the Acquired Assets shall be destroyed or damaged in whole or in part by fire, earthquake, flood, other casualty, or any other cause (each a "Casualty"), then Buyer shall have the option to: (a) acquire such Acquired Assets on an "as is" basis and take an assignment from Seller of all insurance proceeds payable to Seller in respect of the applicable Casualty; or (b) in the event that the applicable Casualty would have a Material Adverse Effect, terminate this Agreement and the transactions contemplated hereby.

Section 6.8 Name Change. Within five (5) days after the Closing, but except as may be required for filings with the Bankruptcy Court, Seller shall take all steps necessary to effect a change in its corporate name to remove the word "Sugarfina" and any other names utilized by Seller in the Business as reasonably identified by Buyer (collectively, "Seller Names"). Seller shall (a) as promptly as practicable after the Closing Date and in any event within no later than five (5) days after the Closing Date, cease to make any use of the Seller Names or any service marks, trademarks, trade names, identifying symbols, logos, emblems, signs, or insignia related thereto or any of the Intellectual Property or containing or comprising the foregoing, including any name or mark confusingly similar thereto, and (b) immediately after the Closing, cease to hold themselves out as having any affiliation with the Business. As promptly as practicable after the Closing Date and in any event no later than five (5) days after the Closing Date, Seller shall remove, strike over, cover, block, or substantially obliterate all Seller Names or Trademarks from any vehicles, displays, signs, promotional materials, or other similar materials then owned by it.

ARTICLE VII
CONDITIONS TO OBLIGATION TO CLOSE

Section 7.1 Conditions to Buyer's Obligations to Effect the Closing. Buyer's obligation to consummate the transactions contemplated hereby in connection with the Closing is subject to satisfaction or waiver of the following conditions:

(a) the representations and warranties set forth in Article III shall have been true and correct on the Execution Date and as of the Closing (except to the extent expressly made as of an earlier date, in which case as of such date as if made at and as of such date) in all material respects (except where such representation or warranty is qualified by materiality, in which case, such representation or warranty shall be true and correct in all respects);

(b) Seller shall have performed and complied with its covenants and agreements hereunder through the Closing;

(c) (i) the Bankruptcy Court shall have entered the Sale Order, and any other order necessary to close the sale of the Acquired Assets, all in form and substance reasonably satisfactory to Buyer, (ii) no order staying, reversing, modifying, or amending such orders (or the Bidding Procedures Order) shall be in effect on the Closing Date, (iii) such Sale Order shall be a Final Order, and (iv) the Sale Order shall not be subject to any challenge of Buyer's good faith under section 363(m) of the Bankruptcy Code;

(d) no Decree shall be in effect that prohibits, enjoins, or materially restricts or delays consummation of the transactions contemplated by this Agreement;

(e) each delivery contemplated by Section 2.5(a)(ii) to be delivered to Buyer shall have been delivered; and

(f) Seller shall have assumed and assigned each applicable Assumed Contract to be assumed and assigned by or before the Closing.

For the avoidance of doubt, Buyer shall have the right to waive any of the conditions set forth in this Section 7.1 (including Section 7.1(c)) in its sole and absolute discretion.

Section 7.2 Conditions to Seller's Obligations to Effect the Closing. Seller's obligations to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or waiver of the following conditions:

(a) the representations and warranties set forth in Article IV shall have been true and correct on the Execution Date and as of the Closing (except to the extent expressly made as of an earlier date, in which case as of such date as if made at and as of such date) except for any failures to be so true and correct that would not, individually or in the aggregate, prevent or materially impair or materially delay Buyer's ability to consummate the transactions contemplated by this Agreement;

(b) Buyer shall have performed and complied with its covenants and agreements hereunder through the Closing in all material respects;

(c) the Bankruptcy Court shall have entered (i) the Bidding Procedures Order, the Sale Order, and any other order necessary to close the sale of the Acquired Assets, and (ii) no order staying, reversing, modifying, or amending such orders that prevent the Closing shall be in effect on the Closing Date;

(d) each delivery contemplated by Section 2.5(a)(i) to be delivered to Seller shall have been delivered; and

(e) no Decree shall be in effect that prohibits, enjoins, or materially restricts or delays consummation of the transactions contemplated by this Agreement.

For the avoidance of doubt, Seller shall have the right to waive any of the conditions set forth in this Section 7.2 in its sole and absolute discretion.

Section 7.3 No Frustration of Closing Conditions. Neither Buyer nor Seller may rely on the failure of any condition to their respective obligations to consummate the transactions contemplated hereby set forth in Section 7.1 or Section 7.2 as the case may be, to be satisfied if such failure was primarily caused by such Party's failure to perform its obligations hereunder.

ARTICLE VIII
TERMINATION RIGHTS

Section 8.1 Termination of Agreement. The Parties may terminate this Agreement at any time prior to the Closing as provided below:

(a) by the mutual written consent of the Parties;

(b) by any Party by giving written notice to the other Parties if any court of competent jurisdiction or other competent Governmental Authority shall have enacted or issued a Law or Decree or taken any other action permanently restraining, enjoining, or otherwise prohibiting the consummation of the transactions contemplated by this Agreement and such Law or Decree or other action shall have become final and non-appealable; provided, however, that the right to terminate this Agreement under this Section 8.1(b) shall not be available to a Party if the failure to consummate the Closing because of such action by a Governmental Authority shall be due to the failure of such Party to have fulfilled any of its obligations under this Agreement;

(c) by any Party by giving written notice to the other Parties if the Closing shall not have occurred on or prior to October 22, 2019 (the "Outside Date"); provided, however, that if the Closing shall not have occurred on or before the Outside Date due to a material breach of any representations, warranties, covenants, or agreements contained in this Agreement by Buyer or Seller, then the breaching Party may not terminate this Agreement pursuant to this Section 8.1(c);

(d) by Buyer by giving written notice to Seller if there has been a breach by Seller of any representation, warranty, covenant, or agreement contained in this Agreement that has prevented the satisfaction of the conditions to the obligations of Buyer at the Closing set forth in Section 7.1(a) or Section 7.1(b), and such breach or unsatisfied condition has not been waived by Buyer, or, if such breach or unsatisfied condition is curable (including any payment

default), cured by such Seller prior to the earlier to occur of (i) five (5) days after receipt of Buyer's notice of intent to terminate and (ii) the Outside Date;

(e) by Seller by giving written notice to Buyer and the other Seller if there has been a breach by Buyer of any representation, warranty, covenant, or agreement contained in this Agreement that has prevented the satisfaction of the conditions to the obligations of Seller at the Closing set forth in Section 7.2(a) or Section 7.2(b), and such breach has not been waived by such Seller, or, if such breach is curable (including any payment default), cured by Buyer prior to the earlier to occur of (i) five (5) days after receipt of such Seller's notice of intent to terminate or (ii) the Outside Date;

(f) by Buyer by giving notice to Seller, if: (i) Seller does not comply with any of the Bankruptcy Court milestones set forth in Section 5.5(c); provided, however, Seller shall have a three day grace period to complete a missed milestone, if such missed milestone is as a result of the court's calendar not being able to accommodate the schedule of the milestones set forth herein; (ii) following the entry of the Bidding Procedures Order, such order is reversed, vacated, or otherwise modified in a manner prejudicial to Buyer; (iii) the Bidding Procedures Order is stayed as of the date the Auction is scheduled to commence; (iv) following the entry of the Sale Order, such order is reversed, vacated, or otherwise modified in a manner prejudicial to Buyer; (v) the Sale Order is stayed prior to the day before the Outside Date and the scheduled Closing Date; or (vi) the Sale Order is not a Final Order prior to the day before the Outside Date;

(g) in the event that Buyer is not the winning bidder at the Auction, by Buyer by giving written notice to Seller at any time after the conclusion of the Auction;

(h) by Seller or Buyer by giving written notice to the other Party, if (i) (x) Seller enters into a definitive agreement with respect to an Alternative Transaction, (y) the Bankruptcy Court enters an order approving an Alternative Transaction, or (z) an Alternative Transaction is consummated, or (ii) the Bankruptcy Court enters an order that precludes the consummation of the transactions contemplated hereby on the terms and conditions set forth in this Agreement;

(i) by Buyer by giving written notice to Seller if prior to the Closing (i) the Bankruptcy Case is converted to a case under chapter 7 of the Bankruptcy Code, (ii) the Bankruptcy Case is dismissed, or (iii) if a chapter 11 trustee or examiner is appointed in the Bankruptcy Case; and

(j) by Buyer if the DIP Facility terminates in whole or in part as a result of a breach of the following sections of the DIP Facility: 6.18, 7.1, 7.2, 7.3, 7.10, 8.3, 8.11, and 8.12.

Section 8.2 Effect of Termination. If any Party terminates this Agreement pursuant to Section 8.1, all rights and obligations of the Parties hereunder shall terminate upon such termination and shall become null and void (except that Article I, Section 5.5(a), Section 6.6, Article IX, and this Section 8.2 (and the definitions of all defined terms appearing in the foregoing sections) shall survive any such termination) and no Party shall have any Liability (except as set forth in Section 5.5(a)) to the other Party hereunder. Notwithstanding the foregoing, if this Agreement is terminated by Seller pursuant to Section 8.1(e), the Parties agree

to cause the Escrow Agent to distribute the Deposit to Seller, and such payment will constitute liquidated damages and be the sole and exclusive remedy of Seller and its Representatives and Affiliates whether at Law or in equity, and upon the payment and delivery thereof to Seller, Seller and its Representatives and Affiliates will be deemed to have fully released and discharged Buyer and its Representatives and Affiliates from any Liability resulting from the termination of this Agreement. Except as otherwise set forth in the preceding sentence, Seller's exclusive remedy for a breach of the Agreement is termination pursuant to Section 8.1. If the Agreement is terminated for any reason other than as set forth in Section 8.1(e), the Parties shall cause the Escrow Agent to return the Deposit to Buyer. The obligation to pay in full in cash when due any amount owed by Seller to Buyer under this Agreement, including the Break-Up Fee and Expense Reimbursement, shall not be discharged, modified, or otherwise affected by any chapter 11 plan in the Bankruptcy Case or by any other Order or action of the Bankruptcy Court. The Break-Up Fee and Expense Reimbursement shall be a superpriority administrative expense status (senior to any other superpriority administrative expense claims except for administrative expense claims of the lender under the DIP Facility) pursuant to sections 363, 503(b), and 507(a)(2) of the Bankruptcy Code and payable by any Seller from its bankruptcy estate. Furthermore, Buyer shall be granted a superpriority lien on account of its Break-Up Fee and Expense Reimbursement junior only to the liens granted to the lender under the DIP Facility. For the avoidance of doubt, to the extent Seller do not consummate an Alternative Transaction or do not otherwise have funds sufficient of pay the Break-Up Fee and Expense Reimbursement, Buyer shall have the claims and liens set forth under this Section 8.2.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Survival. Except for any covenant that by its terms is to be performed (in whole or in part) by any Party following the Closing, none of the representations, warranties, or covenants of any Party set forth in this Agreement or in any certificate delivered pursuant to Section 2.5(a)(i)(F) and Section 2.5(a)(ii)(E) shall survive, and each of the same shall terminate and be of no further force or effect as of, the Closing to which such representation, warranty, or covenant relates.

Section 9.2 Expenses. Except as otherwise expressly set forth herein (including Section 5.5(a)), each Party will bear its own costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including all fees of law firms, commercial banks, investment banks, accountants, public relations firms, experts, and consultants.

Section 9.3 Misdirected Payments; Offset Rights. Seller shall remit to Buyer with reasonable promptness any monies received by Seller constituting or in respect of the Acquired Assets, Assumed Contracts, or Assumed Liabilities. Buyer shall remit to Seller with reasonable promptness any monies received by Buyer constituting or in respect of the Excluded Assets or Excluded Liabilities. If any Person determines that funds previously paid or credited to Seller or the Business in respect of services rendered prior to the Closing Date have resulted in an overpayment or must be repaid, Seller shall be responsible for the repayment of said monies (and the defense of such actions), except to the extent that the repayment obligation was an Assumed Liability, and Buyer shall have the right to recover such funds.

Section 9.4 Entire Agreement. This Agreement, the Related Agreements, and the Confidentiality Agreement constitute the entire agreement between the Parties and supersede any prior understandings, agreements, or representations (whether written or oral) by or between the Parties to the extent they relate in any way to the subject matter hereof.

Section 9.5 Incorporation of Exhibits and Disclosure Schedule. The Exhibits to this Agreement and the Disclosure Schedule are incorporated herein by reference and made a part hereof.

Section 9.6 Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by each Party, except as expressly provided herein. No waiver of any breach of this Agreement shall be construed as an implied amendment or agreement to amend or modify any provision of this Agreement. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be valid unless the same shall be in writing and signed by the Party making such waiver, nor shall such waiver be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent default, misrepresentation, or breach of warranty or covenant. No conditions, course of dealing or performance, understanding, or agreement purporting to modify, vary, explain, or supplement the terms or conditions of this Agreement shall be binding unless this Agreement is amended or modified in writing pursuant to the first sentence of this Section 9.6 except as expressly provided herein. Except where a specific period for action or inaction is provided herein, no delay on the part of any Party in exercising any right, power, or privilege hereunder shall operate as a waiver thereof.

Section 9.7 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Seller may not assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written consent of Buyer. Buyer shall have the right, exercisable in its sole and absolute discretion, to assign to any or multiple Persons (affiliated or unaffiliated) all or any portion of its rights, interests, or obligations under this Agreement provided that any such assignment shall not relieve Buyer of its obligations under this Agreement. Upon any such permitted assignment, the references in this Agreement to Buyer shall also apply to any such assignee(s) unless the context otherwise requires.

Section 9.8 Notices. All notices, requests, demands, claims, and other communications hereunder shall be in writing except as expressly provided herein. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given: (a) when delivered personally to the recipient; (b) one (1) Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid); (c) on the day such communication was sent by e-mail; or (d) three (3) Business Days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, and addressed to the intended recipient as set forth below:

If to Seller: Sugarfina, Inc.
1700 E. Walnut Ave., 5th Floor
El Segundo, CA 90245

Attn: Lance Miller, Chief Restructuring Officer
E-mail: lance.miller@sugarfina.com

With a copy (which shall not constitute notice to Seller) to:

Shulman Hodges & Bastian LLP
100 Spectrum Center Drive
Suite 600
Irvine, CA 92618
Attn: Alan Friedman
E-mail: afriedman@shbllp.com

If to Buyer: Candy Cube Holdings, LLC
12100 Wilshire Blvd., Ste 1750
Los Angeles, CA 90025
Attn: Joshua Phillips
E-mail: jphillips@terramarcapital.com

With a copy (which shall not constitute notice to Buyer) to:

McDonald Hopkins LLC
300 North LaSalle Street
Suite 1400
Chicago, IL 60654
Attn: Marc Carmel
E-mail: mcarmel@mcdonaldhopkins.com

McDonald Hopkins LLC
600 Superior Avenue, East
Suite 2100
Cleveland, OH 44114
Attn: Christal Contini
E-mail: ccontini@mcdonaldhopkins.com

Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Parties notice in the manner set forth in this Section 9.8.

Section 9.9 Governing Law. This Agreement shall be governed by and construed in accordance with the internal Laws of the State of Delaware (without giving effect to the principles of conflict of Laws thereof), except to the extent that the Laws of such state are superseded by the Bankruptcy Code.

Section 9.10 Submission to Jurisdiction; Service of Process. Each of the Parties irrevocably and unconditionally submits to the exclusive jurisdiction of the Bankruptcy Court in any Litigation arising out of or relating to this Agreement or any Related Agreement or the

transactions contemplated hereby or thereby and agrees that all claims in respect of such Litigation may be heard and determined in any such court. Each Party also agrees not to (a) attempt to deny or defeat such exclusive jurisdiction by motion or other request for leave from the Bankruptcy Court or (b) bring any Litigation arising out of or relating to this Agreement or any Related Agreement or the transactions contemplated hereby or thereby in any other court; provided, however, that if the Bankruptcy Case has not been commenced, the Parties agree to unconditionally and irrevocably submit to the exclusive jurisdiction of the State of Delaware's Court of Chancery and any appellate court from any thereof, for the resolution of any such Litigation. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue in, and any defense of inconvenient forum to the maintenance of, any Litigation so brought and waives any bond, surety, or other security that might be required of any other Party with respect thereto. Any Party may make service on any other Party by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 9.8; provided, however, that nothing in this Section 9.10 shall affect the right of any Party to serve legal process in any other manner permitted by Law or in equity. Each Party agrees that a final judgment in any Litigation so brought shall be conclusive and may be enforced by Litigation or in any other manner provided by Law or in equity. The Parties intend that all foreign jurisdictions will enforce any Decree of the Bankruptcy Court in any Litigation arising out of or relating to this Agreement or any Related Agreement or the transactions contemplated hereby or thereby.

Section 9.11 Waiver of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY RELATED AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 9.12 Specific Performance. Each Party acknowledges and agrees that each other Party would be damaged irreparably in the event that a Party does not perform its obligations under this Agreement in accordance with its specific terms or otherwise breaches this Agreement, so that, in addition to any other remedy that Buyer or Seller may have under Law or equity, either Party shall be entitled, without the requirement of posting a bond or other security, to seek injunctive relief to prevent any breaches of the provisions of this Agreement by the other Party and to enforce specifically this Agreement and the terms and provisions hereof.

Section 9.13 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid, or unenforceable, such provisions shall be limited or eliminated only to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect.

Section 9.14 No Third Party Beneficiaries. Except as set forth in Section 9.15, this Agreement shall not confer any rights or remedies upon any Person other than Buyer, Seller, and their respective successors and permitted assigns.

Section 9.15 Non-Recourse. All claims or causes of action (whether in contract or in tort, in law or in equity, or granted by statute) that may be based upon, in respect of, arise under, out, or by reason of, be connected with, or related in any manner to this Agreement or the Related Agreements may be made only against (and are expressly limited to) the Persons that are expressly identified as parties hereto or thereto (the "Contracting Parties"). In no event shall any Contracting Party have any shared or vicarious Liability for the actions or omissions of any other Person. No Person who is not a Contracting Party, including any director, officer, employee, incorporator, member, partner, manager, stockholder, Affiliate, agent, attorney, or representative of, and any financial advisor or lender to, any of the foregoing ("Non-Party Affiliates"), shall have any Liability (whether in contract or in tort, in law or in equity, or granted by statute or based upon any theory that seeks to impose Liability of an entity party against its owners or affiliates) for any causes of action or Liabilities arising under, out of, in connection with, or related in any manner to this Agreement or the Related Agreements or based on, in respect of, or by reason of this Agreement or the Related Agreements or their negotiation, execution, performance, or breach; and, to the maximum extent permitted by Law, each Contracting Party waives and releases all such causes of action and Liabilities against any such Non-Party Affiliates. Without limiting the foregoing, to the maximum extent permitted by Law, (a) each Contracting Party hereby waives and releases any and all rights, claims, demands, or causes of action that may otherwise be available at law or in equity, or granted by statute, to avoid or disregard the entity form of a Contracting Party or otherwise impose Liability of a Contracting Party on any Non-Party Affiliate, whether granted by statute or based on theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, unfairness, undercapitalization, or otherwise; and (b) each Contracting Party disclaims any reliance upon any Non-Party Affiliates with respect to the performance of this Agreement or the Related Agreements or any representation or warranty made in, in connection with, or as an inducement to this Agreement or the Related Agreements. The Parties acknowledge and agree that the Non-Party Affiliates are intended third-party beneficiaries of this Section 9.15.

Section 9.16 Mutual Drafting. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

Section 9.17 Disclosure Schedule. All capitalized terms not defined in the Disclosure Schedule shall have the meanings ascribed to them in this Agreement. The representations and warranties of Seller in this Agreement are made and given, and the covenants are agreed to, subject to the disclosures and exceptions set forth in the Disclosure Schedule. The listing of any matter shall expressly not be deemed to constitute an admission by Seller, or to otherwise imply, that any such matter is material, is required to be disclosed under this Agreement, or falls within relevant minimum thresholds or materiality standards set forth in this Agreement. No disclosure in the Disclosure Schedule relating to any possible breach or violation of any Contract or Law shall be construed as an admission or indication that any such breach or violation exists or has actually occurred. All attachments to the Disclosure Schedule are incorporated by reference into the applicable section of the Disclosure Schedule in which they are directly or indirectly referenced. The information contained in the Disclosure Schedule is in all respects provided subject to the Confidentiality Agreement.

Section 9.18 Headings; Table of Contents. The section headings and the table of contents contained in this Agreement and the Disclosure Schedule are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 9.19 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered by facsimile copies or delivered by electronic communications by portable document format (.pdf), each of which shall be deemed an original.

Section 9.20 Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

SUGARFINA, INC.

By:_____
Name: Lance miller
Title: Chief Restructuring officer

SUGARFINA INTERNATIONAL, LLC

By:_____
Name: Lance miller
Title: Chief Restructuring officer

SUGARFINA (CANADA), LTD.

By:_____
Name: Lance miller
Title: Chief Restructuring officer

CANDY CUBE HOLDINGS, LLC

By:_____
Name:
Title:

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

SUGARFINA, INC.

By:_____
Name:
Title:

SUGARFINA INTERNATIONAL, LLC

By:_____
Name:
Title:

SUGARFINA (CANADA), LTD.

By:_____
Name:
Title:

CANDY CUBE HOLDINGS, LLC

By: _____
Name: Joshua Phillips
Title: Manager

Exhibit A
Bidding Procedures Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
SUGARFINA INC., *et al.*,	Case No. 19-11973 (MFW)
Debtors.[1]	(Jointly Administered) **Re: D.I._____**

ORDER (A) APPROVING BIDDING PROCEDURES AND PROTECTIONS IN CONNECTION WITH A SALE OF SUBSTANTIALLY ALL ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS; (B) SCHEDULING AN AUCTION AND SALE HEARING; (C) APPROVING THE FORM AND MANNER OF NOTICE THEREOF; (D) APPROVING PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF CONTRACTS AND LEASES; AND (E) GRANTING RELATED RELIEF

Upon consideration of the *Debtors' Motion for Entry of an Order: (I) (A) Approving Bidding Procedures and Protections in Connection with a Sale of Substantially All of Debtors' Assets Free and Clear of Liens, Claims, Encumbrances, and Interests; (B) Scheduling an Auction and Sale Hearing; (C) Approving the Form and Manner of Notice Thereof; (D) Approving Procedures for the Assumption and Assignment of Contracts and Leases; and (E) Granting Related Relief and (II) (A) Authorizing and Approving the Sale of Substantially All the Debtors' Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances; (B) Authorizing and Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (C) Granting Related Relief* (the "Sale Motion")[2] filed by the above-captioned debtors and debtors-in-possession (the "Debtors"); the Court having reviewed the Sale Motion and the record in the Debtors' chapter 11 cases (the "Chapter 11 Cases"); the Court having

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number or Canadian Revenue Agency, as applicable are (1) Sugarfina, Inc., a Delaware corporation (4356), (2) Sugarfina International, LLC, a Delaware limited liability company (1254) and (3) Sugarfina (Canada), Ltd. (4480). The location of the Debtors' corporate headquarters is 1700 E. Walnut Ave., 5th Floor, El Segundo, California 90245.

[2] Except where otherwise indicated, capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sale Motion, the Bidding Procedures, or the Agreement (each as defined herein), as applicable.

considered the statements of counsel to the Debtors and Candy Cube Holdings, LLC (the "Stalking Horse Bidder"), the Court finds that establishing bidding and sale procedures in connection with a sale of the Acquired Assets (collectively, the "Bidding Procedures"), in accordance with the provisions contained herein (the "Bidding Procedures Order"), is in the best interests of the Debtors' estates.

IT IS HEREBY FOUND AND DETERMINED THAT:

A. Findings of Fact and Conclusion of Law. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Rule 7052 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), made applicable to this proceeding pursuant to Rule 9014 of the Bankruptcy Rules. To the extent any findings of fact herein constitute conclusions of law, they are adopted as such. To the extent any conclusions of law herein constitute findings of fact, they are adopted as such.

B. Jurisdiction and Venue. The Court has jurisdiction over the Sale Motion and the transaction contemplated in the Agreement pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012, and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (M), and (O). Venue in this district is proper under 28 U.S.C. §§ 1408 and 1409.

C. Basis for Relief. The statutory bases for the relief requested in the Sale Motion are (i) sections 105, 363, 365, and 503 of title 11 of the United States Code (the "Bankruptcy Code") and (ii) Rules 2002(a)(2), 6004, 6006, and 9014 of the Bankruptcy Rules and Rules 2002-1 and 6004-1 of the Local Rules for the United States Bankruptcy Court District of Delaware (the "Local Rules").

D. Notice. As evidenced by the certificates of service filed with the Court, proper, timely, adequate, and sufficient notice of, and a reasonable opportunity to object or otherwise to

be heard regarding: the Sale Motion and the relief sought therein, and such notice complied with all applicable requirements of the Bankruptcy Code, the Bankruptcy Rules, and Local Rules, and no other or further notice is required except as set forth herein with respect to a hearing (the "Sale Hearing") before the Court to approve the transactions contemplated by that certain Asset Purchase Agreement by and among Sugarfina, Inc. and its subsidiaries and Candy Cube Holdings, LLC, dated September 6, 2019, as attached to the Sale Motion as Exhibit A (the "Agreement").

E. The Debtors' proposed notice of the Bidding Procedures is appropriate and reasonably calculated to provide all parties in interest with timely and proper notice of the sale of the Acquired Assets, the auction for the Acquired Assets (the "Auction"), and the Bidding Procedures to be employed in connection therewith.

F. Approval of the Bidding Procedures. The Debtors have demonstrated good and sufficient reasons for the Court to: (i) approve the Bidding Procedures; (ii) set the Auction and the Sale Hearing and approve the form and manner of notice of the Auction and the Sale Hearing; (iii) approve the procedures for the assumption and assignment of executory contracts and unexpired leases, including notice of proposed cure costs; and (iv) grant the Termination Fee as provided in the Agreement and in this Bidding Procedures Order.

G. The entry of this Bidding Procedures Order is in the best interests of the Debtors, their estates, creditors, and all other parties in interest.

H. The Bidding Procedures are fair, reasonable, and appropriate and are designed to maximize the value to be achieved for the Acquired Assets. The Bidding Procedures were negotiated in good faith by the Debtors and its constituents and the Stalking Horse Bidder.

I. Termination Fee. The Debtors have demonstrated a compelling business justification of the payment of the Termination Fee under the circumstances set forth in the Sale Motion and the Agreement. The Termination Fee (i) is payable as provided in section 5.5(a) of the Agreement, (ii) is of substantial benefit to the Debtors' estates, (iii) is reasonable and appropriate in light of the size and nature of the sale and the efforts that have been or will be expended by the Stalking Horse Bidder, notwithstanding that the proposed sale is subject to higher and better offers for the Acquired Assets, (iv) was negotiated by the parties at arm's length and in good faith, and (v) is necessary to ensure that the Stalking Horse Bidder will continue to pursue its proposed acquisition of the Acquired Assets contemplated in the Agreement. The Stalking Horse Bidder is unwilling to commit to purchase the Acquired Assets under the terms of the Agreement without approval of the Termination Fee.

J. Local Rule. The Bidding Procedures comply with the requirements of Local Rule 6004-1(c).

K. Executory Contracts and Unexpired Leases. The procedures for assumption and assignment of executory contracts and unexpired leases are fair, reasonable, and appropriate, and comply with the provisions of section 365 of the Bankruptcy Code.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

1. The Sale Motion is GRANTED to the extent set forth herein.

2. Except as provided to the contrary herein, all objections to the Sale Motion or the relief provided herein that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are overruled and denied on the merits with prejudice.

3. Approval of Bidding Procedures. The Bidding Procedures, attached hereto as **Exhibit 1**, are hereby approved in their entirety, are incorporated herein by reference, and shall govern the bids and proceedings related to the sale and the Auction, and the key dates for the sales process, attached hereto as **Exhibit 2** (the "Bidding Procedures Key Dates"), are hereby approved in their entirety and incorporated herein by reference.

4. The Debtors are authorized to take any and all actions necessary or appropriate to implement the Bidding Procedures.

5. Stalking Horse Bidder. Candy Cube Holdings, LLC is approved as the Stalking Horse Bidder, in accordance with the terms of the Agreement.

6. Bid Deadline. October 4, 2019 at 5:00 p.m. (prevailing Eastern Time), is hereby set as the Bid Deadline, as further detailed in the Bidding Procedures.

7. Auction. If the Debtors receive one or more Qualified Bids (as defined in the Bidding Procedures) (other than the bid submitted by the Stalking Horse Bidder) by the Bid Deadline, the Auction shall take place on October 8, 2019 at 10:00 a.m. (prevailing Eastern time), at the offices of Morris James LLP, 500 Delaware Avenue, Suite 1500, Wilmington, Delaware 19801, or such other place as the Debtors shall notify all proposed attendees. The Auction shall be conducted in accordance with the Bidding Procedures.

8. Termination Fee. Sections 5.5(a), 8.1, and 8.2 of the Agreement are hereby approved in their entirety and binding upon the Debtors, their estates, and all parties in interest. In connection therewith, the Debtors' obligation to pay the Termination Fee, as provided in the Agreement, is hereby approved in its entirety and shall survive termination of the Agreement and shall be payable as provided in Sections 5.5(a) and 8.2 of the Agreement.

9. Payment of Termination Fee. If the Agreement is terminated such that the Stalking Horse Bidder is entitled to the Termination Fee as described in Section 5.5 of the Agreement, the Debtors shall pay a break-up fee to the Stalking Horse Bidder in an amount equal to $500,000 (the "Break-Up Fee") plus the actual, reasonable, and documented expenses of Stalking Horse Bidder incurred in connection with the negotiation, execution, and preparation for the consummation of the transactions contemplated in the Agreement (the "Expense Reimbursement," and together with the Break-Up Fee, the "Termination Fee").

10. The Expense Reimbursement is payable on the first Business Day following termination of the Agreement by each Debtor from its bankruptcy estate by wire transfer of immediately available funds to the account specified by the Stalking Horse Bidder to the Debtors in writing; provided, however, that if the Agreement is terminated as a result of the Debtors selecting a Successful Bidder that is not the Stalking Horse Bidder, then the Expense Reimbursement shall be payable on the earlier of (a) the first Business Day after the closing of the transaction with the Successful Bidder (or the Backup Bidder that becomes the Successful Bidder) and (b) October 31, 2019. The Break-Up Fee is payable from the proceeds of any Alternative Transaction following termination of the Agreement by wire transfer of immediately available funds to the account specified by the Stalking Horse Bidder to the Debtors in writing, which wire payment shall be made on the first Business Day following receipt of the initial proceeds from any such Alternative Transaction.

11. The obligation to pay the Termination Fee in full by wire transfer of immediately available funds when due shall not be discharged, modified, or otherwise affected by any chapter 11 plan in the Chapter 11 Cases or by any other order or action of the Court. The Termination Fee shall be an allowed super-priority administrative expense claim (senior to any other super-

priority administrative expense claims except for administrative expense claims of the Lender (as defined in the Debtors' senior secured postpetition financing (the "DIP Credit Facility")) under the DIP Credit Facility pursuant to sections 363, 503(b), and 507(a)(2) of the Bankruptcy Code.

12. Lien for Termination Fee. The Stalking Horse Bidder is granted a super-priority lien on account of the Termination Fee, junior only to the liens granted to the Lender under the DIP Credit Facility.

13. Professional Fees Included in Termination Fee. The Stalking Horse Bidders' professional advisors are not obligated to comply with any provisions of the Bankruptcy Code regarding Court approval of professional fees payable by the Debtors and included in the Termination Fee or otherwise; provided, however, that any disputes concerning the reasonableness of the documented expenses for which the Stalking Horse Bidder is entitled to the Expense Reimbursement shall be resolved by the Court.

14. No Termination Fees for Other Bidders. Except for the Stalking Horse Bidder, no other entity submitting an offer or Bid for the Acquired Assets or a Qualified Bid shall be entitled to any expense reimbursement, or break-up, termination, or similar fees or payment.

15. Credit Bidding. For purposes of any bid by the Stalking Horse Bidder, including any Overbid, the Stalking Horse Bidder shall be entitled to credit bid up to the full amount of the Termination Fee and the full amount of any secured debt of the Debtors for which the Stalking Horse Bidder is the lender by assignment or otherwise (but only so long as such bid provides for the payment in full in cash of any secured debt senior in priority to such secured debt being credit bid). The Stalking Horse Bidder shall have the right to credit bid the full amount of (a) the pro rata portion of the DIP Obligations (as defined in the DIP Credit Facility) of the DIP Credit Facility based on the portion of the DIP Credit Facility that it has funded compared with the

aggregate amount of the DIP Credit Facility that has been funded by each Lender plus (b) the amount of the obligations under the Goldman Prepetition Loan Agreement (the "Second Lien Loan") that Goldman (the "Second Lien Lender") has assigned to the Stalking Horse Bidder at any time (which includes (a) $2,000,000 (subject to reduction dollar-for-dollar to the extent the Buyer is required to increase the cash portion of its Purchase Price (as defined in the Asset Purchase Agreement) so that the Debtors receive cash under the Asset Purchase Agreement that is sufficient to repay the obligations under the SFCC Prepetition Loan Agreement (as defined in the order approving the DIP Credit Agreement (the "First Lien Loan") and the DIP Credit Facility in cash at Closing (as defined in the Asset Purchase Agreement)) and (b) additional amounts that may be assigned by the Second Lien Lender at the Auction as agreed to between the Buyer and the Second Lien Lender), and, notwithstanding anything in this Bidding Procedures Order or the Bidding Procedures to the contrary, (a) any credit bid or cash bid by the Stalking Horse Bidder shall be a Qualified Bid, and (b) the Stalking Horse Bidder shall be a Qualified Bid.

16. Sale Notice. The notice of the sale of the Debtors' assets, substantially in the form attached hereto as **Exhibit 3** (the "Sale Notice"), is hereby approved in its entirety.

17. Service of the Sale Notice and Bidding Procedures Order. On or before two (2) business days after entry of this Bidding Procedures Order, the Debtors will cause the Sale Notice and this Bidding Procedures Order to be sent by first-class mail, postage prepaid, to the following: (a) all creditors or their counsel known to the Debtors to assert a lien (including any security interest), claim, right, interest, or encumbrance of record against all or any portion of the Acquired Assets; (b) the Office of the United States Trustee for the District of Delaware; (c) counsel to the Stalking Horse Bidder, McDonald Hopkins LLC, 300 North LaSalle Street,

Suite 1400, Chicago, Illinois 60654, Attn: Marc Carmel, mcarmel@mcdonaldhopkins.com; (d) counsel to the Debtors' first lien lender, SFCC Loan Investors, LLC, Loeb & Loeb LLP, 345 Park Avenue, New York, NY 10154, Attn: Vadim J. Rubinstein, vrubinstein@loeb.com; (e) counsel to the Debtors' second lien lender, Goldman Sachs Specialty Lending Group L.P., King & Spalding LLP, 1180 Peachtree Street, N.E., Atlanta, Georgia 30309, Attn: W. Austin Jowers, ajowers@kslaw.com; (f) all parties in interest who have requested notice pursuant to Bankruptcy Rule 2002; (g) all applicable federal, state, and local taxing and regulatory authorities of the Debtors or recording offices or any other governmental authorities that, as a result of the sale of the Acquired Assets, may have claims, contingent or otherwise, in connection with the Debtors' ownership of the Acquired Assets or have any known interest in the relief requested by the Sale Motion; (h) all counterparties to any executory contract or unexpired lease of the Debtors; and (i) all potential bidders previously identified or otherwise known to the Debtors.

18. Publication Notice. No later than five (5) business days after entry of the Bidding Procedures Order, the Debtors will cause substantially all of the information contained in the Sale Notice to be published once in the Wall Street Journal, national edition.

19. Notice. Compliance with the foregoing provisions for the Sale Notice shall constitute sufficient notice of the Debtors' proposed sale of the Acquired Assets free and clear of liens, claims, interests, and encumbrances, pursuant to section 363(f) of the Bankruptcy Code and otherwise, and, except as set forth in this Bidding Procedures Order, no other or further notice of the sale shall be required to be provided by the Debtors.

20. Sale Objections. Any objections to the sale of the Acquired Assets and the sale contemplated in the Agreement, or the relief requested in the Sale Motion, must: (a) be in writing; (b) state the basis of such objection with specificity; (c) comply with the Bankruptcy

Rules and the Local Rules; (d) be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before 4:00 p.m. (prevailing Eastern time), on October 4, 2019 (the "Sale Objection Deadline"); and (e) be served upon: (i) the Debtors, 1700 East Walnut Avenue, 5th Floor, El Segundo, California 90245, Attn: Lance Miller, lance.miller@sugarfina.com; (ii) counsel to the Debtors, Shulman Hodges & Bastian LLP, 100 Spectrum Center Drive, Suite 600, Irvine, California 92618, Attn: Alan J. Friedman, afriedman@shbllp.com; (iii) counsel to the Stalking Horse Bidder, McDonald Hopkins LLC, 300 North LaSalle Street, Suite 1400, Chicago, Illinois 60654, Attn: Marc Carmel, mcarmel@mcdonaldhopkins.com; (iv) the Office of the United States Trustee, United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: U.S. Trustee; (v) counsel to any statutory committee appointed in the Chapter 11 Cases; (vi) counsel to the Debtors' first lien lender, SFCC Loan Investors, LLC, Loeb & Loeb LLP, 345 Park Avenue, New York, NY 10154, Attn: Vadim J. Rubinstein, vrubinstein@loeb.com; and (vii) counsel to the Debtors' second lien lender, Goldman Sachs Specialty Lending Group L.P., King & Spalding LLP, 1180 Peachtree Street, N.E., Atlanta, Georgia 30309, Attn: W. Austin Jowers, ajowers@kslaw.com, in each case, so as to be received no later than 4:00 p.m. (prevailing Eastern time), on the Sale Objection Deadline.

21. Cure Notice. The notice, substantially in the form attached hereto as **Exhibit 4** (the "Cure Notice"), of potential assumption and assignment of certain of the Debtors' executory contracts and unexpired leases to be listed in the Cure Notice (collectively, the "Scheduled Contracts"), is hereby approved in its entirety. The Cure Notice shall identify the Scheduled Contracts and provide the amounts, costs, or expenses that the Debtors believe must be paid or actions or obligations that must be performed or satisfied pursuant to the Bankruptcy

Code to effectuate the assumption by the applicable Debtor and the assignment to the Stalking Horse Bidder of the Scheduled Contracts (each a "Cure Cost" and, collectively, the "Cure Costs").

22. Service of the Cure Notice. On or before two (2) business days after the entry of this Bidding Procedures Order, the Debtors shall serve by first class mail or hand delivery the Cure Notice on all non-Debtor parties to the Scheduled Contracts (each, a "Contract Counterparty").

23. Contract Objections. Any objection to any Cure Cost set forth on the Cure Notice or to the assumption and assignment to the Stalking Horse Bidder by any Contract Counterparty, including with respect to adequate assurance of future performance of the Stalking Horse Bidder (collectively, a "Contract Objection"), must: (a) be in writing; (b) state the basis for such objection with specificity; (c) if it contests any Cure Cost set forth in the Cure Notice, state with specificity what amounts, costs, or expenses the Contract Counterparty believes must be paid or actions or obligations must be performed or satisfied pursuant to the Bankruptcy Code to effectuate the assumption by the applicable Debtor and the assignment to the Stalking Horse Bidder (in all cases with appropriate documentation in support thereof); (d) comply with the Bankruptcy Rules and the Local Rules; (e) be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801 on or before 4:00 p.m. (prevailing Eastern time), on October 4, 2019 (the "Contract Objection Deadline"), and (e) be served upon: (i) the Debtors, 1700 East Walnut Avenue, 5th Floor, El Segundo, California 90245, Attn: Lance Miller, lance.miller@sugarfina.com; (ii) counsel to the Debtors, Shulman Hodges & Bastian LLP, 100 Spectrum Center Drive, Suite 600, Irvine, California 92618, Attn: Alan J. Friedman,

afriedman@shbllp.com; (iii) counsel for the Stalking Horse Bidder, McDonald Hopkins LLC, 300 North LaSalle Street, Suite 1400, Chicago, Illinois 60654, Attn: Marc Carmel, mcarmel@mcdonaldhopkins.com; (iv) the Office of the United States Trustee, United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: U.S. Trustee; (v) counsel to any statutory committee appointed in the Chapter 11 Cases; (vi) counsel to the Debtors' first lien lender, SFCC Loan Investors, LLC, Loeb & Loeb LLP, 345 Park Avenue, New York, NY 10154, Attn: Vadim J. Rubinstein, vrubinstein@loeb.com; and (vii) counsel to the Debtors' second lien lender, Goldman Sachs Specialty Lending Group L.P., King & Spalding LLP, 1180 Peachtree Street, N.E., Atlanta, Georgia 30309, Attn: W. Austin Jowers, ajowers@kslaw.com, in each case, so as to be received no later than 4:00 p.m. (prevailing Eastern time), on the Contract Objection Deadline.

24. If a Successful Bidder that is not the Stalking Horse Bidder prevails at the Auction, then the deadline for a Contract Counterparty to object to the assumption and assignment (solely on the grounds of adequate assurance of future performance) shall be extended to the Sale Hearing, provided, however, that the deadline to object to the Cure Cost shall not be extended.

25. If an objection to the Cure Cost is timely filed and received and the applicable parties are unable to consensually resolve the dispute, the amount to be paid under section 365 of the Bankruptcy Code, if any, with respect to such objection will be determined at a hearing to be requested by the Debtors, the Stalking Horse Bidder, or a Successful Bidder. At the Stalking Horse Bidder's or a Successful Bidder's discretion, the hearing regarding the Cure Cost may be continued until after the Closing Date, in which case a reserve will be funded for such Cure Cost in an amount agreed to among the Debtors, the Buyer, the First Lien Lender (as defined in the

order approving the DIP Credit Agreement) (unless the proceeds from the sale will pay the First Lien Lender's claims in full), the Second Lien Lender (unless the proceeds from the sale will pay the First Lien Lender's claims in full), and the applicable counterparty or as determined by the Court, and any such amount shall be treated as an amount in the Reserve Account in accordance with the Asset Purchase Agreement.

26. If no Contract Objection for a Scheduled Contract is timely filed by the Contract Counterparty and received in accordance with the Bidding Procedures Order, then: (a) the Contract Counterparty will be deemed to have consented to the assumption and assignment of the Scheduled Contract; (b) the Contract Counterparty will be forever barred and estopped from asserting any objection to the propriety or effectiveness of the assumption and assignment of the Scheduled Contract, against the Debtors, the Stalking Horse Bidder, a Successful Bidder, any assignee of the Scheduled Contract, or the property of any of them; (c) the Cure Cost set forth on the Cure Notice for such Scheduled Contract shall be controlling and the Contract Counterparty will be deemed to have consented thereto, notwithstanding anything to the contrary in the Scheduled Contract or otherwise; and (d) the Contract Counterparty will be forever barred and estopped from objecting to the Cure Cost or asserting any claims, other than the Cure Costs, against the Debtors, the Stalking Horse Bidder, a Successful Bidder, any assignee of the Scheduled Contract, or the property of any of them.

27. Notice. Compliance with the foregoing provisions for the Cure Notice shall constitute sufficient notice of the Debtors' potential assumption and assignment of the Scheduled Contracts to the Stalking Horse Bidder, pursuant to section 365 of the Bankruptcy Code and otherwise, and, except as set forth in this Bidding Procedures Order, no other or further notice of the sale shall be required to be provided by the Debtors.

28. Participation in the Bidding Process. All entities (as defined in the Bankruptcy Code) that participate in the bidding process or the Auction shall be deemed to have knowingly and voluntarily submitted to the exclusive jurisdiction of the Court with respect to all matters related to the terms and conditions of the transfer of Acquired Assets, the Auction, and any transaction contemplated herein.

29. Sale Hearing. The Sale Hearing shall be held before the Court on **[Sale Hearing Date**] at **[Sale Hearing Time]** (prevailing Eastern time). The Sale Hearing may be continued, from time to time, without further notice to creditors or other parties in interest other than by announcement of said continuance before the Court on the date scheduled for such hearing or in the hearing agenda for such hearing.

30. Bidding Procedures Order Controls. To the extent that any chapter 11 plan confirmed in the Chapter 11 Cases or any order confirming any such plan or any other order in the Chapter 11 Cases (including any order entered after any conversion of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code) alters, conflicts with, or derogates from the provisions of this Bidding Procedures Order, the provisions of this Bidding Procedures Order shall control. The Debtors' obligations under this Bidding Procedures Order, the provisions of this Bidding Procedures Order, and the portions of the Agreement pertaining to the Bidding Procedures shall survive conversion of any of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, confirmation of any chapter 11 plan in the Chapter 11 Cases or discharge of claims thereunder and shall be binding upon the Debtors, a chapter 7 trustee, and the reorganized or reconstituted Debtors, as the case may, after the effective date of any confirmed chapter 11 plan in the Debtors' cases (including any order entered after any conversion of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code).

31. Immediate Effectiveness of the Bidding Procedures Order. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 6006(d), 7062, or 9014, or any other provisions of the Bankruptcy Rules or the Local Rules stating the contrary, the terms and conditions of this Bidding Procedures Order shall be immediately effective and enforceable upon its entry, and no automatic stay shall apply to this Bidding Procedures Order.

32. Calculation of Time. All time periods set forth in this Bidding Procedures Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

33. Authorization of Debtors. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Bidding Procedures Order in accordance with the Sale Motion. No further or additional order from the Court shall be required to give effect to the provisions set forth in this Bidding Procedures Order.

34. Inconsistencies. In the event there is any inconsistency between the Sale Motion, the Bidding Procedures, the Agreement, or this Bidding Procedures Order, this Bidding Procedures Order shall govern.

35. Jurisdiction. The Court shall retain jurisdiction over any matters related to or arising from the implementation of this Bidding Procedures Order. All matters arising from or related to the implementation of this Bidding Procedures Order may be brought before the Court as a contested matter, without the necessity of commencing an adversary proceeding.

Exhibit 1

Bidding Procedures

BIDDING PROCEDURES[1]

By the Sale Motion dated September 9, 2019, Sugarfina, Inc., Sugarfina International, LLC, and Sugarfina (Canada), Ltd. (collectively, the "Debtors") sought approval of, among other things, the procedures by which they will determine the highest or otherwise best price for the sale of substantially all of their assets (the "Acquired Assets") described in the Asset Purchase Agreement dated as of September 6, 2019 (the "Agreement"), by and among Candy Cube Holdings, LLC, as purchaser (the "Stalking Horse Bidder"), and the Debtors, as sellers, a copy of which is attached as **Exhibit A** to the Sale Motion.

On [October 4, 2019], the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") entered an order (the "Bidding Procedures Order") that, among other things, authorized the Debtors to determine the highest or otherwise best price for the Acquired Assets through the process and procedures set forth therein and herein (the "Bidding Procedures").

As used herein, the term "Consultation Parties" shall mean (a) any statutory committee appointed in the Chapter 11 Cases, (b) the first lien lender and DIP Lender, SFCC Loan Investors, LLC, and (c) the second lien lender, Goldman Sachs Specialty Lending Group L.P., together with each of their respective counsel and advisors.

Unless expressly indicated, the Bidding Procedures apply to all bidders.

Access to Diligence Materials

To participate in the bidding process and to receive access to due diligence (the "Diligence Materials"), a party must submit to the Debtors an executed confidentiality agreement in the form and substance satisfactory to the Debtors.

A party who qualifies for access to Diligence Materials shall be a "Preliminary Interested Investor." All requests for Diligence Materials must be directed to the Debtors.

For any Preliminary Interested Investor who is a competitor of the Debtors or is affiliated with any competitor of the Debtors, the Debtors reserve the right to withhold any Diligence Materials that the Debtors, in their sole and absolute discretion, determine are business-sensitive or otherwise not appropriate for disclosure to such Preliminary Interested Investor.

No distribution of Diligence Materials will continue after the Bid Deadline (defined below). The Debtors shall provide the Stalking Horse Bidder with access to all written Diligence Materials, management presentations, on-site inspections, and other information provided to any Preliminary Interested Investor that were not previously made available to the Stalking Horse Bidder as soon as reasonably practicable and in no event later than one (1) business day after the date the Debtors made such information available to any Preliminary Interested Investor;

[1] Capitalized terms used but not defined herein shall have the meanings set forth in the Bidding Procedures Order or the Agreement, as applicable.

provided, however, that this requirement shall be deemed satisfied by the Debtors if such information is posted to the data room established by the Debtors. Neither the Debtors nor any of their representatives will be obligated to furnish any information relating to the Acquired Assets to any entity other than to the Stalking Horse Bidder and Preliminary Interested Investors. The Debtors make no representations or warranty as to the information to be provided through this due diligence process or otherwise, except to the extent set forth in the Agreement or in any other definitive agreement the Debtors execute with a Successful Bidder (as defined herein).

Bid Qualification Process

To be eligible to participate in the Auction (as defined herein), each offer, solicitation, or proposal (each, a "Bid"), and each party submitting such a Bid (each, a "Bidder"), must be determined by the Debtors (in consultation with the Consultation Parties) to satisfy each of the following conditions (other than the Bid of the Stalking Horse Bidder):

(a) Form: The Bid must: (i) be in writing; (ii) disclose the identity of each entity that will be bidding for the assets or otherwise participating in connection with such Bid (provided, however, that if the entity that is the Bidder is a special purpose vehicle or other entity without existing operations (as determined by the Debtors), the Bid must disclose the identity or identities of each ultimate owner or participant in the entity that is the Bidder); (iii) be in the form of a duly authorized, executed, and non-contingent purchase agreement, together with all schedules, exhibits, and related documents thereto; and (vi) include clearly marked versions of the Bid against the Agreement and the proposed Sale Order showing all changes requested by the Bidder.

(b) Good Faith Deposit: The Bid must be accompanied by a cash deposit in an amount equal to $500,000 to an interest-bearing segregated account to be identified and established by the Debtors (the "Good Faith Deposit").

(c) Assets: The Bid must clearly identify which assets the Bidder intends to purchase and which liabilities and obligations the Bidder agrees to assume or pay.

(d) Same or Better Terms: The Bid must be on terms and conditions that are substantially the same as or better than, not more burdensome in any material way than, and no more conditional than the terms of the Agreement, as determined by the Debtors. The Bid may not contain additional termination rights, covenants, financing or due diligence contingencies, or closing conditions, other than as may be included in the Agreement (it being agreed and understood that such Bid shall modify the Agreement as needed to comply in all respects with the Bidding Procedures Order and will remove provisions that apply only to the Stalking Horse Bidder as the stalking horse bidder, such as the Termination Fee).

(e) Corporate Authority: The Bid must include written evidence reasonably acceptable to the Debtors, in consultation with the Consultation Parties, demonstrating that the Bidder has full power and authority (including full

corporate or other organizational power and authority) to consummate the proposed transaction contemplated by the Bid.

(f) Proof of Financial Ability to Perform: To the extent that the Bid is not accompanied by evidence of the Bidder's capacity to consummate the transaction contemplated by the Bid with unrestricted and fully available cash, the Bid must include written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, documented to the satisfaction of the Debtors, in consultation with the Consultation Parties, by the submission of recent financial documentation (audited, if available), that will allow the Debtors (in consultation with the Consultation Parties) to make a reasonable determination as to the financial and other capabilities of the Bidder to consummate the transaction contemplated by the Bid, including providing adequate assurance of future performance under all contracts and leases proposed to be assumed and assigned in the transaction contemplated by the Bid.

(g) Contingencies: The Bid may not be conditioned on obtaining financing, obtaining any internal approval, or on the outcome or review of due diligence, but may be subject to the accuracy in all material respects of specified representations and warranties at the Closing.

(h) Irrevocable: The Bid must be irrevocable through the Auction; provided, however, that if such Bid is accepted as the Successful Bid or a Backup Bid (each as defined herein), such Bid shall continue to remain irrevocable, subject to the terms and conditions of the Bidding Procedures.

(i) Bid Deadline. Regardless of when an entity qualifies as a Preliminary Interested Investor, the following parties must receive a Bid in writing, transmitted via email (in .pdf or similar format) so as to be received no later than 5:00 p.m. (prevailing Eastern time), on or before October 4, 2019 (the "Bid Deadline"): (i) the Debtors, Attn: Lance Miller, lance.miller@sugarfina.com; (ii) counsel to the Debtors, Shulman Hodges & Bastian LLP, Attn: Alan J. Friedman, afriedman@shbllp.com; (iii) restructuring advisors to the Debtors, Force 10 Partners, LLC, Attn: Adam Meislik, ameislik@force10partners.com; (iv) counsel to the Debtors' first lien lender, SFCC Loan Investors, LLC, Loeb & Loeb LLP, Attn: Lance Jurich, ljurich@loeb.com; (v) counsel to the Debtors' second lien lender, Goldman Sachs Specialty Lending Group L.P., King & Spalding LLP, Attn: W. Austin Jowers, ajowers@kslaw.com; and (vi) counsel to the Stalking Horse Bidder, McDonald Hopkins LLC, Attn: Marc Carmel, mcarmel@mcdonaldhopkins.com.

(j) Amount of Bid. Each Bid must clearly show the amount of the purchase price. In addition, a Bid (either standing alone or in combination with other Bids) must include a cash purchase price that is in an amount equal to at least $15,250,000, which consists of (i) the cash and credit bid consideration set forth in the Agreement in the amount of $13,000,000, plus (ii) the equity consideration set forth in the Agreement (i.e., 20% of the equity of the Stalking Horse Bidder)

(which solely for purposes hereof shall be valued at $1,000,000), plus (iii) the amount of the Termination Fee (which solely for purposes hereof shall be $1,000,000), plus (iv) $250,000. The value of any noncash consideration shall be determined by the Debtors in their reasonable business judgment (in consultation with the Consultation Parties).

(k) Transition Services Agreement. Each Bid shall be accompanied by an affirmative statement that the Bidder agrees to enter into a transition services agreement with the Debtors that is at least as favorable to the Debtors as the Transition Services Agreement that the Stalking Horse Bidder has negotiated with the Debtors.

(l) Adequate Assurance of Future Performance. Each Bid shall be accompanied by sufficient information concerning the Bidder's ability to provide adequate assurance of future performance with respect to the executory contracts and unexpired leases to be assumed by the Debtors and assigned to the Bidder (the "Adequate Assurance Information"). By submitting a Bid, each Bidder agrees that the Debtors may disseminate their Adequate Assurance Information to Contract Counterparties if the Debtors determine such bid to be a Qualified Bid.

(m) Affirmative Statement. Each Bid shall be accompanied by an affirmative statement that: (i) all Bidders submitting such Bid have acted in good faith consistent with section 363(m) of the Bankruptcy Code; (ii) all Bidders submitting such Bid have and will continue to comply with the Bidding Procedures; (iii) the Bid does not entitle such Bidder to, and such Bidder disclaims any right to, any break-up fee, termination fee, expense reimbursement, or similar type of payment or reimbursement; and (iv) all Bidders submitting such Bid waive any substantial contribution (administrative expense) claims under section 503(b) of the Bankruptcy Code related to bidding for the Debtors' assets or otherwise participating in the Auction.

(n) Consent to Jurisdiction as Condition to Bidding. All entities that participate in the bidding process or the Auction (as defined herein) shall be deemed to have knowingly and voluntarily submitted to the exclusive jurisdiction of the Court with respect to all matters related to the terms and conditions of the transfer of Acquired Assets, the Auction, and any transaction contemplated by the Bidding Procedures Order.

(o) Covenant Against Anti-Competitive Behavior. Each Bid shall be accompanied by a written covenant by the Bidder agreeing not to, without permission from the Debtors, contact any of the Debtors' employees, contractors, vendors, or material customers from the date of such Bid until the Auction. If the Bidder defaults with respect to the foregoing covenant, the Bid may be deemed by the Debtors, in consultation their reasonable business judgment and in consultation with the Consultation Parties, to not be a Qualified Bid.

The Debtors, in consultation with the Consultation Parties, will review each Bid received from a Bidder to determine, in consultation with the Consultation Parties, whether it meets the requirements set forth herein and in the Bidding Procedures Order. A Bid received from a Bidder before the Bid Deadline that meets the above requirements shall constitute a "Qualified Bid," and such Bidder shall constitute a "Qualified Bidder." The Debtors shall inform Bidders whether or not their Bids have been designated as Qualified Bids by the Debtors and the Consultation Parties no later than twenty-four (24) hours after such Bids are received. Notwithstanding anything herein to the contrary, (a) the Agreement submitted by the Stalking Horse Bidder shall be deemed a Qualified Bid, and (b) the Stalking Horse Bidder is a Qualified Bidder.

Auction

If one or more Qualified Bids (other than the Agreement submitted by the Stalking Horse Bidder) is received by the Bid Deadline, the Debtors will conduct an auction (the "Auction") to determine the highest or otherwise best Qualified Bid. If no Qualified Bid (other than the Agreement) is received by the Bid Deadline, no Auction shall be conducted and the Agreement shall be deemed to be the Successful Bid, and the Stalking Horse Bidder shall be deemed to be the Successful Bidder. Only Qualified Bidders may participate in the Auction. Prior to the Auction, the Debtors shall provide copies of all Qualified Bids to all Qualified Bidders, including the Stalking Horse Bidder.

The Auction shall take place on October 8, 2019 at 10:00 a.m. (prevailing Eastern time), at the offices of Morris James LLP, 500 Delaware Avenue, Suite 1500, Wilmington, Delaware 19801, or such other place and time as the Debtors shall notify all Qualified Bidders, including the Stalking Horse Bidder, counsel to the Stalking Horse Bidder, and other invitees in accordance with the Bidding Procedures Order.

(a) The Debtors Shall Conduct the Auction. The Debtors shall direct and preside over the Auction in consultation with the Consultation Parties. Each Qualified Bidder participating in the Auction must confirm that it has not engaged in any collusion with respect to the bidding or sale of the Debtors' assets.

Only the Debtors, the Consultation Parties, the Stalking Horse Bidder, and any other Qualified Bidder, in each case, along with their representatives, shall attend the Auction in person, and only the Stalking Horse Bidder and such other Qualified Bidders will be entitled to make any Bids at the Auction.

Prior to the Auction, the Debtors will share with all Qualified Bidders, including the Stalking Horse Bidder, the highest or otherwise best Qualified Bid received by the Bid Deadline (the "Baseline Bid"). Qualified Bidders will be permitted to revise, increase, and/or enhance their Qualified Bids at the Auction in a manner that would make their Qualified Bids higher or otherwise better than the Baseline Bid (as determined by the Debtors in consultation with the Consultation Parties). All Qualified Bidders will have the right to make additional modifications to their Qualified Bid or Agreement, consistent with the Bidding Procedures, as applicable, at the Auction.

(b) Terms of Overbids. An "Overbid" is any Bid made at the Auction subsequent to the Debtors' announcement of the Baseline Bid that satisfies each of the following:

(i) Minimum Overbid Increment. Any Overbid after the Auction Baseline Bid shall be made in increments valued at not less than $250,000. Additional consideration in excess of the amount set forth in the Baseline Bid may include cash and/or noncash consideration. The value of any noncash consideration shall be determined by the Debtors in their reasonable business judgment (in consultation with the Consultation Parties).

(ii) Stalking Horse Bidder's Ability to Credit Bid. For purposes of any bid by the Stalking Horse Bidder, including any Overbid, the Stalking Horse Bidder shall be entitled to credit bid up to the full amount of the Termination Fee (which solely for purposes hereof shall be $1,000,000) and the full amount of any secured debt of the Debtors for which the Stalking Horse Bidder is the lender (but only so long as such bid provides for the payment in full in cash of any secured debt senior in priority to such secured debt being credit bid by the Stalking Horse Bidder).

(iii) Remaining Terms Are the Same as for Qualified Bids. Except as modified herein, an Overbid must comply with the conditions for a Qualified Bid set forth herein; provided, however, that the Bid Deadline shall not apply. Any Overbid must remain open and binding on the Bidder until and unless the Debtors accept a higher Overbid.

(c) Successful Bidder. The Auction shall continue until the Debtors determine in their reasonable business judgment (in consultation with the Consultation Parties) that there is a highest or otherwise best Qualified Bid at the Auction (a "Successful Bid," and each Bidder submitting such Successful Bid, a "Successful Bidder"). The Auction shall not close unless and until all Bidders who have submitted Qualified Bids have been given a reasonable opportunity, as determined by the Debtors in consultation with the Consultation Parties, to submit an Overbid at the Auction to the then-existing Overbids and the Successful Bidder has submitted fully executed sale and transaction documents memorializing the terms of the Successful Bid.

(d) Backup Bidder. Notwithstanding anything in the Bidding Procedures to the contrary, if an Auction is conducted, the entity with the second highest or otherwise best Qualified Bid at the Auction, as determined by the Debtors, in the exercise of their business judgment, will be designated as the backup bidder (the "Backup Bidder"). The Backup Bidder shall be required to keep its initial Bid (or, if the Backup Bidder submitted one or more Overbids at the Auction, its final Overbid) (the "Backup Bid") open and irrevocable until the earlier of (i) 12:00 p.m. (prevailing Eastern time) on November 1, 2019 (the "Outside Backup Date"), and (ii) the closing of the transaction with the Successful Bidder.

Following the Sale Hearing, if the Successful Bidder fails to consummate an approved transaction (thereafter, the "Defaulting Successful Bidder"), the Debtors may designate the Backup Bidder to be the new Successful Bidder, and the Debtors will be authorized, but not required, to consummate the transaction with the Backup Bidder without further order of the Court. In such case, the Defaulting Successful Bidder's deposit shall be forfeited to the Debtors, and the Debtors specifically reserve the right to seek all available damages from the Defaulting Successful Bidder.

(e) Closing the Auction. Within twenty-four (24) hours following the conclusion of the Auction, the Debtors shall file a notice on the Court's docket identifying (with specificity) the Successful Bidder for the Acquired Assets and any applicable Backup Bidder. The Debtors shall not consider any Bids submitted after the conclusion of the Auction and any and all such Bids shall be deemed untimely and shall under no circumstances constitute a Qualified Bid.

Sale Hearing

The Court has scheduled a hearing on **[Sale Hearing Date]** at **[Sale Hearing Time]**, at which the Debtors will seek approval of the transactions contemplated by the agreement with the Successful Bidder (the "Sale Hearing").

Return of Good Faith Deposit

The Good Faith Deposits of all Qualified Bidders shall be held in one or more interest-bearing segregated accounts by the Debtors but shall not become property of the Debtors' estates absent further order of the Court. The Good Faith Deposit of any Qualified Bidder that is neither the Successful Bidder nor the Backup Bidder shall be returned to such Qualified Bidder not later than two (2) business days after the Sale Hearing. The Good Faith Deposit of the Backup Bidder shall be returned to the Backup Bidder on the date that is the earlier of twenty-four (24) hours after (a) the closing of the transaction with the Successful Bidder and (b) the Outside Backup Date. If the Successful Bidder timely closes the transaction contemplated by the Successful Bid, its Good Faith Deposit shall be credited towards its purchase price. The deposit of the Stalking Horse Bidder shall be treated as set forth in the Agreement, notwithstanding anything herein to the contrary.

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Exhibit 2

Bidding Procedures Key Dates

BIDDING PROCEDURES KEY DATES

EVENT	DATE
Hearing on the Sale Motion for Bidding Procedures	September 24, 2019 at 3 p.m. (prevailing Eastern time)
Service of Bidding Procedures Order, Sale Notice, and Cure Notice	2 days after entry of Bidding Procedures Order (proposed)
Bid Deadline	October 4, 2019 at 5:00 p.m. (prevailing Eastern time) (proposed)
Deadline for Assumption/Assignment and Cure Cost Objections	October 4, 2019 at 4:00 p.m. (prevailing Eastern time) (served so as to be received on the same day) (proposed)
Sale Objection Deadline	October 4, 2019 at 4:00 p.m. (prevailing Eastern time) (served so as to be received on the same day) (proposed)
Auction	October 8, 2019 at 10:00 a.m. (prevailing Eastern time) (proposed)
Adequate Assurance Objection (in the event the Stalking Horse Bidder is not the Successful Bidder)	At or before the Sale Hearing (proposed)
Sale Hearing	On or about October 10, 2019 at [__ a.m./p.m.] (prevailing Eastern time) (proposed)

Exhibit 3

Sale Notice

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
SUGARFINA INC., *et al.*,	Case No. 19-11973 (MFW)
Debtors.[1]	(Jointly Administered)

NOTICE OF SALE OF CERTAIN ASSETS AT AUCTION

PLEASE TAKE NOTICE THAT:

1. The above-captioned debtors (the "Debtors") have entered into an Agreement (the "Agreement") with Candy Cube Holdings, LLC (the "Stalking Horse Bidder") for the sale of substantially all of the Debtors' assets subject to a competitive bidding process. The *Order (A) Approving Bidding Procedures and Protections in Connection with a Sale of Substantially All Assets Free and Clear of Liens, Claims, Encumbrances, and Interests; (B) Scheduling an Auction and Sale Hearing; (C) Approving the Form and Manner of Notice Thereof; (D) Approving Procedures for the Assumption and Assignment of Contracts and Leases; and (E) Granting Related Relief* entered by the United States Bankruptcy Court for the District of Delaware (the "Court") on **[_____]**, 2019, sets forth procedures for the competitive bidding and sale process contemplated in the Agreement (the "Bidding Procedures Order").[2]

2. Copies of (i) the motion seeking approval of the sale (the "Sale Motion"), (ii) the Agreement, (iii) the Bidding Procedures Order and the Bidding Procedures, and (iv) the proposed Sale Order can be obtained by contacting the Debtors' counsel at Shulman Hodges & Bastian LLP, 100 Spectrum Center Drive, Suite 600, Irvine, California 92618, Attn: Alan J. Friedman; afriedman@shbllp.com.

3. All interested parties are invited to make an offer to purchase the Acquired Assets in accordance with the terms and conditions approved by the Court in the Bidding Procedures Order (the "Bidding Procedures") by 5:00 p.m. (prevailing Eastern time), on **[Bid Deadline]**. Pursuant to the Bidding Procedures, the Debtors may conduct an Auction for the Acquired Assets (the "Auction") beginning at **10:00 a.m.** (prevailing Eastern time), on **[Auction Date]** at Morris James LLP, 500 Delaware Avenue, Suite 1500, Wilmington, Delaware 19801 or such other place as the Debtors notify all proposed attendees. You can contact the Debtors' counsel, Shulman Hodges & Bastian LLP, 100 Spectrum Center Drive, Suite 600, Irvine, California 92618, Attn: Alan J. Friedman; afriedman@shbllp.com, for further information regarding the Debtors' assets and/or making a bid.

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[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number or Canadian Revenue Agency, as applicable are (1) Sugarfina, Inc., a Delaware corporation (4356), (2) Sugarfina International, LLC, a Delaware limited liability company (1254) and (3) Sugarfina (Canada), Ltd. (4480). The location of the Debtors' corporate headquarters is 1700 E. Walnut Ave., 5th Floor, El Segundo, California 90245.

[2] Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Bidding Procedures Order or the Agreement, as applicable.

4. Participation at the Auction is subject to the Bidding Procedures and the Bidding Procedures Order.

5. A hearing to approve the sale of the Acquired Assets to the highest and best bidder will be held on **[Hearing Date]** at **[__:00 a.m./p.m.]** (prevailing Eastern time), at the Court. The hearing on the sale may be adjourned without notice other than an adjournment in open court.

6. Objections, if any, to the proposed sale must be filed and served in accordance with the Bidding Procedures Order, and **actually received** no later than **4:00 p.m.** (prevailing Eastern time), on **[Sale Objection Date]**.

7. The failure of any entity to file an objection on or before the **[Objection Date]** shall be deemed a consent to the sale of the Acquired Assets to the Stalking Horse Bidder or other Successful Bidder and the other relief requested in the Sale Motion, and be a bar to the assertion of any objection to the Sale Motion, the sale of the acquired assets, and the Debtors' consummation and performance of the Agreement or other agreement with a different Successful Bidder (including in any such case, without limitation, the transfer of the Acquired Assets free and clear of all liens, claims, encumbrances, and interests).

8. This notice is qualified in its entirety by the Bidding Procedures Order.

Dated: _____, 2019	**MORRIS JAMES LLP** */s/ Brya M. Keilson* Brya M. Keilson, Esquire (DE Bar No. 4643) Eric J. Monzo, Esquire (DE Bar No. 5214) 500 Delaware Avenue; Suite 1500 Wilmington, DE 19801 Telephone: (302) 888-6800 Facsimile: (302) 571-1750 E-mail: bkeilson@morrisjames.com E-mail: emonzo@morrisjames.com and **SHULMAN HODGES & BASTIAN** Alan J. Friedman, Esquire Ryan O'Dea, Esquire 100 Spectrum Center Drive; Suite 600 Irvine, CA 92618 Telephone: (949) 427-1654 Facsimile: (949) 340-3000 E-mail: afriedman@shbllp.com E-mail: rodea@shbllp.com *Proposed Counsel to the Debtors and Debtors in Possession*

Exhibit 4

Cure Notice

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
SUGARFINA INC., *et al.*,	Case No. 19-11973 (MFW)
Debtors.[1]	(Jointly Administered)

NOTICE OF ASSUMPTION AND CURE COST WITH RESPECT TO EXECUTORY CONTRACTS OR UNEXPIRED LEASES POTENTIALLY TO BE ASSUMED AND ASSIGNED IN CONNECTION WITH SALE OF DEBTORS' ASSETS

PLEASE TAKE NOTICE THAT:

1. The above-captioned debtors (the "Debtors") have entered into an Agreement (the "Agreement") with Candy Cube Holdings, LLC (the "Stalking Horse Bidder") for the sale of substantially all of the Debtors' assets subject to a competitive bidding process. The *Order (A) Approving Bidding Procedures and Protections in Connection with a Sale of Substantially All Assets Free and Clear of Liens, Claims, Encumbrances, and Interests; (B) Scheduling an Auction and Sale Hearing; (C) Approving the Form and Manner of Notice Thereof; (D) Approving Procedures for the Assumption and Assignment of Contracts and Leases; and (E) Granting Related Relief* entered by the United States Bankruptcy Court for the District of Delaware (the "Court") on **[_____]**, 2019, sets forth procedures for the competitive bidding and sale process contemplated in the Agreement (the "Bidding Procedures Order").[2]

2. The Debtors hereby provide notice that they may assume and assign the prepetition executory contracts or unexpired leases listed on **Exhibit A** hereto (the "Scheduled Contracts") to the Stalking Horse Bidder or a Successful Bidder, as the case may be. The inclusion of any executory contract or unexpired lease on **Exhibit A** does not require or guarantee that such executory contract or unexpired lease will be assumed or assigned, or that such contract is executory or such lease is unexpired, and all rights of the Debtors and the Stalking Horse Bidder with respect thereto are reserved.

3. Pursuant to the terms of the Agreement (or any asset purchase agreement that the Debtors may enter into with a Successful Bidder), the Debtors may seek to assume and assign one or more of the Scheduled Contracts to the Stalking Horse Bidder or a Successful Bidder, as the case may be, subject to approval at the hearing to be held at **[__:00 a.m./p.m.]** (prevailing Eastern time), on **[Sale Hearing Date]** (the "Sale Hearing"), before the Court. Set forth on **Exhibit A** are any and all amounts, costs, or expenses that the Debtors believe must be paid or

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number or Canadian Revenue Agency, as applicable are (1) Sugarfina, Inc., a Delaware corporation (4356), (2) Sugarfina International, LLC, a Delaware limited liability company (1254) and (3) Sugarfina (Canada), Ltd. (4480). The location of the Debtors' corporate headquarters is 1700 E. Walnut Ave., 5th Floor, El Segundo, California 90245.

[2] Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Bidding Procedures Order or the Agreement, as applicable.

actions or obligations that must be performed or satisfied pursuant to the Bankruptcy Code to effectuate the assumption by the applicable Debtor, and the assignment to the Stalking Horse Bidder, of the Scheduled Contracts (the "Cure Cost") prior to assumption and assignment.

4. Objections, if any, to the assumption and assignment of a Scheduled Contract and/or to the proposed Cure Cost must be filed and served in accordance with the Bidding Procedures Order, and **actually received** no later than **4:00 p.m.** (prevailing Eastern time), on **[Contract and Lease Objection Deadline]**.

5. If an objection to the Cure Cost is timely filed and received and the applicable parties are unable to consensually resolve the dispute, the amount to be paid under section 365 of the Bankruptcy Code, if any, with respect to such objection will be determined at a hearing to be requested by the Debtors, the Stalking Horse Bidder, or a Successful Bidder. At the Stalking Horse Bidder's or a Successful Bidder's discretion, the hearing regarding the Cure Cost may be continued until after the Closing Date. If a Successful Bidder that is not the Stalking Horse Bidder prevails at the Auction, then the deadline to object to assumption and assignment (solely on the grounds of adequate assurance of future performance) shall be extended to the Sale Hearing, provided, however, that the deadline to object to the Cure Cost shall not be extended.

6. If no Contract Objection for a Scheduled Contract is timely filed by any non-Debtor party to a Scheduled Contract and received in accordance, all in accordance with the Bidding Procedures Order, then: (a) the such non-Debtor party will be deemed to have consented to the assumption and assignment of the Scheduled Contract; (b) such non-Debtor party will be forever barred and estopped from asserting any objection to the propriety or effectiveness of the assumption and assignment of the Scheduled Contract, against the Debtors, the Stalking Horse Bidder, a Successful Bidder, any assignee of the Scheduled Contract, or the property of any of them; (c) the Cure Cost set forth on the Cure Notice for such Scheduled Contract shall be controlling and such non-Debtor party will be deemed to have consented thereto, notwithstanding anything to the contrary in the Scheduled Contract or otherwise; and (d) such non-Debtor party will be forever barred and estopped from objecting to the Cure Cost or asserting any claims, other than the Cure Costs, against the Debtors, the Stalking Horse Bidder, a Successful Bidder, any assignee of the Scheduled Contract, or the property of any of them.

7. In accordance with section 365 of the Bankruptcy Code, there is adequate assurance that the Cure Cost set forth on the Cure Notice will be paid in accordance with the terms of the Sale Order. If necessary, the Debtors will adduce facts at the hearing on any objection demonstrating the financial wherewithal of the Stalking Horse Bidder or a Successful Bidder and its willingness and ability to perform under the Scheduled Contracts to be assumed and assigned to it.

8. No later than three (3) days prior to the Closing Date, the Stalking Horse Bidder or a Successful Bidder hall deliver written notice to Debtors, designating each contract or lease on **Exhibit A** as "assumed," "rejected," or "retained." Each contract or lease to be assumed by the Debtors and assigned to the Stalking Horse Bidder or a Successful Bidder will be so designated as "assumed" and is referred to herein as an "Assumed Contract"; each contract or lease to be rejected by the Debtors will be so designated as "rejected" is referred to herein as a "Rejected Contract"; and each Contract or Lease that may become designated as "assumed" or

"rejected" will be so designated as "Retained" is referred to herein as a "Retained Contract." Prior to the Closing Date, the Debtors shall file a notice with the Court setting forth the Assumed Contracts, the Rejected Contracts, and the Retained Contracts. The order approving the sale shall provide that (a) Assumed Contracts or Retained Contracts that are later designated as Assumed Contracts are assumed by the Debtors and assigned to the Stalking Horse Bidder or a Successful Bidder effective upon the Debtors filing a notice with the Court and the counterparty being paid any Cure Costs (each, an "Assumption and Assignment Notice") and (b) the Rejected Contracts or Retained Contracts that are later designated as Rejected Contracts are rejected by the Debtors effective upon the Debtors filing a notice with the Court (each, a "Rejection Notice").

9. At Closing, a reserve account will be funded in the aggregate amount of the Cure Costs for Retained Contracts (the "Reserve Account"). Between the Closing Date and the date that is ninety (90) days after Closing (the "Retained Contracts Period"), the Stalking Horse Bidder or other Successful Bidder who closes the sale with the Debtors may designate any Retained Contract as an Assumed Contract or a Rejected Contract. Any Retained Contract that is not designated as an Assumed Contract with the timely filing of an Assumption and Assignment Notice and is not designated as a Rejected Contract with the timely filing of a Rejection Notice on or before the expiration of the Retained Contracts Period shall automatically become a Rejected Contract immediately after the expiration of the Retained Contracts Period.

10. The Stalking Horse Bidder or other Successful Bidder shall retain the right to use all assets at any leased real property by the Debtors that is subject to a Retained Contract and to receive all the proceeds from any sale or use of goods and services at the leased real property during the Retained Contracts Period.

11. This notice is qualified in its entirety by the Bidding Procedures Order.

Dated: _____, 2019

MORRIS JAMES LLP

/s/ Brya M. Keilson
Brya M. Keilson, Esquire (DE Bar No. 4643)
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E-mail: rodea@shbllp.com

Proposed Counsel to the Debtors and Debtors in Possession

EXHIBIT A

CONTRACT/LEASE COUNTERPARTY	CONTRACT OR LEASE	CURE COST

EXHIBIT B

Form of Sale Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
SUGARFINA INC., *et al.*,	Case No. 19-11973 (MFW)
Debtors.[1]	(Jointly Administered) **Re: D.I. ____**

ORDER (A) AUTHORIZING AND APPROVING THE SALE OF SUBSTANTIALLY ALL THE DEBTORS' ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, INTERESTS, AND ENCUMBRANCES, (B) AUTHORIZING AND APPROVING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (C) GRANTING RELATED RELIEF

Upon consideration of the *Debtors' Motion for Entry of an Order: (I) (A) Approving Bidding Procedures and Protections in Connection with a Sale of Substantially All of Debtors' Assets Free and Clear of Liens, Claims, Encumbrances, and Interests; (B) Scheduling an Auction and Sale Hearing; (C) Approving the Form and Manner of Notice Thereof; (D) Approving Procedures for the Assumption and Assignment of Contracts and Leases; and (E) Granting Related Relief and (II) (A) Authorizing and Approving the Sale of Substantially All the Debtors' Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances; (B) Authorizing and Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (C) Granting Related Relief* (the "Sale Motion") filed by the above-captioned debtors and debtors in possession (collectively, the "Debtors"); the Court having entered the *Order (A) Approving Bidding Procedures and Protections in Connection with a Sale of Substantially All Assets Free and Clear of Liens, Claims, Encumbrances, and Interests; (B) Scheduling an Auction and Sale Hearing; (C) Approving the Form and Manner of Notice*

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number or Canadian Revenue Agency, as applicable are (1) Sugarfina, Inc., a Delaware corporation (4356), (2) Sugarfina International, LLC, a Delaware limited liability company (1254) and (3) Sugarfina (Canada), Ltd. (4480). The location of the Debtors' corporate headquarters is 1700 E. Walnut Ave., 5th Floor, El Segundo, California 90245.

Thereof; (D) Approving Procedures for the Assumption and Assignment of Contracts and Leases; and (E) Granting Related Relief on [__, 2019] (the "Bidding Procedures Order");[2] the auction for the Acquired Assets (the "Auction") having been held on [__, 2019], pursuant to which Candy Cube Holdings, LLC (together with its affiliates or assignees, the "Buyer") was selected as the winning bidder; the Debtors having determined that the highest and otherwise best offer for the Acquired Assets was made by the Buyer; the Court having held a hearing (the "Sale Hearing") on [__, 2019], to consider the Sale Motion; the Court having reviewed the Motion and the record in the Debtors' chapter 11 cases (the "Chapter 11 Cases"); the Court having considered the statements of counsel to the Debtors and the Buyer; and after due deliberation thereon and for good cause having been shown, the Court finds that the entry of this order (this "Sale Order") and granting the relief set forth herein are in the best interests of the Debtors, their estates, their creditors, and all other parties in interest.

IT IS HEREBY FOUND AND DETERMINED THAT:

A. Findings of Fact and Conclusion of Law. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Rule 7052 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any findings of fact herein constitute conclusions of law, they are adopted as such. To the extent that any conclusions of law constitute findings of fact, they are adopted as such.

B. Jurisdiction and Venue. The Court has jurisdiction over the Sale Motion, the transaction contemplated in the Agreement, and the property of the Debtors' estates, including, without limitation, the Acquired Assets (as defined in the Agreement) to be sold, transferred, or

[2] Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Bidding Procedures Order or the Agreement (as defined herein), as applicable.

conveyed pursuant to the Agreement, pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012, and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

C. Basis for Relief. The statutory basis for the relief requested in the Sale Motion are (i) sections 105, 363, 365, and 503 of title 11 of the United States Code (the "Bankruptcy Code"), (ii) Bankruptcy Rules 2002(a)(2), 6004, 6006, and 9014, and (iii) Rules 2002-1 and 6004-1 of the Local Rules for the United States Bankruptcy Court District of Delaware (the "Local Rules").

D. Final Order. This Sale Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d) and Local Rule 6004-1(b), the Court expressly finds that there is no just reason for delay in the implementation of this Sale Order and expressly directs entry of judgment as set forth herein.

E. Adequate Notice of the Sale. As evidenced by the certificates of service filed with the Court, proper, timely, adequate, and sufficient notice of, and a reasonable opportunity to object or otherwise to be heard regarding: the Sale Motion, the Auction, the Sale Hearing, and the transactions contemplated by that certain Asset Purchase Agreement by and among Sugarfina, Inc. and its subsidiaries and Candy Cube Holdings, LLC, dated September 6, 2019, as attached hereto as Exhibit A (together with all Contracts (as defined therein) entered into by the Debtors and the Buyer in connection therewith, including, without limitation, the exhibits and schedules attached thereto, the "Agreement"), including, without limitation, the sale of the

Debtors' Acquired Assets (the "Sale"), have been given to all Persons[3] entitled to notice pursuant to the Bidding Procedures Order, including, without limitation, the following: (i) all non-Debtor counterparties to the Assumed Contracts, (ii) all Persons who have requested notice in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002; (iii) all applicable federal, state, and local taxing and regulatory authorities; (iv) all of the Debtors' known creditors; (vi) the Office of the United States Trustee; (vii) the Office of the United States Attorney for the District of Delaware; (viii) [counsel to the Creditors' Committee]; and (ix) all applicable state attorneys general. The notice provided constitutes good and sufficient notice of, and a reasonable opportunity to object or be heard regarding, the Sale Motion, the Auction, the Sale Hearing, and the entry of this Sale Order, under sections 102(1), 363(b), and 365 of the Bankruptcy Code, Bankruptcy Rules 2002, 6006, and 9014, the Local Rules, and the Bidding Procedures Order. No other or further notice of, opportunity to object to, or other opportunity to be heard regarding the Sale Motion, the Auction, the Sale Hearing, the Sale, or the entry of this Sale Order need be given to any Person.

F. Adequate Notice of Contracts and Leases to Be Assumed and Assigned. As evidenced by the affidavits of service filed with the Court, proper, timely, adequate, and sufficient notice of, and a reasonable opportunity to object or otherwise to be heard regarding, the assumption and assignment of the Assumed Contracts have been provided as required by the Bidding Procedures Order, and the same constitute good and sufficient notice of, and a reasonable opportunity to object or be heard regarding, the assumption and assignment of the Assumed Contracts, under sections 102(1), 363(b), and 365 of the Bankruptcy Code, Bankruptcy Rules 2002, 6006, and 9014, the Local Rules, and the Bidding Procedures Order. No other or further notice of, opportunity to object to, or other opportunity to be heard regarding the

[3] "Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or any other entity, including, without limitation, any Governmental Authority or any group of any of the foregoing.

assumption and assignment of the Assumed Contracts or the entry of this Sale Order need be given to any Person.

G. Adequate Process and Disclosure. The Bidding Procedures set forth in the Bidding Procedures Order were non-collusive, substantively and procedurally fair to all Persons, and established in good faith. The disclosures made by the Debtors concerning the Agreement and the transactions contemplated thereunder, the Auction, and the Sale Hearing were good, complete, and adequate.

H. Exercise of Business Judgment. The Debtors have demonstrated a sufficient basis and compelling circumstances requiring them to sell the Acquired Assets and assume and assign the Assumed Contracts under sections 363 and 365 of the Bankruptcy Code prior to confirmation of a chapter 11 plan under section 1129 of the Bankruptcy Code, and such actions are appropriate exercises of their reasonable business judgment and in the best interests of the Debtors, their estates, and their creditors.

I. Fair Bidding and Sale Process. The Debtors and their professionals have complied, in good faith, in all respects with the Bidding Procedures Order. As demonstrated by (i) testimony and other evidence proffered or adduced at the Sale Hearing or submitted by affidavit or declaration at or prior to the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, through marketing efforts and a competitive sale process conducted in accordance with the Bidding Procedures Order, the Debtors: (a) afforded interested potential purchasers a full, fair, and reasonable opportunity to qualify as Bidders and submit their highest or otherwise best offer to purchase the Acquired Assets; (b) provided potential purchasers, upon request, sufficient due diligence information to enable them to make an informed judgment on whether to bid on the Acquired Assets and to submit the materials

required under the Bidding Procedures Order by the Bid Deadline; and (c) considered any Qualified Bids submitted on or before the Bid Deadline.

J. Auction. The Auction: (i) was held, as provided in the Bidding Procedures Order, on [_____, 2019]; (ii) was conducted pursuant to procedures established in good faith and in compliance with the Bidding Procedures Order; and (iii) afforded a full, fair, and reasonable opportunity for any Person that submitted a timely Qualified Bid to make a higher or otherwise better offer for the Acquired Assets than that of the Buyer.

K. Title to Acquired Assets. The Debtors are the sole and lawful owner of, and have clear and marketable title to, the Acquired Assets to be sold pursuant to the Agreement, including, without limitation, all items of personal property and real property owned by the Debtors, as identified in the Agreement. The Debtors have full corporate power and authority to execute, deliver, and perform under the Agreement and to consummate all transactions contemplated thereby, without any further consent or approval required. No other consents or approvals, other than as may be expressly provided for in the Agreement, are required by the Debtors.

L. The Buyer has offered to purchase the Acquired Assets free and clear of all Liens[4] and Liabilities[5], excluding any Assumed Liabilities as provided in the Agreement, to the fullest

[4] "Lien" means any mortgage, pledge, lien (statutory or otherwise), encumbrance, charge, security interest, option, right of first refusal, right of first offer, easement, interest, deed of trust, servitude, transfer restriction under any shareholder or similar agreement, security agreement or other encumbrance or restriction on the use or transfer of any property, hypothecation, license, preference, priority, covenant, right of recovery, order of any Governmental Authority, of any kind or nature (including, without limitation, (i) any conditional sale or other title retention agreement and any lease having substantially the same effect as any of the foregoing, (ii) any assignment or deposit arrangement in the nature of a security device, and (iii) any leasehold interest, license, or other right, in favor of a third party or a Debtor, to use any portion of the Acquired Assets), whether secured or unsecured, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, contingent or non-contingent, material or non-material, known or unknown; provided, however, that "Lien" shall not be deemed to include any license of Intellectual Property.

[5] "Liability" means all indebtedness, losses, claims (including, without limitation, "claims" as defined in section 101(5) of the Bankruptcy Code), damages, expenses, fines or other penalties, costs, royalties, proceedings, deficiencies, duties, obligations, and other liabilities (including, without limitation, those arising out of any

extent authorized under section 363(f) of the Bankruptcy Code and other applicable law. If the sale of the Acquired Assets to the Buyer were not free and clear of all Liens and Liabilities, or if the Buyer would, or in the future could, be liable for any Liens or Liabilities, the Buyer would not have entered into the Agreement and would not consummate the Sale or the transactions contemplated by the Agreement, thus adversely affecting the Debtors, their estates, and their creditors.

M. Highest and Best Offer. At the conclusion of the Auction, the Debtors determined that the Buyer's bid for the Acquired Assets, as described in the Agreement, was the highest and otherwise best bid. The offer to purchase the Acquired Assets made by the Buyer, under the terms and conditions set forth in the Agreement: (i) was made in good faith and complied in all respects with the Bidding Procedures Order; (ii) is the highest or otherwise best offer obtained for the Acquired Assets and will provide a greater recovery for the Debtors' estates than would be provided by any other alternative; (iii) is for fair, adequate, and sufficient consideration that constitutes reasonably equivalent value for the Acquired Assets being conveyed to the Buyer; (iv) is fair and reasonable; (v) is in the best interests of the Debtors' estates, the Debtors' creditors, and other parties in interest; and (vi) would not have been made by the Buyer absent the protections afforded to the Buyer by the Bidding Procedures Order, the Agreement, the Bankruptcy Code, and this Sale Order.

N. Business Judgment to Consummate Sale. The Debtors' determination that the Sale to the Buyer, pursuant to the Agreement, provides the highest or otherwise best offer for the Acquired Assets, and their related decision to sell the Acquired Assets to the Buyer, each

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Litigation, such as any settlement or compromise thereof or judgment or award therein) of a Person (whether absolute, accrued, contingent, fixed, liquidated or unliquidated, or otherwise, and whether known or unknown, and whether due or to become due, and whether in Contract, tort, strict liability, or otherwise, and whether or not resulting from third-party claims).

constitutes a reasonable exercise of the Debtors' business judgment and each is in the best interests of the Debtors, their estates, and their creditors. The facts and circumstances stated in the Sale Motion demonstrate the exigent nature of the Debtors' business situation, and the Debtors have articulated sound business reasons for consummating the Agreement and for selling the Acquired Assets outside of a chapter 11 plan. It is a reasonable exercise of the Debtors' business judgment to execute, deliver, and consummate the Agreement and consummate the transactions contemplated by the Agreement, subject to this Sale Order.

O. Liens. Each Person with a Lien in any of the Acquired Assets to be transferred on the Closing Date (i) has consented to, or is deemed to have consented to, the sale free and clear of such Lien, (ii) could be compelled in a legal or equitable proceeding to accept money in satisfaction of such Lien, or (iii) otherwise falls within the provisions of section 363(f) of the Bankruptcy Code and has been satisfied as to all such Liens. Those holders of Liens who did not object, or who withdrew their objections, to the Sale or the Sale Motion are deemed to have consented to entry of this Sale Order pursuant to section 363(f)(2) of the Bankruptcy Code. Each holder of a Lien is adequately protected by having its Lien, if any, attach to the net cash proceeds of the Sale ultimately attributable to the property against or in which it asserts a Lien, with the same validity and priority, and to the same extent, as existed before the Sale, and subject to the terms of the instruments that created such Lien and to any Liabilities and defenses the Debtors and their estates may possess with respect thereto. Not selling the Acquired Assets free and clear of all Liens would adversely impact the Debtors' estates, and any sale of the Acquired Assets other than one free and clear of all Liens would be of substantially less value to the Debtors' estates. Therefore, approval of the Agreement and consummation of the Sale free and clear of Liens and Liabilities is appropriate pursuant to section 363(f) of the Bankruptcy Code.

P. Acquired Assets Are Free and Clear of Liens and Liabilities. To the fullest extent authorized by section 363(f) of the Bankruptcy Code, the Buyer's acquisition of the Acquired Assets shall be free and clear of any successor liability, including, without limitation, on account of Liens or Liabilities of any nature whatsoever, whether known or unknown, and whether asserted or unasserted as of the Closing.

Q. Valid Contract. The Agreement is a valid and binding contract among the Debtors and the Buyer, which shall be enforceable according to its terms. From and after the Closing Date, the Agreement, the Sale itself, and the consummation thereof shall be specifically enforceable against and binding upon (without posting any bond) the Debtors and any chapter 7 or chapter 11 trustee appointed in the Chapter 11 Cases, and shall not be subject to rejection or avoidance by the foregoing Persons or any other Person. Upon the Closing, the transfer of the Acquired Assets to the Buyer is a legal, valid, and effective transfer of the Acquired Assets and will vest the Buyer on the Closing Date (as defined in the Agreement) with all right, title, and interest of the Debtors in and to the Acquired Assets except those explicitly and expressly excluded by the Buyer in the Agreement or this Sale Order, free and clear of any and all Liens and Liabilities. Except as specifically provided in the Agreement or this Sale Order, the Buyer shall not assume or become liable for any Liens or Liabilities relating to the Acquired Assets.

R. No Continuation or Insider Status. The Buyer is not holding itself out to the public as a continuation of the Debtors, and no common identity of directors, stockholders, members, or other equity holders exists between the Buyer and the Debtor. The transactions contemplated by the Agreement do not amount to a consolidation, merger, or *de facto* merger of the Buyer and the Debtors and/or the Debtors' estates; there is neither substantial continuity of enterprise between the Debtors and the Buyer, nor is the Buyer a mere continuation of the

Debtors or their estates, and the Buyer does not constitute an alter ego or a successor in interest to the Debtors or their estates. The Buyer is not an "insider" or "affiliate" of the Debtors, as those terms are defined in the Bankruptcy Code. The Buyer is a buyer in good faith, as that term is used in the Bankruptcy Code and the decisions thereunder, and, therefore, the Buyer is entitled to all the protections of sections 363(m) and 363(n) of the Bankruptcy Code with respect to the Acquired Assets.

S. Good Faith. The Agreement and the transactions contemplated thereunder were negotiated and entered into in good faith within the meaning of section 363(m) of the Bankruptcy Code, based on arm's-length bargaining, and without collusion or fraud of any kind. Neither the Debtors nor the Buyer have engaged in any conduct that would prevent the application of section 363(m) of the Bankruptcy Code or cause the application of or implicate section 363(n) of the Bankruptcy Code to the Agreement or to the consummation of the Sale and transfer of the Acquired Assets and the Assumed Contracts to the Buyer. Buyer has not violated section 363(n) of the Bankruptcy Code by any action or inaction. The Debtors are free to deal with any other Person interested in buying or selling on behalf of the Debtors' estates some or all of the Acquired Assets. Accordingly, the Buyer is entitled to all the protections and immunities of section 363(m) of the Bankruptcy Code.

T. Corporate Authority. The Debtors, acting by and through their agents, representatives, and officers, have full corporate power and authority to execute and deliver the Agreement and all other documents contemplated thereby, and no further consents or approvals are required for the Debtors to consummate the transactions and any related actions contemplated by the Agreement, except as otherwise set forth in the Agreement.

U. Assumption and Assignment of Contracts. The Debtors and the Buyer have, to

the extent necessary, satisfied the requirements of section 365 of the Bankruptcy Code, including, without limitation, sections 365(b)(1)(A), 365(b)(1)(B), and 365(f) of the Bankruptcy Code, in connection with the Sale and the assumption and assignment of the Assumed Contracts. The Buyer has demonstrated adequate assurance of future performance with respect to all Assumed Contracts pursuant to section 365(b)(1)(C) of the Bankruptcy Code. The assumption and assignment of the Assumed Contracts pursuant to the terms of this Sale Order is integral to the Agreement and is in the best interests of the Debtors, their estates, their creditors, and other parties in interest, and represents the exercise of sound and prudent business judgment by the Debtors.

V. Cure Notice. As evidenced by the certificates of service filed with the Court, and in accordance with the provisions of the Bid Procedures Order, the Debtors have served, prior to the Sale Hearing, notices of the Debtors' intent to assume and assign the Assumed Contracts and of the related proposed Cure Costs upon each non-Debtor counterparty to the Contracts and Leases (each, a "Cure Notice"). The service of the Cure Notices was good, sufficient, and appropriate under the circumstances and no further notice need be given with respect to the Cure Costs for the assumption and assignment of the Assumed Contracts. All non-Debtor counterparties to the Contracts and Leases have had a reasonable opportunity to object both to the Cure Costs listed in the Cure Notices and, as to any Contracts and Leases to be assumed by the Debtors and assigned to the Buyer effective on and as of the Closing, to the assumption and assignment of the Assumed Contracts. Accordingly, all non-Debtor counterparties to the Contracts and Leases who did not file an objection to the Cure Costs listed on the Cure Notices prior to the Sale hearing are deemed to consent to such Cure Costs, and all non-Debtor counterparties to the Contracts and Leases who did not file an objection to the assumption and

assignment of the Assumed Contracts prior to the Sale Hearing are deemed to consent to the assumption by the Debtors of the Assumed Contracts and the assignment thereof to the Buyer. The filed objections of all non-Debtor counterparties to the Contracts and Leases that were heard at the Sale Hearing (to the extent not withdrawn or adjourned) were considered by the Court and are overruled on the merits with prejudice.

W. Cure Payments and Adequate Assurance. The Contracts and Leases are assignable notwithstanding any provisions contained therein to the contrary, or providing for the termination thereof upon assignment or the insolvency or commencement of the Debtors' Chapter 11 Cases. The Buyer, on behalf of the Debtors, has provided for payment of appropriate Cure Costs and/or other payments or actions required for the Debtors to assume and assign the Assumed Contracts to the Buyer.

X. No Defaults. No defaults exist in the Debtors' performance under the Contracts and Leases as of the date of this Sale Order other than the failure to pay amounts equal to the Cure Costs or defaults that are not required to be cured as contemplated in section 365(b)(1)(A) of the Bankruptcy Code.

Y. Actions in the Absence of Stay Pending Appeal. In the absence of a stay pending appeal, the Buyer is acting in good faith, pursuant to section 363(m) of the Bankruptcy Code, in closing the transactions contemplated by the Agreement at any time on or after the entry of this Sale Order, and cause has been shown as to why this Sale Order should not be subject to the stay provided by Bankruptcy Rules 6004(h) and 6006(d).

Z. No *Sub Rosa* Plan. The Sale of the Acquired Assets outside of a chapter 11 plan pursuant to the Agreement neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates the terms of a liquidating plan or plan of reorganization for the

Debtors. The Sale does not constitute a *sub rosa* chapter 11 plan.

AA. Consideration. The Agreement was not entered into, and none of the Debtors or the Buyer have entered into the Agreement or proposed to consummate the transactions contemplated thereby, for the purpose of hindering, delaying, or defrauding the Debtors' present or future creditors. The total consideration provided by the Buyer for the Acquired Assets is the highest or otherwise best offer received by the Debtors, and the Purchase Price constitutes (i) reasonably equivalent value under the Bankruptcy Code, the Uniform Voidable Transactions Act, and the Uniform Fraudulent Transfer Act, (ii) fair consideration under the Uniform Fraudulent Conveyance Act, and (iii) reasonably equivalent value, fair consideration, and fair value under any other applicable laws of the United States, any state, territory or possession, or the District of Columbia, for the Acquired Assets.

BB. Time Is of the Essence. Time is of the essence in consummating the Sale. To maximize the value of the Acquired Assets, it is essential that the Sale of the Acquired Assets occur within the time constraints set forth in the Agreement. Accordingly, there is cause to determine inapplicable the stays contemplated by Bankruptcy Rules 6004 and 6006.

CC. No Obligation Regarding Excluded Liabilities. The Buyer has not agreed to assume and shall have no obligation with respect to any Liens or Liabilities of the Debtors, other than as expressly set forth in the Agreement. Other than the Assumed Liabilities, and except as expressly provided for by the terms of the Agreement, the Buyer (i) shall have no obligations with respect to any Excluded Liabilities, (ii) shall acquire all of the Acquired Assets free and clear of the Excluded Liabilities to the extent they constitute a Lien or Liability, and (iii) is released by the Debtors and all other Persons with respect to such Excluded Liabilities.

DD. Personally Identifiable Information. The Debtors, in connection with offering

products or services, did not disclose any policy prohibiting the transfer or personally identifiable information with respect to the Acquired Assets, and, therefore, the Sale of the Acquired Assets may be approved by section 363(b)(1)(A) of the Bankruptcy Code without the appointment of a consumer privacy ombudsman, as defined in section 363(b)(1) of the Bankruptcy Code.

EE. No Claims by Debtors. Except as set forth herein and under the Agreement, the Debtors agree and acknowledge that they have no Liabilities that could be asserted against the Buyer.

FF. Local Rule. The Sale Motion complies with all aspects of Local Rule 6004-1.

GG. Compliance with Bankruptcy Code. The consummation of the transactions contemplated under the Agreement is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 105(a), 363(b), 363(f), 363(m), 365(b), and 365(f), and all of the applicable requirements of such sections have been complied with in respect of such transactions.

IT IS HEREBY ORDERED THAT:

1. The Sale Motion is GRANTED to the extent set forth herein.

2. Objections. Except as provided to the contrary herein, all objections to the Sale Motion or the relief provided herein that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are overruled and denied on the merits with prejudice.

3. Notice. Notice of the Sale Hearing was fair, equitable, proper, and sufficient under the circumstances and complied in all respects with section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, and 6006, the Local Rules, and as required by the Bidding Procedures Order.

4. Transfer of Acquired Assets. The Debtors, in transferring the Acquired Assets pursuant to this Sale Order and section 363 of the Bankruptcy Code, are deemed, under section 1107(a) of the Bankruptcy Code, to have all rights and powers to perform all the functions and duties of a trustee serving in a case under chapter 11 and will transfer the property pursuant to this Sale Order.

5. Consideration. The Sale of the Acquired Assets to the Buyer under the Agreement constitutes a transfer for reasonably equivalent value and fair consideration and shall be deemed for all purposes to constitute a transfer for reasonably equivalent value and fair consideration under the Bankruptcy Code and any other applicable law. The Sale of the Acquired Assets to the Buyer is a legal, valid, and effective transfer of the Acquired Assets notwithstanding any requirement for approval or consent of any Person.

6. Authorization. The Debtors and their directors, officers, employees, authorized signatories, members, agents, representatives, and attorneys are hereby authorized to fully perform under, consummate, and implement the terms of the Agreement, together with any and all additional instruments and documents that may be reasonably necessary or desirable to implement and effectuate the terms of the Agreement, this Sale Order, and the Sale of the Acquired Assets contemplated thereby including, without limitation, deeds, assignments, stock powers, and other instruments of transfer, and to take all further actions as may be necessary for the purpose of assigning, transferring, granting, conveying, and conferring to the Buyer, or reducing to possession any or all of the Acquired Assets or Assumed Liabilities, as may be necessary or appropriate to the performance of the Debtors' obligations as contemplated by the Agreement, forthwith and without any further corporate action or orders of the Court. Neither the Buyer nor the Debtors shall have any obligation to proceed with the closing of the Agreement

unless and until all conditions precedent to the Buyer's and the Debtors' respective obligations thereunder have been met, satisfied, or waived by the Buyer or the Debtors, as the case may be.

7. Authorization to Execute Related Documents for Agreement. The Debtors and each other Person having duties or responsibilities under the Agreement, any agreements related thereto, or this Sale Order, and their respective directors, officers, employees, authorized signatories, members, agents, representatives, and attorneys, are authorized and empowered, subject to the terms and conditions contained in the Agreement: to carry out all of the provisions of the Agreement; to issue, execute, deliver, file, and record, as appropriate, the documents evidencing and consummating the Agreement; to take any and all actions contemplated by the Agreement, any related agreements, or this Sale Order; and to issue, execute, deliver, file, and record, as appropriate, such other contracts, instruments, releases, indentures, mortgages, deeds, bills of sale, assignments, leases, or other agreements or documents and to perform such other acts and execute and deliver such other documents, as are consistent with and necessary or appropriate to implement, effectuate, and consummate the Agreement, any related agreements, this Sale Order, and the transactions contemplated thereby and hereby, forthwith and all without further application to or order of the Court. In the event of conversion or dismissal following the Closing, the Buyer is granted power of attorney for the limited purpose of executing any document necessary or appropriate to implement, effectuate, and consummate the Agreement, any related agreements, this Sale Order, and the transactions contemplated thereby.

8. Authorization to Pay Expenses and Costs. The Debtors are hereby authorized to pay, without further order of this Court, whether before, at, or after the Closing, any expenses or costs that are required to be paid to consummate the Sale or perform their obligations under the Agreement. Any amounts that become payable by the Debtors to the Buyer pursuant to the

Agreement shall (a) constitute superpriority administrative expenses (senior to any other superpriority administrative expense claims except for administrative expense claims of the lender under the DIP Facility) pursuant to sections 363, 503(b), and 507(a)(2) of the Bankruptcy Code and shall be treated with such priority in the event of conversion of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code (b) have perfected superpriority liens junior only to the liens granted to the lender under the DIP Facility for such amounts. Until satisfied, all such obligations shall continue to have the protections provided in this Sale Order, and constitute superpriority administrative expenses within the meaning of sections 363, 503(b), and 507(a)(2) of the Bankruptcy Code and benefit from the lien notwithstanding the appointment of any trustee, Person, or other fiduciary under any section of the Bankruptcy Code with respect to the Debtors.

9. Authorization for Governmental Filings. The directors, officers, employees, authorized signatories, members, agents, representatives, and attorneys of the Debtors shall be, and hereby are, authorized to certify or attest to any of the foregoing actions (but no such certification or attestation shall be required to make any such action valid, binding, or enforceable). The Debtors and the Buyer are further authorized and empowered to cause to be filed with the secretary of state of any state or other applicable officials of any applicable governmental units any and all certificates, agreements, or amendments necessary or appropriate to effectuate the transactions contemplated by the Agreement, any related agreements, or this Sale Order, including, without limitation, amended and restated certificates or articles of incorporation and bylaws, or certificates or articles of amendment, and all such other actions, filings, or recordings as may be required under appropriate provisions of the applicable laws of all applicable governmental units or as any of the officers of the Debtors and the Buyer may

determine are necessary or appropriate. The execution of any such document or the taking of any such action shall be, and hereby is, deemed conclusive evidence of the authority of such Persons to so act.

10. Authorization of Buyer for Licenses. The Buyer shall be authorized, as of the Closing Date, to: (a) operate any property or any other business transacted with respect to the Acquired Assets under all licenses, permits, registrations, and governmental authorizations and approvals; and (b) obtain and pay any and all fees associated with any lawful license or permit, until such time that the Buyer is able to cause said licenses, permits, registrations, or governmental authorizations or approvals to be transferred to the Buyer or until such time that the Buyer is able to obtain replacement licenses and permits.

11. Cooperation Regarding Licenses. The Debtors shall: (a) cooperate in the transfer of all licenses and permits to the Buyer; (b) execute and deliver such documentation and certificates as are necessary or required to operate, transfer, or cancel the licenses and permits; and (c) not engage in any acts that would interfere with the Buyer's operation, transfer, or cancellation of licenses or permits. All such licenses, permits, registrations, and governmental authorizations and approvals are deemed to have been transferred to the Buyer.

12. Transfer of Acquired Assets. All of the Debtors' interests in the Acquired Assets to be acquired by the Buyer under the Agreement shall be, as of the Closing Date, transferred to and vested in the Buyer. Upon the occurrence of the Closing Date, this Sale Order shall be considered and constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the Acquired Assets acquired by the Buyer under the Agreement and/or a bill of sale or assignment transferring good and marketable, indefeasible title and interest in the Acquired Assets to the Buyer.

13. No Liability of Buyer. Except as otherwise provided for herein and in the Agreement, the transfer of the Acquired Assets and the assumption and assignment of the Assumed Contracts does not and will not subject the Buyer and/or its affiliates, designees, assignees, successors, directors, officers, employees, equity holders, authorized signatories, members, agents, representatives, attorneys (each a "Protected Party," and all such Persons collectively and together with the Buyer, the "Protected Parties") or any of their respective property or assets to any Liability by reason of such transfers and assignments under the laws of the United States, any state, territory, or possession thereof, based, in whole or in part, directly or indirectly, on any theory of law or equity, including, without limitation, any theory of successor or transferee liability.

14. No Assumption of Liabilities. Except as provided in or pursuant to the Agreement, the Buyer is not assuming and is not deemed to assume, and the Buyer shall not be, nor shall any affiliate of the Buyer be, in any way liable or responsible for, as a successor or otherwise, any Liens or Liabilities of the Debtors in any way whatsoever relating to or arising from the Debtors' ownership, possession, control, or use of the Acquired Assets prior to the consummation of the transactions contemplated by the Agreement, or any liabilities calculable by reference to the Debtors or their operations, or to any or all of the Acquired Assets, or relating to continuing or other conditions existing on or prior to consummation of the transactions contemplated by the Agreement, which Liens and Liabilities are hereby extinguished insofar as they may give rise to liability, successor or otherwise, against the Buyer or any of its affiliates.

15. No Successor Liability. To the fullest extent permitted by applicable law, neither the Buyer nor its affiliates, successors, or assigns shall, as a result of the consummation of the transactions set forth in the Agreement: (a) be an alter ego, mere continuation, or a successor in

interest to the Debtors or the Debtors' estates; (b) have, *de facto* or otherwise, merged or consolidated with or into the Debtors or the Debtors' estates; (c) be a continuation or substantial continuation of the Debtors or any enterprise of the Debtors; or (d) be a joint employer or co-employer with, or successor employer, of the Debtors. The Buyer shall not assume, nor be deemed to assume or in any way be responsible for, any Liability of the Debtors or their estates. Except as specifically provided by the Agreement, the Buyer shall not assume, be deemed to assume, or in any way be responsible for any Liens or Liabilities of the Debtors and/or their estates, including, without limitation, pursuant to any successor liability or other theory of liability or responsibility for any Liability against the Debtors, against an insider of the Debtors, against the Acquired Assets, the Debtors' assets, or similar liability.

16. Transfer of Acquired Assets Free and Clear of Liens and Liabilities. Pursuant to sections 105, 363(b), and 363(f) of the Bankruptcy Code, title to the Acquired Assets shall pass to the Buyer on the Closing Date, free and clear of any and all Liens and Liabilities. Any such Liens and Liabilities shall attach to the proceeds of the Sale of the Acquired Assets with the same priority, validity, force, and effect (if any) as existed with respect to the Acquired Assets as of the Petition Date.

17. Without limiting the terms of the foregoing paragraph, the Acquired Assets shall pass to the Buyer on the Closing Date free and clear of all Liens and Liabilities, whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, whether derivatively, vicariously, as transferee or successor or otherwise, of any kind, nature, or character whatsoever, arising out of or on account of: (a) any employment, collective bargaining, or other labor agreements or the termination thereof; (b) any defined benefit, multiemployer, defined contribution, retirement, medical benefit, or any other employee

pension, welfare, compensation, or other employee benefit plans, agreements, practices, or programs, including, without limitation, any pension plan of or related to any of the Debtors or any of Debtors' affiliates or predecessors or any current or future employees of any of the foregoing, or the termination of any of the foregoing; (c) the Debtors' business operations or the cessation thereof; (d) any litigation involving one or more of the Debtors; (e) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) and any other federal or state environmental health and safety laws and regulations; (f) any employee, benefit, worker's compensation, occupational disease, or unemployment or temporary disability related Liability, including, without limitation, Liabilities that might otherwise arise under or pursuant to (i) the Employee Retirement Income Security Act of 1974, as amended, (ii) the Fair Labor Standards Act, (iii) Title VII of the Civil Rights Act of 1964, (iv) the Federal Rehabilitation Act of 1973, (v) the National Labor Relations Act, (vi) the Worker Adjustment and Retraining Act of 1988, (vii) the Age Discrimination and Employee Act of 1967 and Age Discrimination in Employment Act, as amended, (viii) the Americans with Disabilities Act of 1990, (ix) the Consolidated Omnibus Budget Reconciliation Act of 1985, (x) the Multiemployer Pension Plan Amendments Act of 1980, (xi) state discrimination laws, (xii) state unemployment compensation laws or any other similar state and local laws, (xiii) state workers' compensation laws, or (xiv) any other state, local, or federal employee benefits laws, regulations, or rules, or other state, local, or federal laws, regulations, or rules relating to any employment with any of the Debtors or any of their respective predecessors; (g) any antitrust laws; (h) any product liability or similar laws, whether state or federal or otherwise; (i) any bulk sales or similar laws; (j) any federal state, or local tax statutes, regulations, or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended; and (k) any common law doctrine of *de facto* merger or

successor or transferee liability, successor-in-interest liability theory, or any other theory of or related to successor liability; and the Debtors hereby waive and release the Buyer from any such Liens and Liabilities.

18. Liability Regarding Employees Prior to Closing. The Buyer shall not be deemed to be a joint employer, single employer, co-employer, or successor employer with the Debtors for any purpose or under the laws of the United States, any state, territory, or possession thereof, and the Buyer shall not have any obligation to pay any past wages, benefits, or severance pay or extend or make any benefits or benefit programs, including, without limitation, the Consolidated Omnibus Budget Reconciliation Act of 1985 or any similar laws or regulations, to any of the Debtors' employees or former employees, including, without limitation, any such employees who may become employees of the Buyer.

19. Release of Liens. All Persons (a) holding Liens on the Acquired Assets, (b) that have filed financing statements, mortgages, or other documents or instruments evidencing Liens against the Acquired Assets, or (c) otherwise asserting Liabilities against the Acquired Assets shall, and hereby are directed to, execute and deliver to the Buyer such releases or termination statements to effectuate the Sale of the Acquired Assets to the Buyer free and clear of any and all Liens, and all Persons hereby are forever barred, estopped, and permanently enjoined from asserting such Persons' Liens against the Buyer or its affiliates. Upon consummation of the transactions set forth in the Agreement, if any Person that has filed financing statements, mechanic's liens, *lis pendens*, or other documents or agreements evidencing Liens against or in the Acquired Assets, has not delivered to the Debtors prior to closing under the Agreement, in proper form for filing and executed by the appropriate Persons, termination statements, instruments of satisfactions, releases of all Liens that such Person has with respect to the

Acquired Assets (unless otherwise assumed in the Agreement), or otherwise, then: (a) the Debtors are hereby authorized to execute and file such statements, instruments, releases, and other documents on behalf of the Person with respect to the Acquired Assets; and (b) the Buyer is hereby authorized to file, register, or otherwise record a certified copy of this Sale Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all Liens in the Acquired Assets of any kind or nature. For the avoidance of doubt, to the extent necessary, upon consummation of the transactions set forth in the Agreement, the Buyer is authorized to file termination statements, lien terminations, or other amendments in any required jurisdiction to remove and record, notice filings, or financing statements recorded to attach, perfect, or otherwise notice any Lien that is extinguished or otherwise released pursuant to this Sale Order under section 363 of the Bankruptcy Code.

20. Claims After Closing Date. Effective on the Closing Date, all Persons asserting Liens, Liabilities, and/or contract rights against the Debtors and/or any of the Acquired Assets are hereby permanently enjoined and precluded from, with respect to such Liens, Liabilities, and/or contract rights: (a) asserting, commencing, or continuing in any manner any action against the Protected Parties, or against any Protected Party's assets or properties, including, without limitation, against the Acquired Assets; (b) the enforcement, attachment, collection, or recovery, by any manner or means, of any judgment, award, decree, or order against the Protected Parties or any properties or Acquired Assets of the Protected Parties; (c) creating, perfecting, or enforcing any encumbrance of any kind against the Protected Parties or any properties or Acquired Assets of the Protected Parties, including, without limitation, the Acquired Assets; (d) asserting any setoff, right of subrogation, or recoupment of any kind against any obligation

due the Protected Parties; and (e) taking any action, in any manner, in any place whatsoever, that does not conform to or comply with the provisions of this Sale Order or the Agreement.

21. Interference with Acquired Assets. All Persons are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Debtors to sell and transfer the Acquired Assets to the Buyer in accordance with the terms of the Agreement or this Sale Order.

22. Self-Executing Order. The provisions of this Sale Order authorizing the Sale of the Acquired Assets free and clear of Liens and Liabilities shall be self-executing, notwithstanding any requirement for approval or consent by any Person, and neither the Debtors nor the Buyer shall be required to execute or file releases, termination statements, assignments, consents, or other instruments to effectuate, consummate, and implement the foregoing provisions of this Sale Order; provided, however, that this paragraph shall not excuse such Persons from performing any and all of their respective obligations under this Sale Order or the Agreement, and the Debtors and the Buyer, and each of their respective directors, officers, employees, authorized signatories, members, agents, representatives, and attorneys are hereby authorized and empowered to take all actions and execute and deliver any and all documents and instruments that either the Debtors or the Buyer deem necessary or appropriate to implement and effectuate the terms of the Agreement and this Sale Order.

23. Highest and Best Offer. The Sale of the Acquired Assets, the terms and conditions of the Agreement, the bid by the Buyer, and the transactions contemplated thereby and all of the terms and conditions thereof, are the highest and best offer for the Acquired Assets and hereby are authorized and approved in all respects.

24. Approval of Agreement and Other Contracts. The Agreement, substantially in the form attached hereto as Exhibit A, is hereby approved pursuant to section 363(b) of the Bankruptcy Code, and the Debtors are authorized to consummate and perform all of their obligations under the Agreement and to execute such other documents and take such other actions as are necessary or appropriate to effectuate the Agreement. The Agreement and any related agreements, documents, or other instruments may be modified, amended, or supplemented in accordance with the terms thereof without further order of the Court.

25. Authorization Pursuant to Bankruptcy Code. Pursuant to sections 105(a), 363(b), and 363(f) of the Bankruptcy Code, the Sale of the Acquired Assets to the Buyer under the Agreement and the transactions related thereto, upon the Closing, are authorized and approved in all respects, and the Debtors shall be, and hereby are, authorized and empowered to sell such Acquired Assets to the Buyer in accordance with the Agreement and this Sale Order.

26. Order Binds Successors. The terms of this Sale Order shall be binding on in all respects upon: (a) the Buyer and its successors and assigns; (b) the Debtors and their affiliates; (c) successors of the Debtors, including, without limitation, any trustee or examiner appointed in the Chapter 11 Cases or upon a conversion of the Chapter 11 Cases to proceedings under chapter 7 of the Bankruptcy Code; (d) all known and unknown creditors of, and holders of equity interests in, the Debtors, including, without limitation, any holders of Liens and Liabilities; (e) all non-Debtor counterparties to the Assumed Contracts; (f) state licensing authorities; and (g) all other parties in interest in the Chapter 11 Cases and their successors and assigns (collectively, the "Bound Parties"). This Sale Order shall survive any dismissal of the Chapter 11 Cases. The provisions of this Sale Order and the terms and provisions of the Agreement, and any actions taken pursuant hereto or thereto as of the date of entry of such order shall survive the

entry of any order that may be entered confirming or consummating any chapter 11 plan of the Debtors or converting the Debtors' Chapter 11 Cases to chapter 7, and the terms and provisions of the Agreement, as well as the rights and interests granted pursuant to this Sale Order and the Agreement shall continue in this or any superseding case and shall be binding upon the Bound Parties and their respective successors and permitted assigns, including, without limitation, any trustee or other fiduciary hereafter appointed as a legal representative of the Debtor under chapter 7 or chapter 11 of the Bankruptcy Code. Any trustee appointed in the Chapter 11 Cases or any cases under chapter 7 after any conversion of the Chapter 11 Cases shall be and hereby is authorized to operate the business of the Debtor to the fullest extent necessary to permit compliance with the terms of this Sale Order and the Agreement, and the Buyer and the trustee shall be and hereby are authorized to perform under the Agreement upon the appointment of the trustee without the need for further order of this Court.

27. Order Binds Government Authorities. This Sale Order shall be binding upon and govern all acts of all Persons, governmental units (as defined in sections 101(27) and 101(41) of the Bankruptcy Code), and all holders of Liens and Liabilities, including, without limitation, federal, state, and governmental agencies and departments, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal and local officials, and all other Persons who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report, insure any title or state of title in or to any lease, and each of the foregoing Persons, is hereby directed to accept for filing any and all of the

documents and instruments necessary and appropriate to consummate the transactions contemplated by the Agreement.

28. Good Faith Purchaser. The Buyer is a good faith purchaser and is hereby granted and is entitled to all of the benefits and protections afforded by section 363(m) of the Bankruptcy Code to a good faith buyer, including, without limitation, with respect to the transfer of the Assumed Contracts as part of the Sale of the Acquired Assets pursuant to section 365 of the Bankruptcy Code and this Sale Order.

29. Validity and Enforceability. Pursuant to section 363(m) of the Bankruptcy Code, if any or all of the provisions of this Sale Order are hereafter reversed, modified, or vacated by a subsequent order of the Court or any other court, such reversal, modification, or vacatur shall not affect the validity and enforceability of any transfer under the Agreement or obligation or right granted pursuant to the terms of this Sale Order (unless stayed pending appeal), and, notwithstanding any reversal, modification, or vacatur, the validity and enforceability of any transfer under the Agreement or obligation or right granted pursuant to the terms of this Sale Order shall be governed in all respects by the original provisions of this Sale Order and the Agreement, as applicable.

30. Transfer of Title. With respect to the transactions consummated pursuant to this Sale Order, this Sale Order shall be the sole and sufficient evidence of the transfer of title to the Buyer, and the sale transaction consummated pursuant to this Sale Order shall be binding upon and shall govern the acts of all Persons who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the property sold pursuant to this Sale Order, including, without limitation, all filing agents,

filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, administrative agencies, governmental departments, secretaries of state, and federal, state, and local officials, and each of such Persons is hereby directed to accept this Sale Order as sole and sufficient evidence of such transfer of title and shall rely upon this Sale Order in consummating the transactions contemplated hereby.

31. Buyer's Use and Enjoyment. All Persons, presently, or on or after the Closing Date, in possession of some or all of the Acquired Assets are directed to surrender possession of the Acquired Assets directly to the Buyer or its designees on the Closing Date or at such time thereafter as the Buyer may request. Following the Closing under the Agreement, no holder of any Liens against the Acquired Assets shall have any basis to interfere with the Buyer's use and enjoyment of the Acquired Assets based on or related to such Liens, or any actions that the Debtors may take in the Chapter 11 Cases, and no Person may take any action to prevent, interfere with, or otherwise impair consummation of the transactions contemplated in or by the Agreement or this Sale Order.

32. Authority to Assign, Lease, Sublease, License, Sublicense, Transfer, Otherwise Dispose. In connection with the transactions under the Agreement, in its sole and absolute discretion, the Buyer is authorized to allocate or assign, lease, sublease, license, sublicense, transfer, or otherwise dispose of the Acquired Assets, the Assumed Liabilities, and the Assumed Contracts, to any or multiple Persons (affiliated or unaffiliated) all or a portion of its rights, interests, or obligations under the Agreement. Upon any such assignment, the references in this Sale Order or the Agreement to Buyer shall also apply to any such assignee.

33. Enforcement of Sale Order. Pursuant to section 105 of the Bankruptcy Code, creditors of the Debtors are prohibited from taking any actions against the Buyer or the Acquired

Assets; provided, however, that nothing in this paragraph shall prevent any Person from seeking to enforce against the Buyer any applicable rights or obligations under the Agreement.

34. Release. Subject to and upon the Closing Date, the Debtors hereby waive any and all actions related to, and hereby release, the Buyer and the property of Buyer (including, without limitation, the Acquired Assets), and, as applicable, its shareholders, controlling persons, directors, agents, officers, subsidiaries, affiliates, successors, assigns, managers, principals, officers, employees, investors, funds, advisors, attorneys, professionals, representatives, accountants, investment bankers, and consultants, each in their respective capacity as such, from, any and all Liens and Liabilities of any kind, whether known or unknown, now existing or hereafter arising, asserted or unasserted, mature or inchoate, contingent or non-contingent, liquidated or unliquidated, material or non-material, disputed or undisputed, and whether imposed by agreement, understanding, law, equity, or otherwise, except to the extent assumed or established under the Agreement or this Sale Order.

35. Missing Provisions / No Impact on Enforceability. The failure to include specifically any particular provisions of the Agreement or any of the documents, agreements, or instruments executed in connection therewith in this Sale Order shall not diminish or impair the force of such provision, document, agreement, or instrument, it being the intent of the Court, the Debtors, and the Buyer, that the Agreement and each provision, document, agreement, and instrument be authorized and approved in its entirety with such amendments thereto as may be made in conformity with this Sale Order prior to the Closing Date.

36. Authorization for Assumption and Assignment of Assumed Contracts. Subject to the terms of the Agreement and the occurrence of the Closing Date thereunder, and pursuant to section 365 of the Bankruptcy Code, the Debtors are hereby authorized to assume each of the

Assumed Contracts and assign such Contracts and Leases to the Buyer. The Debtors are hereby authorized to take all actions necessary to cause all Assumed Contracts to be assumed by the Debtors and assigned to the Buyer in accordance with section 365 of the Bankruptcy Code.

37. Consent to Assumption and Assignment. The non-Debtor counterparties to each Assumed Contract shall be deemed to have consented to such assignment under section 365(c)(1)(B) of the Bankruptcy Code, section 365(e)(2)(A)(ii) of the Bankruptcy Code, and otherwise, and the Buyer shall enjoy all of the rights and benefits under each such Assumed Contract as of the applicable effective date of assumption and assignment without the necessity of obtaining such Person's written consent to the assumption or assignment of such Assumed Contract. Any counterparty to an Assumed Contract that is a personal services contract that has not objected to the assignment thereof is deemed to consent to such assignment pursuant to section 365(c) of the Bankruptcy Code. Any counterparty to an Assumed Contract that is a shopping center lease that has not objected to the assignment thereof is deemed to consent to such assignment pursuant to section 365(c) of the Bankruptcy Code.

38. No Assumption and Assignment if Transaction Does Not Close. In the event that the Closing does not occur, none of the Contracts or the Leases shall be assumed or rejected by virtue of this Sale Order, and all of the Contracts and Leases shall remain subject to further administration in the Chapter 11 Cases.

39. Notice of Assumption, Notice of Rejection, and Notice of Retention. No later than three (3) days prior to the Closing Date, Buyer shall, by delivering written notice to the Debtors, designate each Contract or Lease on Exhibit B attached hereto as follows: (a) each Contract or Lease to be assumed by the Debtors and assigned to the Buyer pursuant to section 365 of the Bankruptcy Code effective as of the Closing Date will be designated as "assumed"

and is referred to herein as an "Assumed Contract"; (b) each Contract or Lease to be rejected by the Debtors pursuant to section 365 of the Bankruptcy Code effective as of the Closing Date will be designated as "rejected" and is referred to herein as a "Rejected Contract"; and (c) each Contract or Lease for which the Buyer will not have determined whether such Contract or Lease will be an Assumed Contract or a Rejected Contract at such time will be designated as "Retained" and is referred to herein as a "Retained Contract." Prior to the Closing Date, Debtors shall file a notice with the Bankruptcy Court setting forth the Assumed Contracts, the Rejected Contracts, and the Retained Contracts (collectively, the "Closing Contract Notice").

40. Assumption and Assignment at Closing. Pursuant to this Sale Order and subject to the Closing, the Assumed Contracts listed on the Closing Contract Notice shall be assumed by the Debtors and assigned to the Buyer effective as of the Closing Date, and the Cure Costs for such Assumed Contracts as set forth on Exhibit B attached hereto will be paid by the Buyer on or as soon as practicable after the Closing Date.

41. Reserve Account. At Closing, the Buyer shall fund a reserve account controlled by the Buyer in the aggregate amount of the Cure Costs for the Retained Contracts (the "Reserve Account"). The balance in the Reserve Account, if any, after the expiration of the Retained Contract Period and the Cure Costs have been paid to all non-Debtor counterparties to Assumed Contracts shall be paid to the Debtors.

42. Retained Contract Period. Between the Closing Date and the date that is ninety (90) days after the Closing (the "Retained Contracts Period"), the Buyer may designate any Retained Contract as an Assumed Contract or a Rejected Contract.

43. Retained Contracts. During the Retained Contracts Period, the Debtors shall not (a) assume or assign any Retained Contract unless and until it is designated by the Buyer as an

Assumed Contract, (b) reject any Retained Contract unless and until the Retained Contract is (i) designated by the Buyer as a Rejected Contract or (ii) automatically becomes a Rejected Contract in accordance with the terms of the Agreement, or (c) terminate, amend, supplement, modify, waive any rights under, or create any adverse interest with respect to any Retained Contract without the prior written consent of the Buyer.

44. Post-Closing Costs for Retained Contracts. With respect to each Retained Contract: the Buyer shall be solely responsible for and directly pay for all costs associated with the continuation, operation, or holding by Debtors of such Retained Contract, limited to the amounts set forth in a budget proposed by the Debtors and approved by the Buyer before the Closing Date ("Retained Contracts Budget"), for the period from the Closing Date through the date (a) the Retained Contract is designated as an Assumed Contract, (b) the Retained Contract is designated as a Rejected Contract, or (c) the Retained Contract automatically becomes a Rejected Contract. If Buyer cannot directly pay the costs associated with the continuation or holding by the Debtors of any such Retained Contract, the Debtors shall pay such amounts and the Buyer shall promptly reimburse the Debtors for such cost up to the amount set forth in the Retained Contracts Budget for the applicable period of time. Notwithstanding anything herein to the contrary, if the Buyer fails to pay when due any costs associated with the continuation or holding by Debtors of any Retained Contract set forth in the Retained Contracts Budget in accordance with the Agreement, then such Retained Contract shall be deemed, upon delivery of three (3) Business Days' prior written notice from the Debtors to Buyer of such breach and an opportunity to cure during such three (3) Business Day time period, an Excluded Asset for all purposes under the Agreement, except with respect to Buyer's obligations to pay all amounts associated with such Retained Contract to the date that is the expiration of such three (3)

Business Day notice period as provided in the Retained Contracts Budget with respect thereto. In the event that the costs associated with any Retained Contract exceed the Retained Contracts Budget (a "Designation Cost Overage"), Buyer shall not be liable for such Designation Cost Overage, other than as a result of damage or destruction of any Leased Real Property or as a result of the Buyer's gross negligence or willful misconduct. For the avoidance of doubt, Buyer shall retain the right to use all assets at any Leased Real Property that is subject to a Retained Contract, and to receive all the proceeds from any sale or use of goods and services at the Leased Real Property during the Retained Contracts Period.

45. Retained Contracts Designated as Assumed Contracts. The Retained Contracts that are designated as Assumed Contracts shall be assumed by the Debtors and assigned to the Buyer effective upon (a) the Debtors filing a notice of such designation with the Bankruptcy Court (each, an "Assumption and Assignment Notice") and (b) the counterparty to any such Assumed Contract being paid the applicable Cure Costs set forth on Exhibit B attached hereto.

46. Except as explicitly provided in the Agreement or this Sale Order, unless and until a Contract or Lease becomes an Assumed Contract pursuant to the terms of this Sale Order, the Buyer shall have no liability under such Contract or Lease.

47. Cure Costs. All defaults or other obligations under the Assumed Contracts arising prior to the Closing Date (without giving effect to any acceleration clauses or any default provisions of the kind specified in section 365(b)(2) of the Bankruptcy Code) shall be deemed cured by payment of the Cure Costs, and the non-Debtor counterparties to the Assumed Contracts shall be forever barred and estopped from asserting or claiming against the Debtors or the Buyer that any amounts are due or other defaults exist under such Assumed Contracts. The non-Debtor counterparties to the Assumed Contracts are (a) deemed to have consented thereto,

notwithstanding anything to the contrary in the Assumed Contract or otherwise, (b) forever bound by such Cure Costs, (c) forever barred, estopped, and permanently enjoined from (i) objecting to the Cure Costs or asserting any Liabilities, other than the Cure Costs, against the Debtors, the Buyer, any assignee of the Assumed Contract, the Acquired Assets, or the Buyer's other property or assets and (ii) taking any action against the Debtors, the Buyer, any assignee of the Assumed Contract, the Acquired Assets, or the Buyer's other property or assets with respect to any Liability for cure, or any other Liability, under any Assumed Contract.

48. After Payment of Cure Costs. Payment of the Cure Costs to the non-Debtor counterparties in the amount set forth on Exhibit B attached hereto shall be deemed to discharge all of the Debtors' obligations to: (a) cure, or provide adequate assurance that the Debtors will promptly cure, any defaults under the Assumed Contracts; and (b) compensate, or provide adequate assurance that the Debtors will promptly compensate, any non-Debtor counterparties to the Assumed Contracts for any actual pecuniary loss resulting from any default under the Assumed Contracts.

49. Previously Omitted Contracts. If it is discovered that a Contract or Lease should have been listed on the Contract Schedule but was not listed on the Contract Schedule (any such Contract or Lease, a "Previously Omitted Contract"), the Debtors shall, immediately following the discovery thereof (but in no event later than two (2) Business Days following the discovery thereof), (a) notify the Buyer of such Previously Omitted Contract and all Cure Costs (if any) for such Previously Omitted Contract and (b) file a motion with the Bankruptcy Court on notice to the non-Debtor counterparties to such Previously Omitted Contract seeking entry of an order (the "Omitted Contract Motion") requesting that the Bankruptcy Court fix the Cure Costs and authorize the assumption and assignment or rejection of such Previously Omitted Contract in

accordance with Section 5.10 of the Agreement. The Buyer shall then have until the later of the Retained Contract Deadline and ten (10) Business Days after the receipt of notice of the Previously Omitted Contract to designate such Previously Omitted Contract as an Assumed Contract, Rejected Contract, or, if the Retained Contracts Period is at least twenty (20) Business Days in the future, a Retained Contract. The Debtors shall take all other actions necessary or appropriate to cause any Previously Omitted Contract to be treated in accordance with Section 5.10 of the Agreement. The Debtors shall be responsible for the payment of any Cure Costs related to a Previously Omitted Contract designated as an Assumed Contract to the extent that the Reserve Account is not sufficient to pay all Cure Costs or the balance has already been paid to the Debtors pursuant to Section 5.10(a)(iv) of the Agreement.

50. Obligations for Assumed Contracts After Petition Date and Prior to Closing Date. Except as provided in the Agreement or this Sale Order, the Debtors shall be responsible for all Liabilities that arise between the Petition Date and the Closing Date relating to all Assumed Contracts.

51. Rights of Buyer Pursuant to Assumed Contracts. Upon the effective date of the assumption and assignment of each Assumed Contract, in accordance with sections 363 and 365 of the Bankruptcy Code, the Buyer shall be fully and irrevocably vested with all rights, title, and interest in and to each such Assumed Contract. The Debtors are authorized to take all actions reasonably necessary to effectuate the foregoing. In accordance with section 365(b)(2) and 365(f) of the Bankruptcy Code, upon assignment of the Assumed Contracts to the Buyer, (a) the Buyer shall have all of the rights of the Debtors thereunder and each provision of such Assumed Contracts shall remain in full force and effect for the benefit of the Buyer notwithstanding any provision in any such Assumed Contract or in applicable law that prohibits, restricts, or limits in

any way such assignment or transfer, and (b) no Assumed Contract may be terminated, or the rights of any Person modified in any respect, including, without limitation, pursuant to any "change of control" clause, by any other Person thereto as a result of the consummation of the transactions contemplated by the Agreement.

52. Terms of Assumed Contracts. Any provision in any Assumed Contract that purports to declare a breach, default, or payment right as a result of an assignment or a change of control in respect of the Debtors is unenforceable, and all Assumed Contracts shall remain in full force and effect, subject only to payment of the appropriate Cure Cost, if any. No sections or provisions of any Assumed Contract that purports to provide for additional payments, penalties, charges, or other financial accommodations in favor of the counterparty to the Assumed Contract shall have any force or effect with respect to the transactions contemplated by the Agreement and assignments authorized by this Sale Order, and such provisions constitute unenforceable anti-assignment provisions under section 365(f) of the Bankruptcy Code and/or are otherwise unenforceable under section 365(e) of the Bankruptcy Code, and no assignment of any Assumed Contract pursuant to the terms of the Agreement in any respect constitutes a default under any Assumed Contract.

53. Prohibitions Under Assumed Contracts Unenforceable. Non-Debtor counterparties to the Assumed Contracts shall be prohibited from charging any rent acceleration, assignment fees, increases, or other fees to the Buyer as a result of the assumption and assignment of any Assumed Contract.

54. No Waiver. The failure of the Debtors or the Buyer to enforce, at any time, one of more terms or conditions of any Assumed Contract shall not be a waiver of such terms and

conditions or of the Debtors' or the Buyer's rights to enforce every term and condition of the Assumed Contracts.

55. Liabilities Under Assumed Contracts. Pursuant to section 365(k) of the Bankruptcy Code, the Debtors shall have no Liabilities arising or relating to or accruing post-Closing under any of the Assumed Contracts.

56. Suspension or Revocation of Permits and Licenses. To the maximum extent permitted by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any permit or license relating to the operation of the Acquired Assets sold, transferred, or conveyed to the Buyer on account of the filing or pendency of the Chapter 11 Cases or the consummation of the Sale.

57. Change of Corporate Name. The Debtors shall, and are hereby authorized and empowered to, no later than five (5) Business Days after the Closing, (a) change their corporate names consistent with applicable law and (b) change the case captions, containing the new captions and the new corporate names of the Debtors as follows: Sugarfina, Inc. shall become SF Restructuring, Inc.; Sugarfina (Canada), Ltd. shall become SF Restructuring (Canada), Ltd.; and Sugarfina International, LLC shall become SF Restructuring International, LLC.

58. Avoidance of Sale. The Sale of the Acquired Assets is not subject to avoidance pursuant to section 363(n) of the Bankruptcy Code or other applicable law or statute.

59. Bulk Sale Laws. No bulk sale law or any similar law of any state or other jurisdiction shall apply in any way to the Sale and the transactions contemplated by the Agreement.

60. Inconsistencies. To the extent there are any inconsistencies between the terms of this Sale Order, the Agreement, and any prior order or pleading with respect to the Sale Motion in the Chapter 11 Cases, the terms of this Sale Order shall govern.

61. Non-Severability. The provisions of this Sale Order are non-severable and mutually dependent without the express written consent of the Buyer.

62. Provisions in Subsequent Orders. Nothing contained in any chapter 11 plan confirmed in the Debtors' Chapter 11 Cases, the order confirming any chapter 11 plan, or any order in the Chapter 11 Cases (including, without limitation, any order approving a wind-down or dismissal of the Chapter 11 Cases or any order entered as part of or after any conversion of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code) shall alter, conflict with, or derogate from the provisions of the Agreement or this Sale Order, and to the extent of any conflict or derogation between this Sale Order or the Agreement and such future chapter 11 plan or order, the terms of this Sale Order and the Agreement shall control.

63. No Relief From Stay Necessary. The Buyer shall not be required to seek or obtain relief from the automatic stay under section 362 of the Bankruptcy Code to enforce any of its remedies under the Agreement or any other Sale-related document. The automatic stay imposed by section 362 of the Bankruptcy Code is hereby modified to the extent necessary to implement the preceding sentence.

64. Order Is Effective Immediately. Notwithstanding the provisions of Rules 6004(h), 6006(d), and 7062 of the Bankruptcy Rules, this Sale Order shall not be stayed after entry and shall be effective immediately upon entry, and its provisions shall be self-executing, and the Debtors and the Buyer are authorized to close the Sale immediately upon entry of this Sale Order. The Buyer has acted in "good faith," and, in the absence of any Person obtaining a

stay pending appeal, if the Debtors and the Buyer close under the Agreement, then the Buyer shall be entitled to the protections of section 363(m) of the Bankruptcy Code as to all aspects of the transactions under and pursuant to the Agreement if this Sale Order or any authorization contained herein is reversed or modified on appeal.

65. Sale Order Survives Dismissal. In the event of the dismissal of one or more of the Chapter 11 Cases, the terms of this Sale Order shall remain in effect notwithstanding section 349 of the Bankruptcy Code.

66. Repayment of DIP Facility. In accordance with the order approving the DIP Facility, upon the Closing, the Debtors shall, from the proceeds of the Sale, pay to the Lender (as defined in the DIP Facility) an amount in cash necessary to repay in full all Obligations (as defined in the DIP Facility) that the Debtors are required to pay to the Lender on the Maturity Date (as defined in the DIP Facility) under the (as defined in the DIP Facility), which amount, when received by the Lender, (a) shall be deemed for all purposes to have been paid solely from the proceeds of the Collateral (as defined in the DIP Facility), (b) shall be and shall be deemed to be an indefeasible payment in full of all Obligations, and (c) shall not under any circumstances be subject to disgorgement, surrender, turnover, return, reimbursement, indemnity, or other claim whatsoever, and any and all Persons are forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing any such action with respect to such payment and proceeds. Upon the Closing, the Maturity Date (as defined in the DIP Facility) of the DIP Facility shall have occurred and all commitments under the DIP Facility shall be reduced to zero and terminated and all obligations of the Lender in respect of the Carve Out (as defined in the DIP Facility) shall be deemed satisfied and released.

67. Buyer Is Party in Interest. The Buyer is a party in interest and shall have the ability to appear and be heard on all issues related to or otherwise connected to this Sale Order, the Sale, and any issues related to or otherwise connected to the Agreement and the Sale.

68. Exclusive Jurisdiction. The Court shall retain exclusive jurisdiction to enforce the terms and provisions of the Agreement, this Sale Order, and the Bidding Procedures Order in all respects and to decide any disputes concerning this Sale Order and the Agreement, or the rights and duties all Persons hereunder or thereunder, as applicable, or any issues relating to this Sale Order or the Agreement, including, without limitation, the interpretation of the terms, conditions, and provisions hereof and thereof, the status, nature, and extent of the Acquired Assets and any Assumed Contracts, and all issues and disputes existing in connection with the relief authorized herein, inclusive of those concerning the transfer of the Acquired Assets free and clear of all Liens and Liabilities.

Exhibit A
Asset Purchase Agreement

EXHIBIT B

CONTRACT/LEASE COUNTERPARTY	CONTRACT OR LEASE	CURE COST

EXHIBIT C

EQUITY TERM SHEET

Each capitalized term used but not defined herein shall have the meaning given to it in the "Agreement" to which this exhibit is attached.

Equity Consideration	On the closing date of the 363 Sale (the "Closing Date"), Buyer will issue to the Company: (a) 100% of the Senior Preferred Membership Units of the Buyer (the "Senior Preferred Membership Units"). Prior to any distribution on account of the Junior Preferred Membership Units (as defined below) or the Common Membership Units, the holder of the Senior Preferred Membership Units shall be entitled to receive a distribution on account of the Senior Preferred Membership Units in an amount equal to (i) $2,000,000 (subject to reduction as described under "Financing Proceeds" below), plus (ii) an amount equal to 5% per annum (accruing beginning on the Closing Date) on the unreturned portion of the amount set forth in (i). There will be a "non-call" period of 18 months after the Closing Date with respect to the Senior Preferred Membership Units, and the Buyer may not make any distributions provided for herein during such period without the consent of the holder of the Senior Preferred Membership Units; and (b) 20% of all Common Membership Units in Buyer (the "Common Membership Units," and such units issued to Company, the "Minority Common Membership Units," and the Company, as holder of the Minority Common Membership Units, the "Minority Member"). On the Closing Date, Buyer will issue to TerraMar Capital LLC or its designated affiliate ("TerraMar"): (a) 100% of the Junior Preferred Membership Units of the Buyer (the "Junior Preferred Membership Units" and together with the Senior Preferred Membership Units, the "Preferred Membership Units"). Prior to any distribution on account of the Common Membership Units (but after payment of all distributions to which the holder of the Senior Preferred Membership Units are entitled), the holder of the Junior Preferred Membership Units shall be entitled to receive a distribution on the Junior Preferred Membership Units in an amount equal to (i) $8,000,000 (subject to reduction as described under "Financing Proceeds" below), plus (ii) an amount equal to 12% per annum (accruing

	beginning on the Closing Date) on the unreturned portion of the amount set forth in (i). The Junior Preferred Membership Units shall be subject to a two-year "make-whole" provision that will provide that any capital returned to the holder of the Junior Preferred Membership Units within two years of the Closing Date will be entitled to a payment equal to (i) 1x such returned amount (i.e., if the full $8,000,000 is returned prior to the two-year anniversary of the Closing Date, then the holder of the Junior Preferred Membership Units shall be entitled to a total payment of $16,000,000) plus (ii) any dividends that have been unpaid or would otherwise need to be paid during the two-year period; and (b) 80% of the Common Membership Units. On the Closing Date, the Buyer shall have no class of membership interests, stock or other equity other than the Common Membership Units and the Preferred Membership Units. However, the Buyer shall be able establish a profits interest plan (or something similar) for the benefit of management team members that shall not dilute the Minority Member. Each holder of Common Membership Units shall be entitled to one vote per Common Membership Unit held by such holder. The Preferred Membership Units shall not be entitled to vote or otherwise participate in the management of the Buyer. Notwithstanding anything herein to the contrary, to the extent the Buyer is required to increase the cash portion of its Purchase Price (as defined in the Asset Purchase Agreement) such that the Initial Credit Bid Amount (as defined in the Sale Support Agreement) is less than $2,000,000, the Equity Consideration will be adjusted in a manner that is agreed upon between the Debtors, the Buyer, and the Second Lien Lender.
Purchase Option	On and at any time after the eighteen-month anniversary of the Closing Date (such date, the "Purchase Option Effective Date"), TerraMar shall have the option to purchase the Minority Common Membership Units for a price equal to the prevailing fair market value of the Minority Common Membership Units at the time of the exercise of such option. Fair market value shall be mutually agreed upon by TerraMar and the Minority Member at the time of the exercise of the option and among other things will account for (i) the preferred distributions required to be made on account of the Preferred Membership Units, and (ii) customary discounts associated with the size of Buyer, the lack of liquidity and marketability for Buyer's equity, discounts relating to a minority

	interest and other similar factors. In the event that TerraMar and Minority Member are unable to agree upon on the fair market value of the Minority Common Membership Units, then fair market value shall be determined by a mutually acceptable appraiser.
Financing Proceeds	In connection with the 363 Sale, the Buyer may elect to finance a portion of the purchase price with loan proceeds from a market asset based working capital facility with a third party lender that is secured by the working capital assets of the Buyer and is on terms reasonably acceptable to the Company (such facility, the "Acquisition Loan," and the proceeds thereof, the "Financing Proceeds"). If the Buyer enters into such Acquisition Loan, (a) 20% of the Financing Proceeds shall be used to increase the cash purchase price payable to the Company on the Closing Date (in addition to the existing cash purchase price set forth therein), (b) the amount of the Senior Preferred Membership Units payable to the Company on the Closing Date shall be reduced by an amount equal to 20% of the Financing Proceeds, and (c) the amount of the Junior Preferred Membership Units payable to TerraMar shall be deemed reduced by an amount equal to 80% of the Financing Proceeds (without any portion of the Financing Proceeds being payable to TerraMar).
Consent Rights/Protections	The following actions shall require the affirmative vote of the holders holding at least 50% of the Common Membership Units, which shall include 100% of the Minority Common Membership Units: (i) any winding up, liquidation or dissolution of the business and operations of the Company prior to the Purchase Option Effective Date; (ii) a sale or other disposition of all or substantially all of the assets of the Company in one or a series of related transactions prior to the one year anniversary of the Closing Date; and (iii) any issuance of Common Membership Units (or any voting equity securities or securities exercisable for, convertible into or exchangeable for voting equity securities) or Preferred Membership Units prior to the Purchase Option Effective Date.
Drag-Along Rights	On or after the one year anniversary of the Closing Date, if one or more holders (collectively, the "Selling Holders" and each a "Selling Equity Holder") collectively holding at least 66 2/3% of all

	of the issued and outstanding Common Membership Units propose to sell or otherwise transfer, to any purchaser (other than to an affiliate of a Selling Holder) that proposes to purchase all (but not less than all) of the issued and outstanding Common Membership Units and Preferred Membership Units or all or substantially all of the assets of Buyer, the Selling Holders may require the other holders (including the Minority Member) (the "Dragged-Along Holders") to include all of their Common Membership Units and Preferred Membership Units in, if applicable, and otherwise cooperate and raise no objection to, such sale or transfer, on the same terms and conditions applicable to the Selling Holders, except that the only representations and covenants to be made by the Dragged-Along Holders in such sale shall be those as are customarily made by institutional selling security holders in a compelled sale, and any liability of a Dragged-Along Holder shall be several, pro rata with the Selling Holders based on proceeds received and limited to an escrow. Prior to the one year anniversary of the Closing Date, Selling Holders shall have no "drag rights" with respect to the Common Membership Units held by the Minority Member or the Senior Preferred Membership Units.
Pre-emptive Rights	Until an initial public offering (if any) by Buyer occurs, if Buyer or any subsidiary proposes to sell any equity securities (or securities exercisable for, convertible into or exchangeable for equity securities), each holder (or its affiliate transferee) who is an accredited investor shall have a right of first refusal to purchase its *pro rata* portion of such interests at the same price and on the same economic terms as such interests are to be sold to the proposed purchaser. Nothing herein shall relieve the Buyer from obtaining the consent of the Minority Member with respect to (i) the sale of the Buyer or substantially all of its assets prior to the one year anniversary of the Closing Date, or (ii) the issuance of additional Common Membership Interests or other voting securities prior to the Purchase Option Effective Date.
Tag-Along Rights	If one or more holders (collectively, the "Transferring Holders" and each a "Transferring Holder") propose to sell or otherwise transfer in one or a series of related transactions shares of Common Membership Units representing more than 33 1/3% of the issued and outstanding Common Membership Units held by it or them to any purchaser (other than to any affiliate of a Transferring Holder), then the Transferring Holder(s) shall give written notice to Buyer and all of the other holders (the "Tagging Holders") shall have the right (but not the obligation) to include in such sale or transfer its pro rata portion of the Common Membership Units to be sold or

	transferred to the proposed purchaser on the same terms and conditions as the Transferring Holder, including, without limitation, in exchange for a pro rata share of all consideration received by the Transferring Holders in exchange for such Common Membership Units, except that such other holders shall not be required to make (1) any representation, warranty or agreement in any documentation relating to such sale transfer that is less favorable than the representations, warranties or agreements agreed to by the Transferring Holder and (2) agree, in the case of institutional holders, to any restrictive covenants that are not customarily required for institutional holders.
Board Rights	The Minority Member shall be entitled to appoint one member to the Buyer's board of directors (the "Minority Board Member"). The Minority Board Member shall represent no more than 1/3 of the total board members. No decisions of the board shall require a "supermajority" vote that requires the affirmative vote of the Minority Board Member. The members of the board of directors shall not receive compensation in connection with their board duties.
Amendments	Any amendment, modification or waiver of any provision of the organizational documents that treats a holder or group of holders (including the Minority Member) in a disproportionate and adverse manner as compared to other holders shall require the approval of such disproportionately treated holder; provided, however, that amendments that adversely affect any holder's rights with respect to Board Rights, Drag Along Rights, Pre-emptive Rights, Information Rights, Amendments or Transferability shall be effective only if consented to by such holder.
Transferability	Except as set forth herein, the Minority Member shall not be permitted to transfer its Common Membership Units and Preferred Membership Units other than an affiliate or with the written consent of the Buyer, which consent shall not be unreasonably withheld; provided, that, for the avoidance of doubt, it would not be unreasonable to withhold consent from the assignment of any such transfer to a competitor of the Buyer.
Consulting Agreement	In connection with the Closing Date, the Buyer and the Company shall enter into a mutually acceptable Consulting Agreement pursuant to which the Company will agree to maintain one or more full-time employees that will perform agreed upon services for the Buyer for at least 18 months after the Closing Date (in exchange for an agreed upon consulting fee or reimbursement arrangement),

	which may include (among other things), assisting or otherwise consulting the Buyer with respect to pursuing and recovering on claims and causes of action acquired by the Buyer from the Company, managing customer and vendor relationships, evaluating and formulating the Company's budget, and managing issues related to employees. For the sake of clarity, the consultant under the Consulting Agreement may also be the Minority Board Member.