IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	Chapter 11
HOUSE SPIRITS DISTILLERY LLC,	Case No. 25-10660 (KBO)
Debtor.[1]	(Subchapter V)
	Re: D.I. 254, 276, 277 & 283

ORDER (I) APPROVING BIDDING PROCEDURES FOR THE SALE OF SUBSTANTIALLY ALL ASSETS OF THE DEBTOR , (II) SCHEDULING BID DEADLINE AND AUCTION, (III) APPROVING THE FORM AND MANNER OF NOTICE THEREOF, (IV) APPROVING PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF CONTRACTS AND LEASES, AND (V) GRANTING RELATED RELIEF

Upon the motion (the "Motion")[2] of the above-captioned debtor and debtor in possession (the "Debtor") for entry of an order (this "Order") (i) approving the Bid Procedures attached hereto as **Exhibit 1** (the "Bid Procedures") in connection with the sale (the "Sale") of all or substantially all of the Debtor's assets (the "Assets"), (ii) scheduling a Bid Deadline, Auction, and Sale/Confirmation Hearing, (iii) approving the form and manner of notice thereof, (iv) approving procedures for the assumption and assignment of executory contracts and unexpired leases in connection with the Sale (collectively, the "Assigned Contracts"), and (v) granting related relief, all as more fully set forth in the Motion; and upon consideration of the First Day Declaration and other testimony and evidence submitted by the Debtor in support of the Motion at a hearing before this Court (the "Hearing"); and upon the record herein; and after due deliberation thereon; and this

[1] The last four digits of the Debtor's federal tax identification number are 2069. The Debtor's mailing address is 65 SE Washington Street, Portland, OR 97214.

[2] Capitalized terms used as defined terms herein but not otherwise defined shall have the meanings ascribed to them in the Motion or the Bid Procedures, as applicable. In the event there is a conflict between this Order and the Motion or the Bid Procedures, this Order shall control and govern.

Court having determined the legal and factual bases set forth in the Motion and at the Hearing establish good and sufficient cause for the relief granted in this Order,

IT IS HEREBY FOUND THAT:

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334(b) and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012.

C. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A), (N), and (O). The Debtor has confirmed their consent, pursuant to Local Rule 9013-1(f), to the entry of a final order by this Court in connection with the Motion, to the extent it is later determined this Court, absent the consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

D. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

E. The bases for the relief requested in the Motion are sections 105, 363, and 365 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, and 9007 and Local Rules 2002-1 and 6004-1.

F. Notice of the Motion has been given to: (i) the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee"), 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Hannah J. McCollum, Esq. (email: hannah.mccollum@usdoj.gov);

(ii) counsel for the DIP Lenders; (iii) all parties who are known or reasonably believed, after reasonable inquiry, to have asserted any lien, encumbrance, claim, or interest in the Assets; (iv) the United States Attorney's Office for the District of Delaware; (v) the Internal Revenue Service; (vi) all state and local taxing authorities with an interest in the Assets; (vii) the offices of the attorneys general for the states in which the Debtor operate; (viii) the Assigned Contract Counterparties; and (ix) any party that has requested notice pursuant to Bankruptcy Rule 2002.[3]

G. Notice of the Motion, including the relief sought therein, and the Hearing was good and sufficient under the circumstances, and such notice complied with all applicable requirements under the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and no other or further notice need be provided. A reasonable opportunity to object or be heard regarding the relief provided in this Order has been afforded to all parties in interest.

H. The Debtor has articulated good and sufficient reasons for this Court to (i) approve the Bid Procedures, (ii) schedule the Bid Deadline, Auction, and Sale/Confirmation Hearing, (iii) approve the form and manner of notice of the Bid Deadline, Auction, and Sale/Confirmation Hearing, and (iv) approve procedures for the assumption and assignment of the Assigned Contracts, including notice of the proposed cure amounts. The entry of this Order is in the best interests of the Debtor's estate, creditors, and other parties in interest.

I. The Bid Procedures attached hereto as **Exhibit 1** are reasonable and appropriate and represent the best method for maximizing value for the benefit of the Debtor's estate and the Debtor's creditors. The Bid Procedures were negotiated at arm's length, in good faith, and without collusion. The Bid Procedures are reasonably designed to attract value-maximizing proposals

[3] Cassel has provided or is providing this Order and the Bid Procedures to all entities reasonably known to have expressed an interest in a transaction with respect to any of the Assets, on a confidential basis.

beneficial to the Debtor's estate, creditors, and other parties in interest. The Bid Procedures comply with the requirements of Local Rule 6004-1(c).

J. The Sale Notice, substantially in the form attached hereto as **Exhibit 2**, regarding the Sale of the Assets by Auction, is reasonably calculated to provide interested parties with timely and proper notice of the proposed Sale, including, without limitation: (i) the date, time, and place of the Auction (if one is held), (ii) the Bid Procedures and certain dates and deadlines related thereto, (iii) the deadline for filing objections to the Sale, (iv) reasonably specific identification of the Assets for Sale, (v) a description of the Sale as being free and clear of all liens, claims, interests, and other encumbrances, with all such liens, claims, interests, and other encumbrances attaching with the same validity and priority to the Sale proceeds, and (vi) notice of the proposed assumption and assignment of Assigned Contracts to any Successful Bidder and the rights, procedures, and deadlines for objecting thereto. No other or further notice of the Sale shall be required.

K. The Motion, the Sale Notice, the Assignment Notice, this Order, and the Assignment Procedures (as defined below) set forth herein are appropriate and reasonably calculated to provide any Assigned Contract Counterparties with proper notice of the potential assumption and assignment of their Assigned Contracts, the procedures in connection therewith, and any asserted cure amounts relating thereto.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is **GRANTED** as set forth herein.

2. All objections, statements, and reservations of rights with respect to the relief requested in the Motion with respect to the Bid Procedures that have not been withdrawn, waived, or settled, as announced to the Court at the Hearing on the Motion or by stipulation filed with the Court, are overruled and denied on the merits with prejudice.

3. **The Bid Procedures**. The Bid Procedures, attached hereto as **Exhibit 1**, are hereby approved in their entirety and fully incorporated into this Order. The Bid Procedures shall govern the submission, receipt, and analysis of all bids relating to the proposed Sale and any party desiring to submit a higher or better offer for the Assets must comply with the terms of the Bid Procedures and this Order. The Bid Procedures shall also govern the terms on which the Debtor will direct and preside over the Auction. Pursuant to the Final DIP Order, the DIP Lenders shall be entitled to credit bid claims to the extent permitted by section 363(k) of the Bankruptcy Code.

4. **Deadlines, Auction, and Sale/Confirmation Hearing**. The following dates and deadlines regarding competitive bidding are hereby established for Sale of the Assets (subject to modification in accordance with the Bid Procedures):

Event	Date
Filing and Service of Sale Notice	Within two (2) business days after entry of this Order.
Form Asset Purchase Agreement Uploaded to the Data Room	**September 10, 2025**
Filing and Service of Assignment Notice	Within fourteen (14) days after entry of this Order.
Filing of Amended Plan	**September 15, 2025**
Assigned Contract Objection Deadline	Objections to (i) the potential assumption and assignment of any Assigned Contract to any Successful Bidder or Back-Up Bidder, and (ii) the proposed cure amount to be paid in connection with the assumption and assignment of any Assigned Contract, shall be filed and served no later than fourteen (14) days after the service of the Assignment Notice; *provided* that, to the extent any Assigned Contract Counterparty is added to the Assignment Notice after the initial notice is served, such new Assigned Contract Counterparty shall have ten (10) days from the date of service of the supplemental notice to object to the proposed cure amount and assignment to the Successful Bidder.

Bid Deadline	Binding, irrevocable bids, including the Good Faith Deposit and the other requirements for a bid to be considered a Qualified Bid, must be received by no later than **September 22, 2025, at 4:00 p.m. (Eastern Time)**, or such later date as may be agreed to by the Debtor in the exercise of its reasonable business judgment after consultation with the Subchapter V Trustee.
Auction	**September 24, 2025, at 10:00 a.m. (Eastern Time)**, at Pashman Stein Walder Hayden, P.C., 824 North Market Street, Suite 800, Wilmington DE 19801, or such later time or other place as the Debtor determines, after consultation with the Subchapter V Trustee.
Successful Bidder Notice Deadline	**September 25, 2025**, and in any event not more than 24 hours after closing or canceling the Auction, the Debtor shall file and serve upon the Sale Notice Parties a notice identifying the Successful Bidder and Back-Up Bidder.
Successful Bidder Objection Deadline	The deadline to object to the Sale shall be **September 29, 2025, by 12:00 p.m. (Eastern Time)**.
Confirmation / Sale Hearing	**October 1, 2025, at 12:30 p.m. (Eastern Time)**.
Sale Closing / Effective Date	As provided in the Plan; *provided*, *that* the outside date for the Sale Closing / Effective Date shall be thirty (30) days after conclusion of the Auction, subject to extension as agreed by the Debtor, in consultation with the Subchapter V Trustee, in its business judgment.

5. **Assumption and Assignment Notices & Procedures**. The procedures set forth below regarding the potential assumption and assignment of the Assigned Contracts by the Debtor pursuant to section 365(b) of the Bankruptcy Code and assigned to the Successful Bidder pursuant to section 365(f) of the Bankruptcy Code in connection with the Sale (the "Assignment Procedures") are hereby approved. These Assignment Procedures shall govern the assumption and assignment of all of the Assigned Contracts to be assumed and assigned in connection with the Sale, subject to the payments necessary to cure any defaults arising under any such Assigned Contracts.

6. No later than fourteen (14) days after entry of this Order, the Debtor shall serve a notice, which shall be substantially in the form attached hereto as **Exhibit 3** (an "Assignment Notice"), on all Assigned Contract Counterparties to any Assigned Contract (the "Assignment Notice Parties") that may be assumed by the Debtor and assigned to the Successful Bidder after the results of the Auction. The Assignment Notice shall inform each recipient of the timing and procedures relating to such assumption and assignment, and, to the extent applicable, (i) the title of the Assigned Contract, (ii) the name of the counterparty to the Assigned Contract, (iii) the Debtor's good-faith estimate of the cure amount (if any) required in connection with assumption of the Assigned Contract, and (iv) the Assigned Contract Objection Deadline. The presence of an Assigned Contract on the Assignment Notice does not constitute an admission that such Assigned Contract is an executory contract or unexpired lease, and the presence of an Assigned Contract on the Assignment Notice shall not obligate the Debtor to assume and assign such Assigned Contract unless and until such Assigned Contract is actually assumed and assigned pursuant to the applicable Sale Order, or Plan and Confirmation Order.

7. Although the Debtor shall make a good-faith effort to identify all Assigned Contracts that may be assumed and assigned in connection with a Sale, the Debtor may discover certain executory contracts and unexpired leases inadvertently omitted from the list of Assigned Contracts, or a Successful Bidder may identify other executory contracts and/or unexpired leases that it desires to assume and assign in connection with the Sale. Accordingly, the Debtor has the right, at any time after the service of the Assignment Notice and before, either, closing of the Sale or the Effective Date, as applicable, to (i) supplement the list of Assigned Contracts with previously omitted executory contracts or unexpired leases, (ii) remove Assigned Contracts from the list of executory contracts and unexpired leases ultimately selected as Assigned Contracts that

a Successful Bidder proposes to be assumed and assigned to it in connection with a Sale, and/or (iii) modify the previously stated cure amount associated with any Assigned Contract. In the event the Debtor exercise any of these reserved rights, the Debtor will promptly serve a supplemental notice of contract assumption (a "Supplemental Assignment Notice") on each of the Assigned Contract Counterparties to such Assigned Contracts identified therein and their counsel of record, if any; *provided*, *however*, that the Debtor may not add an executory contract or lease to the list of Assigned Contracts that has been previously rejected by the Debtor by order of the Court. Each Supplemental Assignment Notice will include the same information with respect to listed Assigned Contracts as was included in the Assignment Notice.

8. To the extent any Assigned Contract Counterparty is added to the Assignment Notice after the initial notice is served, such new Assigned Contract Counterparty shall receive notice of the addition and the Debtor's proposed cure amount through service of the Supplemental Assignment Notice, and that party shall have ten (10) days from the date of such notice to object to the proposed cure amount and assignment to a Successful Bidder.

9. Objections, if any, to (i) the cure amount set forth on the Assignment Notice, or (ii) the possible assignment of its executory contract or unexpired lease to a Successful Bidder (each, an "Assigned Contract Objection") **must** (a) be in writing, (b) comply with the applicable provisions of the Bankruptcy Rules and the Local Rules, and (c) state with specificity the nature of the objection and, if the objection pertains to the proposed cure amount, the correct cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof, and (d) be filed with the Court and served on the following parties (the "Objection Notice Parties") so as to be actually received on or before the Assigned Contract Objection Deadline: (i) Pashman Stein Walder Hayden, P.C., Attn: Joseph C. Barsalona II

(jbarsalona@pashmanstein.com), Richard W. Riley (rriley@pashmanstein.com), and Amy M. Oden (aoden@pashmanstein.com); (ii) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Hannah J. McCollum (email: hannah.mccollum@usdoj.gov); and (iii) counsel to the DIP Lenders, (v) counsel to the Successful Bidder; and (vi) counsel to the Back-Up Bidder, if any.

10. Any objection to the ability of the Successful Bidder or Back-Up Bidder, each as identified in the Successful Bidder Notice, to provide adequate assurance of future performance (a "Successful Bidder Objection") with respect to any Assigned Contract must be filed with the Court no later than the Successful Bidder Objection Deadline; *provided*, *however*, that the deadline to object to the proposed cure amount shall not be so extended and shall remain the Assigned Contract Objection Deadline.

11. If an Assigned Contract Counterparty does not timely file and serve an Assigned Contract Objection by the Assigned Contract Objection Deadline or a Successful Bidder Objection by the Successful Bidder Objection Deadline, as applicable, then that party shall be forever barred from objecting to (i) the Debtor's proposed cure amount, (ii) the assumption and assignment of that party's Assigned Contract (including the adequate assurance of future performance), and (iii) the related relief requested in the Motion, whether applicable law excuses such counterparty from accepting performance by, or rendering performance to, the Successful Bidder or Back-Up Bidder, as applicable, for purposes of section 365(c)(1) of the Bankruptcy Code and from asserting any additional cure or other amounts against the Debtor and the Successful Bidder or Back-Up Bidder, as applicable, with respect to such party's executory contract or unexpired lease.

12. Where an Assigned Contract Counterparty to an Assigned Contract files a timely Assigned Contract Objection or Successful Bidder Objection objecting to the possible assignment

of its executory contract or unexpired lease to the Successful Bidder, and the parties are unable to consensually resolve the dispute, the Debtor's ability to assign the Assigned Contract to the Successful Bidder will be determined by the Court at the Sale/Confirmation Hearing or the next scheduled omnibus hearing, subject to Court availability.

13. Where an Assigned Contract Counterparty to an Assigned Contract files a timely Assigned Contract Objection asserting a higher cure amount than the amount listed in the Assignment Notice, and such objection is not withdrawn or resolved by the Sale/Confirmation Hearing, such cure objections will not be heard at the Sale/Confirmation Hearing. Any dispute regarding the cure amounts will either be resolved consensually, if possible, or, the parties are unable to resolve, at a later date as set by the Court. The Debtor shall have the ability to adjourn any such objections at their discretion and schedule them for the next scheduled omnibus hearing by indication in the applicable agenda.

14. To the extent an Assigned Contract Objection or Successful Bidder Objection shall be pending as of the date of the closing of any Sale, the Assigned Contract subject to such objection shall be deemed assumed and assigned, as between the Debtor and the Successful Bidder, as of the closing of the Sale until such time as (i) the amount (if any) to be paid under section 365 of the Bankruptcy Code is determined by the Court or consensually, or (ii) the Debtor's ability to assign the Assigned Contract to the Successful Bidder is determined by the Court or consensually. Upon a determination by the Court (i) of the amount (if any) to be paid under section 365 of the Bankruptcy Code with respect to any Assigned Contract, the Successful Bidder may elect to (a) pay such amount and have the Assigned Contract assigned to it or (b) remove such Assigned Contract as an Assigned Contract, or (ii) that any Assigned Contract is non-assignable, such Assigned Contract shall be removed as an Assigned Contract. Any Assigned Contract

subsequently removed as an Assigned Contract, either in accordance with the preceding sentence or pursuant to an agreement with the applicable Assigned Contract Counterparty, shall no longer be deemed assumed and assigned to the Successful Bidder as of the date such Assigned Contract is removed as an Assigned Contract.

15. The payment of the applicable cure amount by the Debtor or any Successful Bidder, as applicable, shall (i) effect a cure of all defaults existing thereunder, and (ii) compensate for any actual pecuniary loss to such Assigned Contract Counterparty resulting from such defaults.

16. **Noticing Procedures**. The noticing procedures, as set forth in this Order and the Motion, including the Sale Notice and the Assignment Notice, are hereby approved. Within two (2) business days after the entry of this Order, the Debtor (or its agent) shall serve the Sale Notice by first-class mail upon the Sale Notice Parties. In addition, as soon as reasonably practicable, but in no event later than one (1) business day after entry of this Order, the Debtor will also post the Sale Notice and this Order on the website maintained by the Debtor's claims and noticing agent, Epiq Corporate Restructuring LLC, located at https://dm.epiq11.com/case/westwardwhiskey. Such publication of the Sale Notice, as set forth in the preceding sentence, shall be deemed sufficient and proper notice of the Sale to any other interested parties whose identities are unknown to the Debtor.

17. **Miscellaneous Relief**. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a), and such notice satisfies the applicable Local Rules.

18. Nothing in this Order shall waive or limit any rights, remedies, or defenses of U.S. Specialty Insurance Company or its affiliated sureties (collectively, the "Surety") under applicable bankruptcy or non-bankruptcy law, including under any indemnity agreement, surety bond,

collateral agreement, or related documents, nor shall it waive or limit any rights, remedies, or defenses of the Debtor with respect thereto. The Debtor shall provide notice of any proposed transition agreement or similar arrangement with the Successful Bidder, and the Surety shall have an opportunity to object. If a Successful Bidder seeks to rely on any Bond (as defined in the *Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing the Debtor to (A) Continue Insurance Policies and Agreements Relating Thereto Entered into Prepetition and Pay Prepetition Obligations in Respect thereof, (B) Renew, Revise, Extend, Supplement, Change or Enter into New Insurance Coverage as Needed in its Business Judgment, (C) Honor Prepetition Premium Financing Agreements, (D) Renew and Enter into New Insurance Premium Financing Agreements in the Ordinary Course of Business, (E) Maintain Bonds, and (F) Continue to Pay Broker Fees; (II) Authorizing Banks to Honor and Process Check and Electronic Transfer Requests Related thereto; and (III) Granting Related Relief Filed* [D.I. 9] (the "Surety Bond Motion"))[4] during the period beginning on the date of the Sale/Confirmation Hearing and ending on the later of (i) the closing of the sale or (ii) the resolution of any Surety objection to the Assignment Notice or Successful Bid, the Bond shall not be used during said transition period and/or to cover the purchaser of the Assets absent an agreement with the Surety or further order of the Court.

19. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

20. The Debtor is authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion and to conduct the Sale without the necessity of complying with any state or local bulk transfer laws or requirements.

[4] The penal sum of the Bond is $420,000 notwithstanding how the term is defined in the Surety Bond Motion.

21. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

22. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

23. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry, notwithstanding any provision in the Bankruptcy Rules or the Local Rules to the contrary, and the Debtor may, in its discretion and without further delay, take any action and perform any act authorized under this Order.

24. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: September 4th, 2025
Wilmington, Delaware

Ka B. O—.

KAREN B. OWENS
CHIEF JUDGE

Exhibit 1

Bid Procedures

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	Chapter 11
HOUSE SPIRITS DISTILLERY LLC,	Case No. 25-10660 (KBO)
Debtor.[1]	(Subchapter V)
	Re: D.I. __

BID PROCEDURES

On September [●], 2025, the United States Bankruptcy Court for the District of Delaware (the "Court") entered an order [D.I. [●]] (the "Bid Procedures Order") approving, among other things, these bid procedures (the "Bid Procedures"). A copy of the Sale Notice approved by the Bid Procedures Order has been posted on the website of the Debtor's claims and noticing agent, Epiq Corporate Restructuring LLC, located at https://dm.epiq11.com/case/westwardwhiskey (the "Claims Agent Website").

These Bid Procedures set forth the process by which the Debtor is authorized to conduct an auction or auctions (each an "Auction" and collectively, the "Auctions") for the sale (the "Sale") of the Debtor's assets (the "Assets").

I. Important Dates

Event	Date
Filing and Service of Sale Notice	Within two (2) business days after entry of the Bid Procedures Order.
Form Asset Purchase Agreement Added to the Data Room	**September 10, 2025**
Filing and Service of Assignment Notice	Within fourteen (14) days after entry of the Bid Procedures Order.
Filing of Amended Plan	**September 15, 2025**

[1] The last four digits of the Debtor's federal tax identification number are 2069. The Debtor's mailing address is 65 SE Washington Street, Portland, OR 97214.

Assigned Contract Objection Deadline	Objections to (i) the potential assumption and assignment of any Assigned Contract to any Successful Bidder or Back-Up Bidder, and (ii) the proposed cure amount to be paid in connection with the assumption and assignment of any Assigned Contract, shall be filed and served no later than fourteen (14) days after the service of the Assignment Notice; *provided* that, to the extent any Assigned Contract Counterparty is added to the Assignment Notice after the initial notice is served, such new Assigned Contract Counterparty shall have ten (10) days from the date of service of the supplemental notice to object to the proposed cure amount and assignment to the Successful Bidder.
Bid Deadline	Binding, irrevocable bids, including the Good Faith Deposit and the other requirements for a bid to be considered a Qualified Bid, must be received by no later than **September 22, 2025, at 4:00 p.m. (Eastern Time)**, or such later date as may be agreed to by the Debtor in the exercise of its reasonable business judgment after consultation with the Subchapter V Trustee.
Auction	**September 24, 2025, at 10:00 a.m. (Eastern Time)** at Pashman Stein Walder Hayden, P.C., 824 North Market Street, Suite 800, Wilmington DE 19801, or such later time or other place as the Debtor determines, after consultation with the Subchapter V Trustee.
Successful Bidder Notice Deadline	**By September 25, 2025**, and in any event not more than 24 hours after closing or canceling the Auction, the Debtor shall file and serve upon the Sale Notice Parties a notice identifying the Successful Bidder and Back-Up Bidder.
Successful Bidder Objection Deadline	The deadline to object to the Sale shall be **September 29, 2025 by 12:00 p.m. (Eastern Time**.
Confirmation / Sale Hearing	**October 1, 2025, at 12:30 p.m. (Eastern Time)**.
Sale Closing / Effective Date	As provided in the Plan; *provided*, *that* the outside date for the Sale Closing / Effective Date shall be thirty (30) days after conclusion of the Auction, subject to extension as agreed by the Debtor, in consultation with the Subchapter V Trustee, in its business judgment.

II. Sale Notice

As soon as reasonably practicable following the entry of the Bid Procedures Order, but in no event later than two (2) business days following entry of the Bid Procedures Order, the Debtor shall file with the Court, serve on the Sale Notice Parties, and caused to be published on the Claims Agent Website a notice (the "Sale Notice") of the proposed Sale, including: (i) the date, time, and

place of the Auction (if one will be held); (ii) the Bid Procedures; (iii) the deadline for filing objections to the Sale; (iv) a reasonably specific identification of the Assets; (v) a description of the Sale as being free and clear of all liens, claims, encumbrances, and other interests, with all such liens, claims, encumbrances, and other interests attaching with the same validity and priority to the Sale proceeds; and (vi) notice of the proposed assumption and assignment of the Assigned Contracts to any Successful Bidder, and the rights, procedures, and deadlines for objecting thereto.

The Sale Notice shall be served on (i) the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee"), 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Hannah J. McCollum, Esq. (email: hannah.mccollum@usdoj.gov); (ii) counsel for the DIP Lenders; (iii) all parties who are known or reasonably believed, after reasonable inquiry, to have asserted any lien, encumbrance, claim, or interest in the Assets; (iv) the United States Attorney's Office for the District of Delaware; (v) the Internal Revenue Service; (vi) all state and local taxing authorities with an interest in the Assets; (vii) the offices of the attorneys general for the states in which the Debtor operates; (viii) the Assigned Contract Counterparties; and (ix) any party that has requested notice pursuant to Bankruptcy Rule 2002 (the "Sale Notice Parties").[2]

III. Marketing Process

A. Access to Diligence Materials

To receive access to due diligence information, including full access to the Debtor's electronic data room (the "Data Room") and to additional non-public information regarding the Debtor (collectively, the "Diligence Materials"), any party interested in submitting a bid (each a "Potential Bidder"), must execute a confidentiality agreement, which must be based on the form of confidentiality agreement supplied by the Debtor and in a form and substance satisfactory to the Debtor after consultation with the Subchapter V Trustee (an "Acceptable Confidentiality Agreement"), delivered by email to the Debtor's proposed investment banker, Cassel Salpeter & Co., LLC ("Cassel"), Attn: James S. Cassel (jcassel@cs-ib.com) and Philip Cassel (pcassel@cs-ib.com), with a copy to the Debtor's counsel, Pashman Stein Walder Hayden, P.C., Attn: Joseph C. Barsalona II (jbarsalona@pashmanstein.com), Richard W. Riley (rriley@pashmanstein.com), and Amy M. Oden (aoden@pashmanstein.com) (collectively, the "Bid Recipients"). Notwithstanding the foregoing, the Debtor shall also grant access to the Data Room and the Diligence Materials to the Subchapter V Trustee.

The Debtor will afford each Potential Bidder who qualifies for access to Diligence Materials the time and opportunity to conduct reasonable due diligence before the Bid Deadline (as defined below). The Debtor, with the assistance of its advisors, will coordinate all reasonable requests from Potential Bidders for additional information and due diligence access that are appropriate under the circumstances. All due diligence requests must be directed to James S. Cassel (jcassel@cs-ib.com) and Philip Cassel (pcassel@cs-ib.com) at Cassel, as applicable. No due diligence will continue after the Bid Deadline.

[2] Cassel will provide or has provided the Bid Procedures Motion, Bid Procedures, and Sale Notice to all entities reasonably known to have expressed an interest in a transaction with respect to any of the Assets.

The Debtor may decline to provide such information, and neither the Debtor nor its representatives shall be obligated to furnish information of any kind whatsoever, to any Potential Bidder who, in the Debtor's reasonable business judgment, after consultation with the Subchapter V Trustee, has not established, or who has raised doubt, that such Potential Bidder intends in good faith or has the capacity to consummate a sale transaction for all or a subset of the Debtor's Assets (a "Transaction"). Furthermore, the Debtor reserves the right to withhold any Diligence Materials that the Debtor determines are business-sensitive or otherwise not appropriate for disclosure to a Potential Bidder.

Each Potential Bidder shall comply with all reasonable requests for additional information and due diligence access by the Debtor or its advisors regarding such Potential Bidder and its contemplated Transaction. Failure by a Potential Bidder, including any Qualified Bidder (as defined below), to comply with such reasonable requests for additional information and due diligence access may be a basis for the Debtor to determine, in consultation with the Subchapter V Trustee, that such party will not be deemed or is no longer a Qualified Bidder.

B. No Communications Among Bidders Without Debtor's Written Consent

Communications between and amongst Potential Bidders and/or Qualified Bidders regarding or related to the Assets, Bids, or the Auction are prohibited, unless the Debtor has authorized such communications in writing, after consultation with the Subchapter V Trustee. The Debtor reserves the right, in its reasonable business judgment, and upon consultation with the Subchapter V Trustee, to disqualify any Potential Bidders and/or Qualified Bidders that have communications between and amongst themselves regarding or related to the Assets, Bids, or the Auction without the prior written consent of the Debtor.

For the avoidance of doubt, there will be no prohibition on Potential Bidders and Qualified Bidders pairing their Bids; *provided, however*, that to the extent any Potential Bidders and/or Qualified Bidders seeks to do so, the Debtor, with the assistance of its advisors and after consultation with the Subchapter V Trustee, shall facilitate the communications between such Potential Bidders or Qualified Bidders regarding the potential joining of Bids. The Debtor, in consultation with the Subchapter V Trustee, will be authorized to approve joint Bids in its reasonable discretion on a case-by-case basis.

C. Bid Deadline and Auction Qualification Process

To be eligible to participate in the Auction, a party must submit a written offer, solicitation, or proposal for a Transaction (each, a "Bid," and each party submitting such a Bid, a "Bidder"), with both the Bid and the Bidder, as applicable, required to satisfy each of the following conditions, which satisfaction shall be determined by the Debtor after consultation with the Subchapter V Trustee:

(i) Bid Deadline. The Debtor must receive a Bid in writing, on or before **September 22, 2025, at 4:00 p.m. (Eastern Time)**, or such later date as may be agreed to by the Debtor (the "Bid Deadline"), in the exercise of the Debtor's reasonable business judgment after consultation with the Subchapter V Trustee. Bids must be sent to and actually received by the Bid Recipients by the Bid Deadline to be considered.

Bids must be sent to the Debtor's proposed investment banker, Cassel Salpeter & Co., LLC ("Cassel"), Attn: James S. Cassel (jcassel@cs-ib.com) and Philip Cassel (pcassel@cs-ib.com), with a copy to the Debtor's counsel, Pashman Stein Walder Hayden, P.C., Attn: Joseph C. Barsalona II (jbarsalona@pashmanstein.com), Richard W. Riley (rriley@pashmanstein.com), and Amy M. Oden (aoden@pashmanstein.com).

(ii) Form and Contents. All Bids shall be in the form of an irrevocable offer letter, signed by an authorized representative of the Bidder, from a Bidder that the Debtor, in the exercise of its reasonable business judgment and in consultation with the Subchapter V Trustee, deems financially able to consummate the Transaction that is the subject of the Bid, which letter shall state and include the following:

(A) Marked Agreement. Each Bid must state that the Bidder irrevocably offers to purchase all or a subset of the Assets, as contemplated by the Bid, upon the terms and conditions set forth in an attached, non-contingent asset purchase agreement, a form of which will be uploaded to the Data Room no later than **September 10, 2025** (the "Form Agreement"), prepared and executed by the Bidder, together with its exhibits and schedules, including terms relating to price and the time of closing (the "Proposed Agreement"), and together with a redline marked against the Form Agreement. Each Proposed Agreement must provide a commitment to close the proposed Transaction contemplated by such Proposed Agreement within a time frame acceptable to the Debtor after all closing conditions set forth in such Proposed Agreement are met (other than those which are to be satisfied at the closing of the transactions contemplated by such Proposed Agreement).

(B) Assets. Each Bid must clearly specify the Assets that are included in the Bid.

(C) Bids for Portions of the Assets. Each Bid must state whether the Bidder is offering to purchase all or substantially all of the Assets, any portion of the Assets, and any combination of the Assets. The Debtor may, in consultation with the Subchapter V Trustee, waive or modify the application of the Qualified Bid conditions in respect of Bids for a portion of the Assets. With respect to any Bid for less than all or substantially all of the Debtor's Assets, the Debtor reserves the right to request an allocation of the purchase price among the Assets the Bidder seeks to acquire and the assumed liabilities the Bidder agrees to assume.

(D) Purchase Price. Each Bid must clearly set forth the terms of any proposed Transaction, including and identifying separately any cash and non-cash components of the proposed Transaction consideration, such as certain liabilities to be assumed by the Bidder as part of the Transaction (the "Purchase Price"); *provided*, that any Qualified Bid with respect to all or substantially all of the Assets must be a Topping Bid. For the bid to

qualify as a "Topping Bid," it must provide cash consideration in the amount of at least $2.7 million.

(E) Committed Financing. To the extent that a Bid is not accompanied by evidence of the Bidder's capacity to consummate the Transaction set forth in its Bid with cash on hand, each Qualified Bid must include evidence of committed financing that demonstrates that the Bidder has received sufficient non-contingent and binding debt and/or equity funding commitments to satisfy the Bidder's Purchase Price and other obligations under its Bid. Such funding commitments or other financing acceptable to the Debtor (as determined after consultation with the Subchapter V Trustee) must be unconditional and must not be subject to any internal approvals, syndication requirements, diligence, or credit committee approvals, and shall have covenants and conditions acceptable to the Debtor, after consultation with the Subchapter V Trustee.

(F) Contingencies; No Financing or Diligence Outs. A Bid shall not be conditioned on a Bidder obtaining, or the sufficiency of, financing or any internal approval, or on the outcome or review of due diligence, which must be completed before the Bid Deadline, but may be subject to the accuracy at the closing of specified representations and warranties or the satisfaction at the closing of specified conditions.

(G) Identity. Each Bid must fully disclose the identity of each entity that will be bidding or otherwise participating in connection with such Bid (including each equity holder or other financial backer of the Bidder if such Bidder is an entity formed for the purpose of consummating the proposed Transaction contemplated by such Bid), and the complete terms of any such participation. Under no circumstances shall any undisclosed principals, equity holders, or financial backers be associated with any Bid. Each Bid must also include contact information for the specific person(s) and counsel the Debtor's advisors should contact regarding such Bid. Each Bid should contain sufficient evidence that the Bidder is legally empowered, by power of attorney or otherwise, to complete the Transaction on the terms contemplated by the parties. Each Bid should also fully disclose any connections or agreements with any of the Debtor, any known, potential, or prospective bidder, any Bidder, or any officer, director, manager, significant creditor, or equity holder of any Debtor.

(H) Authorization. Each Bid must contain evidence that the Bidder has obtained authorization or approval from its board of directors (or a comparable governing body acceptable to the Debtor, after consultation with the Subchapter V Trustee) acceptable to the Debtor, after consultation with the Subchapter V Trustee, with respect to the submission of its Bid and the consummation of the Transactions contemplated in such Bid.

(I) Consummation. Each Bid must include a statement or evidence reflecting that the Bidder is prepared to consummate the transaction upon entry of, either, an order of the Court approving the Sale to the Successful Bidder (the "Sale Order") or the Confirmation Order.

(J) Irrevocability. Each Bid must include a statement that, in the event the Bidder becomes (i) the Successful Bidder, such Qualified Bidder's offer is irrevocable until the Effective Date has occurred or the Sale has closed, or (ii) the Back-Up Bidder (as defined below), such Qualified Bidder's offer is irrevocable until the earlier of (a) the Effective Date or the Sale closing and (b) ninety (90) days after the closing of the Auction;

(K) Assigned Contracts and Leases. Each Bid must identify any and all executory contracts and unexpired leases of the Debtor that the Qualified Bidder wishes to be assumed pursuant to a Sale. A Bid must specify that such Bidder will be responsible for any cure costs associated with such assumption, and include a good-faith estimate of such cure costs (which estimate shall be provided by the Debtor).

(L) Damages. Each Bid must provide that the Debtor has the right to pursue all available damages in the event of the Bidder's breach of, or failure to perform under, the Proposed Agreement.

(M) Bid Representatives. Each Bid shall identify the representatives of the Bidder that are authorized to appear and act on behalf of the Bidder in connection with the proposed Sale.

(N) No Break-Up Fee. Each Bid shall indicate that such Bidder will not seek any transaction break-up fee, expense reimbursement, or similar type of payment.

(O) Consent to Jurisdiction. Each Bidder must submit to the exclusive jurisdiction of the Court and waive any right to a jury trial in connection with any disputes relating to Debtor's qualification of Bids, the Auction, the construction and enforcement of the Bid Procedures, the Sale documents, the closing of a Sale, the Plan, and the Confirmation of the Plan, as applicable.

(P) Compliance with the Bankruptcy Code and Non-Bankruptcy Law; Acknowledgment. Each Bid must comply in all respects with the Bankruptcy Code and any applicable nonbankruptcy law. Each Bid must also include a written acknowledgment that the Qualified Bidder agrees to all of the terms of the Sale set forth in the Bid Procedures.

(Q) Other Information. Each Bid must contain such other information as may be reasonably requested by the Debtor.

(iii) Adequate Assurance. If the Bid contemplates an assumption of any unexpired leases or executory contracts, it must provide adequate assurance of future performance to counterparties to any executory contracts and unexpired leases to be assumed by the Bidder.

(iv) Back-Up Bidder. Each Bid must acknowledge that by submitting a Bid, the Bidder agrees to be a Back-Up Bidder, should the Bid be so selected.

(v) Proof of Financial Ability to Perform. Each Bid must provide written evidence that the Debtor reasonably concludes, in consultation with the Subchapter V Trustee, demonstrates the Bidder has the necessary financial ability to close the Transaction and provide adequate assurance of future performance under all contracts to be assumed and assigned in such Transaction. Such information should include, *inter alia*, the following: (a) contact names and numbers for verification of any third-party financing sources; (b) written evidence of the Bidder's internal resources and proof of any debt or equity funding commitments that are needed to close the transaction; (c) the Bidder's current financial statements (audited if they exist); (d) a description of the Bidder's pro forma capital structure; and (e) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtor, after consultation with the Subchapter V Trustee, demonstrating such Bidder has the ability to close the transaction.

(vi) Acknowledgment of Independent Review. Each Bid must include a written acknowledgement that the Bidder (i) has had an opportunity to conduct any and all due diligence regarding the Assets or the Sale; (ii) has relied solely upon its own independent review and investigation and/or inspection of any documents and any other information in making the Bid; (iii) did not rely upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied by operation of law, or otherwise, by the Debtor or any of its advisors (including Cassel) or other representatives regarding the Bid, the Assets, the physical condition of the Assets, the Sale, or the completeness or accuracy of any information provided in connection therewith or the Auction, except as expressly stated in these Bid Procedures; and (iv) the Bidder did not engage in any collusive conduct and acted in good faith in submitting its Bid.

(vii) Free and Clear. Except as otherwise provided in the Proposed Agreement, all of the Debtor's and Estates' right, title, and interest in and to the Assets to be acquired shall be sold free and clear of all liens, claims, charges, security interests, restrictions, and other encumbrances of any kind or nature thereon and there against (collectively, the "Transferred Liens"), with such Transferred Liens to attach to the proceeds of the Sale.

(viii) Good Faith Deposit. Each Bid must be accompanied by a cash deposit in the amount of 10% of the total cash component of the Purchase Price, to be held in an escrow account to be identified and established by the Debtor (the "Good Faith Deposit"). To the extent a Qualified Bid is modified before, during, or after the Auction in any manner that increases the Purchase Price contemplated by such Qualified Bid, the

Debtor reserves the right to require, after consultation with the Subchapter V Trustee, that such Qualified Bidder increase its Good Faith Deposit so that it equals 10% of the increased cash component of the Purchase Price.

(ix) Binding Effect. By submitting its Bid, each Bidder is agreeing, and shall be deemed to have agreed, to abide by and honor the terms of the Bid Procedures and to refrain from submitting a Qualified Bid or seeking to reopen the Auction after conclusion of the Auction.

(x) Time Frame for Closing. A Bid by a Bidder must be reasonably likely (based on antitrust or other regulatory issues, experience, and other considerations in the Debtor's reasonable business judgment) to be consummated, if selected as the Successful Bid, within a time frame reasonably acceptable to the Debtor in consultation with the Subchapter V Trustee. The Bidder must commit to closing the proposed Sale(s) contemplated by the Bid as soon as practicable and provide perspective on any potential regulatory issues that may arise in connection with such Bidder's acquisition of the Assets, including timing for resolution thereof.

The Debtor shall provide copies of all Bids received as soon as reasonably practicable, but no later than one (1) business day after receipt thereof, to the Subchapter V Trustee.

Unless otherwise determined by the Debtor in consultation with the Subchapter V Trustee, a Bid received before the Bid Deadline will be considered a "Qualified Bid" and each Bidder that submits a Qualified Bid will be considered a "Qualified Bidder" if the Debtor determine, in consultation with the Subchapter V Trustee, that such Bid meets the requirements above for a Bid as set forth in these Bid Procedures, subject to the Debtor's rights in the exercise of its reasonable business judgment to waive any such requirements or any part thereof in consultation with the Subchapter V Trustee.

No later than one (1) day prior to the start of the Auction, the Debtor will notify each Qualified Bidder whether such party is a Qualified Bidder.

Upon determination, in consultation with the Subchapter V Trustee, that any Bid is not a Qualified Bid, the Debtor shall notify such Bidder of such determination forthwith, but in any event not later than 10:00 p.m. (Eastern Time) on September 23, 2025, and shall provide such Bidder with the basis for such determination. In the event that such Bid is determined not to be a Qualified Bid, the Bidder shall have until the commencement of the Auction to modify its Bid to increase the Purchase Price, otherwise improve the terms of the Bid, or remedy any deficiencies in order to comply with the requirements for Qualified Bids as set forth herein; *provided, that* any Qualified Bid may be improved during the Auction only as set forth in these Bid Procedures. If any Bid is determined not to be a Qualified Bid, the Debtor (i) will refund such Bidder's Good Faith Deposit on the date that is five (5) business days after the date the decision is made (or as soon as reasonably practicable thereafter), and (ii) inform the Subchapter V Trustee of such determination (and the reasons therefor) as soon as reasonably practicable.

Between the date that the Debtor notifies a Bidder that it is a Qualified Bidder and the Auction date, the Debtor may discuss, negotiate, or seek clarification of any Qualified Bid from a

Qualified Bidder. Without the prior written consent of the Debtor (after consultation with the Subchapter V Trustee), a Qualified Bidder may not modify, amend, or withdraw its Qualified Bid, except for proposed amendments to increase its Purchase Price, or otherwise improve the terms of the Qualified Bid, during the period that such Qualified Bid remains binding as specified in these Bid Procedures; *provided, that* any Qualified Bid may be improved at the Auction as set forth in these Bid Procedures. Any improved Qualified Bid must continue to comply with the requirements for Qualified Bids set forth in these Bid Procedures, unless the Debtor in the exercise of its reasonable business judgment and in consultation with the Subchapter V Trustee determines to waive any such requirement or any part thereof.

Prior to the Auction, the Debtor (in consultation with its advisors and the Subchapter V Trustee) will evaluate Qualified Bids and identify the Qualified Bid that is, in the Debtor's reasonable business judgment, in consultation with the Subchapter V Trustee, the highest or otherwise best bid (the "Baseline Bid" and, the Bidder making such Baseline Bid, the "Baseline Bidder"), and shall notify all Qualified Bidders with Qualified Bids of the Baseline Bid prior to the commencement of the Auction. The Debtor may accept a single Qualified Bid or multiple Bids for non-overlapping material portions of the Assets such that, if taken together in the aggregate, they would otherwise meet the standards for a single Qualified Bid (in which event those multiple Bidders will be treated as a single Qualified Bidder for purposes of selecting the Successful Bid); *provided, that* the Debtor also reserves the right to conduct more than one Sale process or Auction with respect to non-overlapping material portions of the Assets.

IV. Auction

If the Debtor receives at least two Qualified Bids by the Bid Deadline, the Debtor may conduct the Auction to determine, in consultation with the Subchapter V Trustee, the highest or otherwise best Qualified Bid or combination of Qualified Bids for the Assets. This determination shall take into account any factors the Debtor, in consultation with the Subchapter V Trustee, reasonably deems relevant to the value of the Qualified Bids to the Estates, including, *inter alia,* the following non-exhaustive factors: (i) the total amount and nature of the consideration; (ii) the number, type, and nature of any changes to the Form Agreement requested by each Qualified Bidder, including the Assets to be acquired thereunder; (iii) the proposed assumption of any liabilities and/or Contracts or Leases, if any, and the excluded assets and/or Contracts or Leases, if any; (iv) the ability of the Qualified Bidder to close the proposed Transaction and the conditions related thereto, including, without limitation, any regulatory approvals required, and the timing thereof; (v) whether the Qualified Bid is a bulk bid or a partial bid for only some of the Debtor's assets; (vi) the proposed closing date and the likelihood, extent and impact of any potential delays in closing; (vii) any Purchase Price adjustments; (viii) the impact of the proposed Transaction on any actual or potential litigation; (ix) the net after-tax consideration to be received by the Estate; (x) the tax consequences of such Qualified Bid; (xi) the consent of the parties in interest and/or the cost and expense to the Debtor of resolving Sale-related issues before closing, and (xii) any other qualitative or quantitative factor that the Debtor, after consulting with the Subchapter V Trustee, deem reasonably appropriate under the circumstances (collectively, the "Bid Assessment Criteria").

If only one Qualified Bid is received by the Bid Deadline, the Debtor may cancel the Auction, and may decide, in the Debtor's reasonable business judgment, in consultation with the

Subchapter V Trustee, to designate such Bid as the Successful Bid, and pursue approval of the Sale pursuant to the Plan or an asset purchase agreement, as applicable. The Debtor shall promptly file notice of any cancellation of the Auction and designation of the only Qualified Bid as the Successful Bid with the Court subject to the applicable provisions of the Bid Procedures.

The Auction for the Assets, if any, will take place on **September 24, 2025, at 10:00 a.m. Eastern Time)**, at Pashman Stein Walder Hayden, P.C., 824 North Market Street, Suite 800, Wilmington DE 19801, or such later time or other place as the Debtor determines, after consultation with the Subchapter V Trustee, in which case the Debtor shall timely notify all other Qualified Bidders of such later time or other place, and file a notice of this change on the Court's docket for these Chapter 11 Cases.

Only Qualified Bidders shall be entitled to make Bids at the Auction, subject to the terms of the Bid Procedures and other limitations as may reasonably be imposed by the Debtor in consultation with the Subchapter V Trustee. The Qualified Bidders participating at the Auction shall appear, or may appear through a duly authorized representative. Only the Debtor and its respective advisors, any participating Qualified Bidders, the Subchapter V Trustee, and any creditor of the Debtor may attend the Auction; *provided, that* any of the Debtor's creditors who are not Qualified Bidders must provide three (3) business days' written notice to counsel to the Debtor of their intent to attend the Auction and their good faith rationale for requesting to attend; *provided, that* the Debtor reserves the right, in consultation with the Subchapter V Trustee, to retract its permission at any point during the Auction if such creditor party who is not a Qualified Bidder does not act in good faith and in orderly fashion during the Auction.

A. The Debtor Shall Conduct the Auction

The Debtor, with the assistance of its professionals, shall direct and preside over the Auction and the Auction shall be transcribed or videotaped. Prior to the commencement of the Auction, the Debtor shall determine, in consultation with the Subchapter V Trustee and consistent in all material respects with the other terms of these Bid Procedures, which of the Qualified Bids, at such time, is the highest or otherwise best bid for purposes of constituting the opening bid of the Auction, and shall promptly notify all Qualified Bidders with Qualified Bids of such Baseline Bid prior to the commencement of the Auction, and shall provide copies of the Proposed Agreement for the Baseline Bid as soon as practicable. The Baseline Bid may be comprised of any combination of the Assets, and the Debtor may determine, in consultation with the Subchapter V Trustee, that different Baseline Bids exist for different groupings of the Assets. The Debtor shall have the discretion to determine, in consultation with the Subchapter V Trustee, how to proceed when auctioning the Assets in groupings that do not include all of the Assets, so as to maximize the value of the Assets.

B. Terms of Overbids

An "Overbid" is any Bid made at the Auction subsequent to the Debtor's announcement of the Baseline Bid. To submit an Overbid for purposes of the Auction, a Bidder must comply with the following conditions:

i. Minimum Overbid Increment

Any Overbid for all or substantially all of the Assets after the Baseline Bid shall be made in increments valued at not less than $100,000 (the "Minimum Overbid Increment"). The Debtor, after consulting with the Subchapter V Trustee, shall determine the minimum bid increments for any particular Asset or subset of Assets, if applicable.

Additional consideration in excess of the amount set forth in the Baseline Bid may include cash and/or non-cash consideration; *provided*, *however*, that the value for such non-cash consideration shall be determined by the Debtor in its reasonable business judgment, after consultation with the Subchapter V Trustee.

ii. Overbid Procedures

Upon the solicitation of each round of Overbids, the Debtor may, after consultation with the Subchapter V Trustee, announce a deadline (the "Overbid Round Deadline"), by which time any Overbids must be submitted to the Debtor. Subject to the deadlines set forth herein, the Debtor reserves the right, in its own reasonable business judgment, after consultation with the Subchapter V Trustee, to make one or more continuances of the Auction to, among other things, facilitate discussions between the Debtor and individual Qualified Bidders, allow individual Qualified Bidders to consider how they wish to proceed, or give Qualified Bidders the opportunity to provide the Debtor with additional evidence that the Qualified Bidder has sufficient internal resources, or has received sufficient noncontingent debt and/or equity financing commitments, to consummate the proposed Sale Transaction at the prevailing Overbid amount.

After each Overbid Round Deadline, the Debtor shall determine, in consultation with the Subchapter V Trustee, whether an Overbid is higher or otherwise better than the Baseline Bid in the initial Overbid round or, in subsequent rounds, the Overbid previously designated by the Debtor as the prevailing highest or otherwise best Bid (the "Prevailing Highest Bid"). The Debtor shall announce and describe to all Qualified Bidders present at the Auction the material terms of any new Overbid designated by the Debtor as the Prevailing Highest Bid.

Any Overbid to a Prevailing Highest Bid by any party must, in accordance with these Bid Procedures, provide more value for the Debtor's Estates than any prior bid.

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 above; *provided, however*, that the Bid Deadline shall not apply and no additional Good Faith Deposit shall be required beyond the Good Faith Deposit previously submitted by a Qualified Bidder; *provided*, that the Successful Bidder and Back-Up Bidder shall be required to make a representation at the end of the Auction that it will provide any additional deposit necessary

so that its Good Faith Deposit is equal to the amount of ten percent (10%) of the cash component of the Purchase Price contained in the Successful Bid and Back-Up Bid, as applicable. Any Overbid must remain open and binding on the Bidder until and unless the Debtor accepts a higher Overbid or such later time as set forth in the Back-Up Bidder provisions hereof to the extent such Bidder is selected as the Back-Up Bidder.

Any Overbid must include, in addition to the amount and the form of consideration of the Overbid, a description of all changes requested by the Qualified Bidder to the Proposed Agreement. To the extent not previously provided (which shall be determined by the Debtor in consultation with the Subchapter V Trustee), a Bidder submitting an Overbid must submit, as part of its Overbid, written evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtor, after consultation with the Subchapter V Trustee) demonstrating such Bidder's ability to close the Transaction proposed by such Overbid.

iv. Additional Procedures

The Debtor may announce at the Auction additional procedural rules that are reasonable under the circumstances for conducting the Auction so long as such rules are not inconsistent in any material respect with the Bid Procedures; *provided*, that any Qualified Bidder shall have the right to request a telephonic hearing before the Court in the event the Qualified Bidder disputes that the proposed additional rule is reasonable or not inconsistent in any material respect with the Bid Procedures.

v. No Collusion; Good-Faith *Bona Fide* Offer

Each Qualified Bidder participating at the Auction will be required to confirm on the record at the Auction (i) it has not engaged in any collusion with respect to the Sale or bidding (including that it has no agreement with any other Bidder or Qualified Bidder to control the price bid for the Assets), (ii) its Qualified Bid is a good-faith *bona fide* offer and it intends to consummate the proposed transaction if selected as the Successful Bidder or Back-Up Bidder, (iii) it has reviewed, understands, and accepts the Bid Procedures, and (iv) it has consented to the core jurisdiction of the Court with respect to the Sale, the Auction, the Bid Procedures, and the construction and enforcement of documents relating to any Sale.

vi. No Round-Skipping

To remain eligible to participate in the Auction, in each round of bidding, (i) each Qualified Bidder must submit an Overbid with respect to such round of bidding, and (ii) to the extent a Qualified Bidder fails to submit an Overbid with respect to such round of Bidding, such Qualified Bidder shall be disqualified from continuing to participate in the Auction.

vii. Back-Up Bidder

Notwithstanding anything in the Bid Procedures to the contrary, if an Auction is conducted, the party(ies) with the second highest or otherwise second-best Qualified Bid (or combination of Qualified Bids) at the Auction, as determined by the Debtor, in the exercise of its reasonable business judgment, in consultation with the Subchapter V Trustee, shall be designated by the

Debtor as backup bidder (the "Back-Up Bidder"). The Back-Up Bidder shall be required to keep its initial Qualified Bid(s) (or if the Back-Up Bidder submitted one or more Overbids at the Auction, its final Overbid) (the "Back-Up Bid") open and irrevocable until the earlier of (a) the Effective Date and (b) ninety (90) days from the closing of the Auction (the "Outside Back-Up Date"). Following entry of the Sale Order or Confirmation Order, as applicable, if the Successful Bidder fails to consummate an approved transaction, the Debtor may designate, after consultation with the Subchapter V Trustee, the Back-Up Bidder to be the new Successful Bidder, and the Debtor will be authorized, but not required, to consummate the transaction with the Back-Up Bidder without further order of the Court or notice to any interested parties. In the event the Debtor fails to consummate a transaction with the Successful Bidder because of a breach or failure to perform on the part of such Successful Bidder, the defaulting Successful Bidder's Good Faith Deposit, if any, shall be forfeited to the Estate, and the Debtor specifically reserve the right to seek all available legal and equitable remedies and damages from the defaulting Successful Bidder. The closing date to consummate the transaction with the Back-Up Bidder shall be no later than the later of (i) twenty-five (25) days after the date the Debtor provide notice to the Back-Up Bidder that the Successful Bidder has failed to consummate a sale and the Debtor desire to consummate the transaction with the Back-Up Bidder and (ii) five (5) days after necessary regulatory approvals are completed by the Back-Up Bidder and/or the Debtor. The Good Faith Deposit, if any, of the Back-Up Bidder shall be held by the Debtor until two (2) business days after the Outside Back-Up Date; *provided*, *however*, in the event the Successful Bidder does not consummate the Transaction as described above and the Debtor provides notice to the Back-Up Bidder, the Back-Up Bidder's Good Faith Deposit shall be held until the closing of the Transaction with the Back-Up Bidder. In the event the Debtor fails to consummate a Transaction with the Back-Up Bidder because of a breach or failure to perform on the part of such Back-up Bidder, the Back-Up Bidder's Good Faith Deposit shall be forfeited to the Estate, and the Debtor specifically reserves the right to seek all available legal and equitable remedies and damages from the defaulting Back-Up Bidder.

C. Consent to Jurisdiction as Condition to Bidding

All Qualified Bidders, and all Bidders at the Auction, shall be deemed to have consented to the core jurisdiction of the Court and waived any right to a jury trial in connection with any disputes relating to the Auction or the construction and enforcement of any transaction documents related to the Sale (the "Transaction Documents").

D. Closing the Auction

The Auction shall continue until there is only one (1) Qualified Bid or combination of Qualified Bids that the Debtor determine in its reasonable business judgment, after consultation with the Subchapter V Trustee, is the highest or otherwise best Qualified Bid(s) at the Auction (the "Successful Bid" and, the Bidder(s) submitting such Successful Bid, the "Successful Bidder"). In making this determination, the Debtor, in consultation with the Subchapter V Trustee, shall consider any factors the Debtor reasonably deem relevant to the value and certainty of the Qualified Bid(s) to the Debtor's estate and may include, but are not limited to, the Bid Assessment Criteria. The Auction shall not close unless and until all Bidders who have submitted Qualified Bids have been given a reasonable opportunity, in the Debtor's discretion, in consultation with the

Subchapter V Trustee, to submit an Overbid at the Auction to the then-existing Prevailing Highest Bid.

The Auction shall close when the Successful Bidder submits fully executed sale and transaction documents memorializing the terms of the Successful Bid. The Debtor shall not consider any Bids submitted after the conclusion of the Auction.

Promptly following the Debtor's selection of the Successful Bid and the conclusion of the Auction, if any, the Debtor shall announce the Successful Bid and Successful Bidder. The Debtor will file a notice (the "Successful Bidder Notice") by **September 25, 2025** (a) identifying the Successful Bidder and Back-Up Bidder, and (b) the final form of Sale Order or Plan and Confirmation Order approving the Sale(s) as agreed upon between the Debtor and the Successful Bidder(s).

The Auction will be governed by such other procedures as may be announced by the Debtor and their advisors, after consultation with the Subchapter V Trustee, from time to time on the record at the Auction.

V. Procedures for Determining Cure Amounts and Adequate Assurance for Assigned Contract Counterparties to Assigned Contracts and Leases

No later than fourteen (14) days after entry of the Bid Procedures Order, the Debtor shall send a notice to each counterparty (each an "Assigned Contract Counterparty") to an executory contract or unexpired lease setting forth the Debtor's calculation of the cure amount, if any, that would be owing to such Assigned Contract Counterparty if the Debtor decided to assume or assume and assign such executory contract or unexpired lease (each, and "Assigned Contract"), and alerting such Assigned Contract Counterparty that their contract may be assumed and assigned to the Successful Bidder (the "Assignment Notice"), a copy of which is attached to the Bid Procedures Order as **Exhibit 3**.

Any Assigned Contract Counterparty that objects to the cure amount set forth in the Assignment Notice or the possible assignment of its executory contract or unexpired lease to the Successful Bidder, must file an objection (an "Assigned Contract Objection") no later fourteen (14) days after the service of the Assignment Notice (the "Assigned Contract Objection Deadline"), which Assigned Contract Objection must be filed with the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801 and served on the following parties (the "Objection Notice Parties"): (i) Pashman Stein Walder Hayden, P.C., Attn: Joseph C. Barsalona II (jbarsalona@pashmanstein.com), Richard W. Riley (rriley@pashmanstein.com), and Amy M. Oden (aoden@pashmanstein.com); (ii) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Hannah J. McCollum (email: hannah.mccollum@usdoj.gov); (iii) counsel to the DIP Lenders, (iv) counsel to the Successful Bidder; and (v) counsel to the Back-Up Bidder, if any.

The deadline to object solely to the identity of the Successful Bidder, the Back-Up Bidder or the ability of the Successful Bidder or Back-Up Bidder to provide adequate assurance of future performance under an Assigned Contract (a "Successful Bidder Objection") shall be **12:00 p.m.**

(Eastern Time) on September 29, 2025 (the "Successful Bidder Objection Deadline"). If an Assigned Contract Objection or a Successful Bidder Objection is not served on the Objection Notice Parties and filed with the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801, so it is actually received no later than, respectively, the Assigned Contract Objection Deadline or the Successful Bidder Objection Deadline, the non-objecting Assigned Contract Counterparties will be forever barred from objecting to (a) the Debtor's proposed cure amount for their respective Assigned Contract, (b) the identity of the Successful Bidder, or (c) the assignment of that party's Assigned Contract to the Successful Bidder.

Where an Assigned Contract Counterparty to an Assigned Contract files a timely Assigned Contract Objection or Successful Bidder Objection objecting to the possible assignment of its executory contract or unexpired lease to the Successful Bidder, and the parties are unable to consensually resolve the dispute, the Debtor's ability to assign the Assigned Contract to the Successful Bidder will be determined by the Court at the Sale/Confirmation Hearing or at a subsequent hearing on a date and time to be agreed between the parties, subject to Court availability.

Where an Assigned Contract Counterparty to an Assigned Contract files a timely Assigned Contract Objection asserting a higher cure amount than the amount listed in the Assignment Notice, and such objection is not withdrawn or resolved by the Sale/Confirmation Hearing, such cure objections will not be heard at the Sale/Confirmation Hearing. Any dispute regarding the cure amounts will either be resolved consensually, if possible, or, if the parties are unable to resolve, at a later date as set by the Court. The Debtor shall file and serve a notice of hearing for the Court to consider the unresolved cure objection(s) at the next scheduled omnibus hearing after the Sale/Confirmation Hearing unless the Debtor and the objecting parties agree to a different time and subject to the Court's schedule.

If no objection to the assumption of any contract or lease is timely filed or if an objection is filed and resolved, each contract or lease to be assumed and assigned to the Successful Bidder shall be assumed and assigned as of the effective date of the assumption and assignment of the contract or lease (the "Assignment Date") set forth in the applicable Successful Bidder Notice or such other date as the Debtor and the Assigned Contract Counterparty agree, and the proposed cure amount as set forth in the Assignment Notice or as agreed to by the parties shall be binding. On or before the Assignment Date, the Successful Bidder(s) shall pay all applicable cure amounts.

The inclusion of a contract on the Assignment Notice shall not (a) obligate the Debtor to assume or assign any contracts or leases listed thereon; or (b) constitute any admission or agreement of the Debtor that such contract or lease is an executory contract. Only those contracts and leases that are included on a schedule of assumed and assigned contracts and leases attached to a final asset purchase agreement will be assumed and assigned, and shall be assumed and assigned upon the Assignment Date.

VI. Sale/Confirmation Hearing and Approval of the Sale(s)

The Debtor will seek approval of the Sale(s) to the Successful Bidder(s) at a hearing to be held on **October 1, 2025, at 12:30 p.m. (Eastern Time)** (the "Sale/Confirmation Hearing").

At the Sale/Confirmation Hearing, certain findings will be sought from the Court, including, among other things, that: (i) the Auction was conducted (if held) and each Successful Bidder was selected, in each case in accordance with the Bid Procedures; (ii) the Auction (if held) was fair in substance and procedure; (iii) the Successful Bid(s) and Back-Up Bid(s) were Qualified Bids as defined in the Bid Procedures; and (iv) consummation of any Sale Transaction as contemplated by the Successful Bid(s) in the Auction will provide the highest and best offer for the Assets and is in the best interests of the Debtor and their estates. The Sale/Confirmation Hearing may be continued to a later date by the Debtor, upon consulting with the Subchapter V Trustee, by sending notice prior to, or making an announcement at, the Sale/Confirmation Hearing (subject in all cases to approval of the Court).

All objections to a proposed Sale and entry of the Sale Order or Confirmation Order must: (i) be in writing; (ii) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and all orders of the Court; (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (iv) be filed with the Court and timely served upon the Objection Notice Parties. Objections to the Sale Transaction and entry of the Sale Order or Confirmation Order, other than Assigned Contract Objections and Successful Bidder Objections, and with respect to conduct at the Auction must be actually received by the Objection Notice Parties no later than two (2) business days following service of the Successful Bidder Notice. The deadline to consummate the Sale Transaction shall be the Effective Date.

VII. Return of Good Faith Deposits

The Good Faith Deposits of all Qualified Bidders shall be held in one or more interest-bearing escrow accounts by the Debtor, but shall not become property of the Estate absent further order of the Court. The Good Faith Deposit of any Qualified Bidder that is neither the Successful Bidder nor the Back-Up Bidder shall be returned to such Qualified Bidder no later than two (2) business days after the conclusion of the Auction. The Good Faith Deposit of the Back-Up Bidder shall be returned to the Back-Up Bidder two (2) business days after the closing of the Sale with the Successful Bidder; *provided*, *however*, in the event the Successful Bidder does not consummate the transaction as described above and the Debtor provide notice to the Back-Up Bidder, the Back-Up Bidder's Good Faith Deposit shall be held until the closing of the transaction with the Back-Up Bidder. Upon the return of the Good Faith Deposits, their respective owners shall receive any and all interest that will have accrued thereon. If the Successful Bidder or Back-Up Bidder, as applicable, timely closes the winning Transaction, its Good Faith Deposit, as applicable, shall be applied towards its Purchase Price at closing.

VIII. Reservation of Rights

The Debtor reserves their rights to modify these Bid Procedures at or prior to the Auction (other than the consultation rights of the Subchapter V Trustee), in its reasonable business judgment and after consultation with the Subchapter V Trustee, in any manner that will best promote the goals of the bidding process. Nothing in these Bid Procedures will require any director, manager, or officer of any Debtor to take any action, or to refrain from taking any action, with respect to these Bid Procedures, that would violate his or her fiduciary duties.

Exhibit 2

Sale Notice

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re HOUSE SPIRITS DISTILLERY LLC, Debtor.[1]	Chapter 11 Case No. 25-10660 (KBO) (Subchapter V) **Re: D.I. __**

NOTICE OF BID PROCEDURES, AUCTIONS, AND DEADLINES RELATING TO THE SALE OF ALL OR SUBSTANTIALLY ALL OF THE ASSETS OF THE DEBTOR

PLEASE TAKE NOTICE that on August 13, 2025, the debtor and debtor in possession (the "Debtor") in the above-captioned case (the "Bankruptcy Case"), filed the *Motion for Entry of an Order (I) Approving Bid Procedures in Connection with the Sale of All or Substantially All of the Debtor's Assets, (II) Scheduling Bid Deadline and Auction, (III) Approving the Form and Manner of Notice Thereof, (IV) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (V) Granting Related Relief* [D.I. 254] (the "Bid Procedures Motion").[2] The Debtor seek to complete a sale (the "Sale") of all or substantially all their assets (the "Assets") to a prevailing bidder or bidders (the "Successful Bidder") at auctions (the "Auctions"), free and clear of all liens, claims, encumbrances and other interests pursuant to section 363 of the Bankruptcy Code, with all such liens, claims, encumbrances, and other interests attaching with the same validity and priority to the Sale proceeds.

PLEASE TAKE FURTHER NOTICE that, on September [●], 2025, the Court entered an order [D.I. ____] (the "Bid Procedures Order") approving the bid procedures set forth in the Bid Procedures and Motion (the "Bid Procedures"), which set the key dates and times related to the Sale of the Debtor's Assets. **All interested bidders should carefully read the Bid Procedures**. To the extent there are any inconsistencies between the Bid Procedures and the summary description of the terms and conditions contained in this notice, the terms of the Bid Procedures shall control.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bid Procedures, the Debtor must receive a Qualified Bid from interested bidders in writing on or before **September 22, 2025, at 4:00 p.m. (Eastern Time)** for the Assets, or such later date as may be agreed to by the Debtor (the "Bid Deadline"). To be considered, Qualified Bids must be sent to the following on or before the Bid Deadline: (i) the Debtor's financial advisor, Cassel Salpeter & Co., LLC, Attn: James S. Cassel (jcassel@cs-ib.com) and Philip Cassel (pcassel@cs-ib.com), and (ii) counsel to the Debtor, Pashman Stein Walder Hayden, P.C., Attn: Joseph C. Barsalona II

[1] The last four digits of the Debtor's federal tax identification number are 2069. The Debtor's mailing address is 65 SE Washington Street, Portland, OR 97214.

[2] Capitalized terms not otherwise defined herein shall have the meanings set forth in the Bid Procedures Motion.

(jbarsalona@pashmanstein.com), Richard W. Riley (rriley@pashmanstein.com), and Amy M. Oden (aoden@pashmanstein.com).

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Bid Procedures, if the Debtor receive one or more Qualified Bids by the Bid Deadline, the Auction will be conducted on **September 24, 2025, at 10:00 a.m. (Eastern Time)**, at Pashman Stein Walder Hayden, P.C., 824 North Market Street, Suite 800, Wilmington DE 19801 for the sale of the Assets or at such other place, date and time as may be designated by the Debtor.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Bid Procedures, the Debtor has designated certain Assigned Contracts that may be assumed or assumed and assigned to the Successful Bidder. Within fourteen (14) days of entry of the Bid Procedures Order, the Debtor shall send a notice to each counterparty to an Assigned Contract setting forth the Debtor's calculation of the cure amount, if any, that would be owing to such counterparty if the Debtor decided to assume or assume and assign such Assigned Contract, and alerting such non-Debtor party that their contract may be assumed and assigned to the Successful Bidder (the "Assignment Notice").

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Bid Procedures, any counterparty that objects to the cure amount set forth in the Assignment Notice or the possible assignment of their Assigned Contract(s) to a Successful Bidder must file with the Court and serve an objection (a "Assigned Contract Objection") so it is actually received no later than fourteen (14) days after the service of the Assignment Notice (the "Assigned Contract Objection Deadline"), by the following parties (the "Objection Notice Parties"): (i) Pashman Stein Walder Hayden, P.C., Attn: Joseph C. Barsalona II (jbarsalona@pashmanstein.com), Richard W. Riley (rriley@pashmanstein.com), and Amy M. Oden (aoden@pashmanstein.com); (ii) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Hannah J. McCollum (email: hannah.mccollum@usdoj.gov); and (iii) counsel to the DIP Lenders, (v) counsel to the Successful Bidder; and (vi) counsel to the Back-Up Bidder, if any.

PLEASE TAKE FURTHER NOTICE that upon the conclusion or cancelation of the Auction, as applicable, but in no event later than **September 25, 2025**, the Debtor will file with the Court and serve on the Sale Notice Parties a notice of the Successful Bidder and Back-Up Bidder, if any, for the Assets (the "Successful Bidder Notice").

PLEASE TAKE FURTHER NOTICE that Objections, if any, to the Sale to the Successful Bidder or Back-Up Bidder, as applicable, or the ability of the Successful Bidder to provide adequate assurance of future performance under an Assigned Contract (a "Successful Bidder Objection") must: (a) be in writing and specify the nature of such objection, (b) comply with the Bankruptcy Rules and the Local Rules, (c) be filed with the Court no later than **12:00 p.m. (Eastern Time) on September 29, 2025** (the "Successful Bidder Objection Deadline"), and (d) be served on the Objection Notice Parties by the Successful Bidder Objection Deadline.

PLEASE TAKE FURTHER NOTICE that a Successful Bidder Objection must be served on the Objection Notice Parties so it is actually received by the Successful Bidder Objection Deadline and filed with the Clerk of the Bankruptcy Court for the District of Delaware, 824 North

Market Street, 3rd Floor, Wilmington, DE 19801. If an Assigned Contract Objection or a Successful Bidder Objection is not served on the Objection Notice Parties and filed with the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801, so it is actually received no later than, respectively, the Assigned Contract Objection Deadline or the Successful Bidder Objection Deadline, the relevant parties will be forever barred from objecting to (a) the Debtor's proposed cure amount, (b) the identity of the Successful Bidder, or (c) the assignment of that party's executory contract or unexpired lease to the Successful Bidder.

PLEASE TAKE FURTHER NOTICE that where an Assigned Contract Counterparty to an Assigned Contract files a timely Assigned Contract Objection or Successful Bidder Objection objecting to the possible assignment of its executory contract or unexpired lease to the Successful Bidder, and the parties are unable to consensually resolve the dispute, the Debtor's ability to assign the Assigned Contract to the Successful Bidder will be determined by the Court at the Sale/Confirmation Hearing or at a subsequent hearing on a date and time to be agreed between the parties, subject to Court availability.

PLEASE TAKE FURTHER NOTICE that where an Assigned Contract Counterparty to an Assigned Contract files a timely Assigned Contract Objection asserting a higher cure amount than the amount listed in the Assignment Notice, and such objection is not withdrawn or resolved by the Sale/Confirmation Hearing, such cure objections will not be heard at the Sale/Confirmation Hearing. Any dispute regarding the cure amounts will either be resolved consensually, if possible, or, the parties are unable to resolve, at a later date as set by the Court. The Debtor shall file and serve a notice of hearing for the Court to consider the unresolved cure objection(s) at the next scheduled omnibus hearing after the Sale/Confirmation Hearing unless the Debtor and the objecting parties agree to a different time and subject to the Court's schedule

PLEASE TAKE FURTHER NTOICE that to the extent any Contract Counterparty is added to the Assignment Notice after the initial notice is served, such new Contract Counterparty shall receive notice of the addition and the Debtor's proposed cure amount through a supplemental Assignment Notice, and that party shall have ten (10) days from the date of such notice to object to the propose cure amount and assignment to the Successful Bidder.

PLEASE TAKE FURTHER NOTICE that a hearing to approve the Sale of the Assets pursuant to the Plan will be held (the "Sale/Confirmation Hearing") on **October 1, 2025, at 12:30 p.m. (Eastern Time).** The Sale/Confirmation Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale/Confirmation Hearing or on the agenda for such Sale/Confirmation Hearing.

PLEASE TAKE FURTHER NOTICE THAT ANY PARTY WHO FAILS TO TIMELY OBJECT TO THE SALE ON OR BEFORE THE SUCCESSFUL BIDDER OBJECTION DEADLINE IN ACCORDANCE WITH THE BID PROCEDURES ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY SUCH OBJECTION, INCLUDING WITH RESPECT TO THE TRANSFER OF THE ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS.

PLEASE TAKE FURTHER NOTICE that the Debtor is seeking to waive the fourteen-day stay period under Bankruptcy Rules 6004(h) and 6006(d) in order for the Sale to close immediately upon the Effective Date.

PLEASE TAKE FURTHER NOTICE that this notice is subject to the full terms and conditions of the Bid Procedures Motion, the Bid Procedures Orde, rand the Bid Procedures, which shall control in the event of any conflict, and the Debtor encourages parties in interest to review such documents in their entirety. A copy of the Bid Procedures Motion, the Bid Procedures, and the Bid Procedures Order may be obtained for free by accessing the website of the Debtor's noticing agent, Epiq Corporate Restructuring LLC, located at https://dm.epiq11.com/case/westwardwhiskey.

Dated: September __, 2025
Wilmington, Delaware

PASHMAN STEIN WALDER HAYDEN, P.C.

/s/ DRAFT
Joseph C. Barsalona II (No. 6102)
Richard W. Riley (No. 4052)
824 North Market Street, Suite 800
Wilmington, DE 19801
Telephone: (302) 592-6496
Email: jbarsalona@pashmanstein.com
rriley@pashmanstein.com

-and-

Amy M. Oden (admitted *pro hac vice*)
Court Plaza South, East Wing
21 Main Street, Suite 200
Hackensack, NJ 07601
Telephone: (201) 488-8200
Email: aoden@pashmanstein.com

Counsel to the Debtor and Debtor in Possession

Exhibit 3

Assignment Notice

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re HOUSE SPIRITS DISTILLERY LLC, Debtor.[1]	Chapter 11 Case No. 25-10660 (KBO) (Subchapter V) **Re: D.I. __**

NOTICE TO COUNTERPARTIES
TO POTENTIALLY ASSUMED AND ASSIGNED EXECUTORY
CONTRACTS AND UNEXPIRED LEASES REGARDING CURE AMOUNTS
AND POSSIBLE ASSIGNMENT TO THE SUCCESSFUL BIDDER AT AUCTION

YOU ARE RECEIVING THIS NOTICE BECAUSE YOU OR ONE OF YOUR AFFILIATES MAY BE COUNTERPARTY TO ONE OR MORE EXECUTORY CONTRACTS AND/OR UNEXPIRED LEASES WITH THE DEBTOR.[2]

PARTIES RECEIVING THIS NOTICE SHOULD (1) READ THIS NOTICE CAREFULLY AS YOUR RIGHTS MAY BE AFFECTED BY THE TRANSACTIONS DESCRIBED HEREIN AND (2) LOCATE THEIR NAME AND CONTRACT AND/OR LEASE ON APPENDIX I HERETO

PLEASE TAKE NOTICE that on August 13, 2025, the above-captioned debtor and debtor in possession (the "**Debtor**") filed a motion (the "Bid Procedures Motion") with the United States Bankruptcy Court for the District of Delaware (the "Court") seeking approval of bid procedures (the "Bid Procedures") in connection with the Sale (the "Sale") of all or substantially all of the Debtor's assets (the "Assets") pursuant to an auction (the "Auctions") overseen by the Court.

PLEASE TAKE FURTHER NOTICE that on September [●], 2025, the Court entered an order [D.I. __] (the "Bid Procedures Order"), which (a) set key dates, times and procedures related to the Sale and Auction, which Auction is scheduled to occur on **September 24, 2025, at 10:00 a.m. (Eastern Time)**, at Pashman Stein Walder Hayden, P.C., 824 North Market Street, Suite 800, Wilmington DE 19801, for sale of the Assets, or at such other place, date, and time as may be designated by the Debtor, (b) established certain procedures relating to the Debtor's

[1] The last four digits of the Debtor's federal tax identification number are 2069. The Debtor's mailing address is 65 SE Washington Street, Portland, OR 97214.

[2] This Notice is being sent to counterparties to executory contracts and unexpired leases. This Notice is not an admission by the Debtor that such contract or lease is executory or unexpired.

assumption and assignment of executory contracts and unexpired leases in connection with the Sale, and (c) granted related relief.[3]

PLEASE TAKE FURTHER NOTICE that a hearing to approve the Sale and the Debtor's assumption and assignment of any executory contracts and unexpired leases in connection therewith (the "Sale/Confirmation Hearing") will be held on **October 1, 2025, at 12:30 p.m. (Eastern Time)**, or as soon thereafter as the Court's calendar permits, before the Honorable Karen B. Owens, U.S. Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801, 6th Floor, Courtroom No. 3. The Sale/Confirmation Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale/Confirmation Hearing or on the agenda for such Sale/Confirmation Hearing.

PLEASE TAKE FURTHER NOTICE that, in accordance with the Bid Procedures Order, the Debtor may assume and assign the executory contract(s) and/or unexpired lease(s) to which you may be a counterparty to a Successful Bidder after the outcome of the Auction.

PLEASE TAKE FURTHER NOTICE that the Debtor has conducted a review of the Debtor's books and records and have determined the cure amount for unpaid monetary obligations under such contract or lease is set forth in the right-hand column on **Appendix I** attached hereto (the "Cure Amount"). If you object to (a) the proposed assumption or disagree with the proposed Cure Amount or (b) object to the possible assignment of such executory contract(s) or unexpired lease(s) to a Successful Bidder, **you must file an objection with the Court no later than fourteen (14) days from the date of this Assignment Notice at 4:00 p.m. (Eastern Time) (the "Assigned Contract Objection Deadline") and serve such objection on the following parties** (the "Objection Notice Parties"): (i) Pashman Stein Walder Hayden, P.C., Attn: Joseph C. Barsalona II (jbarsalona@pashmanstein.com), Richard W. Riley (rriley@pashmanstein.com), and Amy M. Oden (aoden@pashmanstein.com); (ii) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Hannah J. McCollum (email: hannah.mccollum@usdoj.gov); (iii) counsel to the DIP Lenders, (v) counsel to the Successful Bidder; and (vi) counsel to the Back-Up Bidder, if any.

PLEASE TAKE FURHTER NOTICE that upon the conclusion or cancelation of the Auction, as applicable, but in no event later than **September 25, 2025**, the Debtor will file with the Court and serve on the Sale Notice Parties a notice of the Successful Bidder and Back-Up Bidder, if any, for the Assets (the "Successful Bidder Notice").

PLEASE TAKE FURTHER NOTICE that Objections, if any, to the Sale or the ability of the Successful Bidder to provide adequate assurance of future performance under an Assigned Contract (a "Successful Bidder Objection") must: (a) be in writing and specify the nature of such objection, (b) comply with the Bankruptcy Rules and the Local Rules, (c) be filed with the Court no later than **12:00 p.m. (Eastern Time) on September 29, 2025** (the "Successful Bidder Objection Deadline"), and (d) be served on the Objection Notice Parties by the Successful Bidder Objection Deadline. A Successful Bidder Objection must be served on the Objection Notice

[3] To the extent there are any inconsistencies between the Bid Procedures Order and the summary description of the terms and conditions contained in this Notice, the terms of the Bid Procedures Order shall control.

Parties so it is actually received by the Successful Bidder Objection Deadline and filed with the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801. If an Assigned Contract Objection or a Successful Bidder Objection is not served on the Objection Notice Parties and filed with the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801, so it is actually received no later than, respectively, the Assigned Contract Objection Deadline or the Successful Bidder Objection Deadline, the relevant parties will be forever barred from objecting to (a) the Debtor's proposed cure amount, (b) the identity of the Successful Bidder, or (c) the assignment of that party's executory contract or unexpired lease to the Successful Bidder.

PLEASE TAKE FURTHER NOTICE that where an Assigned Contract Counterparty to an Assigned Contract files a timely Assigned Contract Objection or Successful Bidder Objection objecting to the possible assignment of its executory contract or unexpired lease to the Successful Bidder, and the parties are unable to consensually resolve the dispute, the Debtor's ability to assign the Assigned Contract to the Successful Bidder will be determined by the Court at the Sale/Confirmation Hearing or at a subsequent hearing on a date and time to be agreed between the parties, subject to Court availability.

PLEASE TAKE FURTHER NOTICE that where an Assigned Contract Counterparty to an Assigned Contract files a timely Assigned Contract Objection asserting a higher cure amount than the amount listed in the Assignment Notice, and such objection is not withdrawn or resolved by the Sale/Confirmation Hearing, such cure objections will not be heard at the Sale/Confirmation Hearing. Any dispute regarding the cure amounts will either be resolved consensually, if possible, or, the parties are unable to resolve, at a later date as set by the Court. The Debtor shall file and serve a notice of hearing for the Court to consider the unresolved cure objection(s) at the next scheduled omnibus hearing after the Sale/Confirmation Hearing unless the Debtor and the objecting parties agree to a different time and subject to the Court's schedule

PLEASE TAKE FURTHER NOTICE that to the extent any Contract Counterparty is added to the Assignment Notice after the initial notice is served, such new Contract Counterparty shall receive notice of the addition and the Debtor's proposed cure amount through a supplemental Assignment Notice, and that party shall have ten (10) days from the date of such notice to object to the propose cure amount and assignment to the Successful Bidder.

PLEASE TAKE FURTHER NOTICE that if no objection to the Cure Amount or the assignment of your Executory Contract(s) or Unexpired Lease(s) to the Successful Bidder is filed by the Assigned Contract Objection Deadline or Post-Auction Objection Deadline, as applicable, **you will be (a) forever barred from objecting to the Cure Amount or provision of adequate assurance of future performance and from asserting any additional cure or other amounts with respect to your contract(s) or lease(s), and the Debtor and the Successful Bidder(s) (as applicable) shall be entitled to rely solely upon the Cure Amount, (b) deemed to have consented to the assumption or assumption and assignment, and (c) forever barred and estopped from asserting or claiming defaults exist, that conditions to assignment must be satisfied under such contract(s) and/or lease(s) or that there is any objection or defense to the assumption and assignment of such contract(s) and/or lease(s).**

PLEASE TAKE FURTHER NOTICE that if you agree with the Cure Amount indicated on Appendix I and otherwise do not object to the Debtor's assumption or assumption and assignment of your contract(s) and/or lease(s), you need not take any further action.

PLEASE TAKE FURTHER NOTICE that copies of the Bid Procedures Motion, the Bid Procedures, and the Bid Procedures Order, as well as all related exhibits, may be obtained for free by accessing the website of the Debtor's noticing agent, Epiq Corporate Restructuring LLC, located at https://dm.epiq11.com/case/westwardwhiskey.

Dated: September __, 2025 Wilmington, Delaware	**PASHMAN STEIN WALDER HAYDEN, P.C.** */s/ DRAFT* Joseph C. Barsalona II (No. 6102) Richard W. Riley (No. 4052) 824 North Market Street, Suite 800 Wilmington, DE 19801 Telephone: (302) 592-6496 Email: jbarsalona@pashmanstein.com rriley@pashmanstein.com -and- Amy M. Oden (admitted *pro hac vice*) Court Plaza South, East Wing 21 Main Street, Suite 200 Hackensack, NJ 07601 Telephone: (201) 488-8200 Email: aoden@pashmanstein.com *Counsel to the Debtor and Debtor in Possession*

APPENDIX I

[Counterparty Name]	[Contract/Lease]	[Cure Amount]	[Proposed Assignee (if any)]