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Debtors in Possession*

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA

SANTA ROSA DIVISION

In re:

SIGNORELLO ESTATE LP, *et al.*,¹

Debtors.

Case No. 26-10655 (DM)

Chapter 11

(Jointly Administer Requested)

**MOTION OF DEBTORS FOR INTERIM
AND FINAL ORDERS (I) AUTHORIZING
THE DEBTORS TO OBTAIN
POST-PETITION SECURED FINANCING
PURSUANT TO SECTION 364 OF THE
BANKRUPTCY CODE; (II) AUTHORIZING
THE USE OF THE DIP LENDER'S CASH
COLLATERAL; (III) GRANTING
SUPERPRIORITY ADMINISTRATIVE
EXPENSE CLAIMS; (IV) SCHEDULING A
FINAL HEARING; AND (V) GRANTING
RELATED RELIEF**

Date: September 2, 2026

Time: 10:00 a.m. (Pacific Time)

Place: Zoom Videoconference Only

United States Bankruptcy Court
450 Golden Gate Avenue
Courtroom 17, 16th Floor
San Francisco, CA 94102

¹ The last four digits of Signorello Estate LP's tax identification number are 1655. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.stretto.com/Signorello>. The Debtors' service address is 4500 Silverado Trail, Napa, CA 94558.

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Signorello Estate LP (“Signorello Estate”) and its affiliates that are debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases (these “Chapter 11 Cases”) hereby move (the “Motion”) pursuant to sections 105, 362, 363, 364, 503, and 507 of title 11 of the United States Code (the “Bankruptcy Code”),² Rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rules 2002-1 and 4001-1 of the Bankruptcy Local Rules for the Northern District of California (the “Bankruptcy Local Rules”), and this Court’s *Guidelines for Cash Collateral and Financing Motions and Stipulations* (the “Guidelines”), for entry of interim and final orders, authorizing the Debtors to obtain up to \$3.5 million of secured, superpriority postpetition financing on the terms detailed herein. The interim order sought by the Debtors would approve the immediate borrowing and use of up to \$1 million of financing for the initial draw (the “Interim DIP Loan”), on the terms described herein, in order to enable the Debtors to continue operating their businesses until a final hearing on this Motion (the “Interim Period”). A proposed interim order is attached hereto as **Exhibit A** (the “Proposed Interim Order”).

The facts and circumstances supporting this Motion are set forth in the *Declaration of Raymond Signorello in Support of Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”), filed contemporaneously herewith and incorporated by reference herein. Capitalized terms used but not defined herein have the meanings given to them in the First Day Declaration.

In support of the relief requested herein, the Debtors also submit the *Declaration of Matthew English in Support of Motion for Entry of Interim and Final Order (I) Authorizing the Debtors to Obtain Postpetition Secured Financing Pursuant to Section 364 of the Bankruptcy Code; (II) Authorizing the Debtors to Use Cash Collateral; (III) Granting Liens and Superpriority Administrative Expense Claims; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* (the “English Declaration”), filed contemporaneously herewith.

² Unless otherwise indicated, all statutory references are to the Bankruptcy Code.

CONCISE STATEMENT OF RELIEF REQUESTED

By this Motion, the Debtors request entry of interim and final orders granting the Debtors authority to obtain postpetition financing and to use cash collateral (a) for working capital and general corporate purposes during the Chapter 11 Cases, and (b) for payment of retained professionals' fees and expenses and interest, payments, and expenses associated with the entry into the agreements for such financing and the other documents executed in connection therewith.

The proposed orders seek, among other things, the following relief:

- (1) **Authorizing DIP Loans** – The Debtors seek authority to obtain postpetition financing pursuant to a superpriority senior secured term loan facility (the “DIP Loan”) in a maximum aggregate amount of up to \$3,500,000 on the terms and conditions set forth in the DIP Term Sheet (the “Term Sheet,” attached hereto as **Exhibit B**)³ by and between the Debtors, on the one hand, and Ashley Cooper and Amar Doman, on the other hand (jointly, the “DIP Lender”), which shall include the following:
 - (a) **Interest Rates**: Secured overnight financing rate (“SOFR”), plus eight and a half percent (8.50%), payable in arrears.
 - (b) **Liens and Superpriority Claims**: Subject only to the Carve-Out (defined below), the DIP Obligations shall, pursuant to section 364(d)(1) of the Bankruptcy Code, be entitled to superpriority administrative expense status (the “DIP Superpriority Claims”), with priority over all other costs and expenses of the kinds specified in, or ordered pursuant to, sections 105, 326, 328, 330, 331, 363, 364, 503(b), 506(c), 507(a), 507(b), 546, 726, 1113 and 1114 of the Bankruptcy Code; pursuant to section 364(c)(2) of the Bankruptcy Code, have a first priority lien on and security interest in all property of the Debtors (other than the Excluded Property defined below) that is not subject to a valid and perfected lien existing on the Petition Date (all such property, exclusive of the Excluded Property, the “Collateral”); and pursuant to section 364(d)(1) of the Bankruptcy Code, have a first priority, senior priming lien on and security interest in all Collateral. (All of the above is collectively referred to as, the “DIP Lender’s Collateral, Liens & Priority”).
 - (c) **Carve-Out**: The DIP Lender’s Collateral, Liens & Priority, and the prepetition secured lender’s adequate protection liens and claims, shall be subject and subordinate to payment of (a) the Professional fees incurred, but

³ Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Term Sheet. The Debtors and the DIP Lender are working on a definitive form of loan and security agreement (the “DIP Credit Agreement”) which, once completed and executed, will be filed and will supersede the Term Sheet. The DIP Lender has agreed to advance the Interim DIP Loan of \$1.0 million on the basis of the Term Sheet upon entry of the Interim Order.

not in excess of amounts therefor provided in the applicable Approved Budget, prior to the earliest of (i) an Event of Default (as defined in the DIP Credit Agreement), (ii) the termination of the DIP Loan, or (iii) the maturity date of the DIP Loan (the earliest, the "Carve-Out Date"); (b) the sum of One Hundred Fifty Thousand Dollars (\$150,000) for payment of Professionals' costs and expenses incurred after the Carve-Out Date; (c) fees and expenses of a chapter 7 trustee in an amount not to exceed Seventy-Five Thousand Dollars (\$75,000); and (d) statutory fees of the United States Trustee (collectively, the "Carve-Out").

- (d) Excluded Property: No security interest or lien securing the DIP Loan shall attach to the avoidance actions under chapter 5 of the Bankruptcy Code ("Excluded Property") nor shall proceeds of the Excluded Property be applied to the DIP Lender's priority claims.
- (e) Termination Date: The term of the DIP Loan commences upon entry of the Interim DIP Order through the earliest to occur of (a) August 27, 2027, (b) an Event of Default as defined in the DIP Loan documents, (c) ten (10) days after the occurrence of the effective date of any plan of reorganization (a "Plan"), and (d) the closing of the sale(s) of substantially all of the Debtors' assets (the earliest of the foregoing to occur is the "Termination Date").
- (f) Events of Default: Customary events of default ("Events of Default"), consistent with the terms hereof, as may be modified for the particulars of the Bankruptcy Case, including any Events of Default for the failure to adhere to reporting requirements contained in the DIP Credit Agreement, defaults under covenants (including, without limitation, any variance beyond the Permitted Variances under the then-applicable Approved Budget), resignation or termination of any Required Consultant, appointment of a bankruptcy trustee, examiner, or receiver, invalidity of collateral documents, dismissal or conversion of the Bankruptcy Case, certain other bankruptcy matters, failure to comply materially with the DIP Orders, entry of an order amending, modifying, staying, revoking, or reversing the DIP Orders without the consent of the DIP Lender, termination of the Interim DIP Order or the Final DIP Order, as applicable, allowance of a claim under section 506(c) of the Bankruptcy Code, filing of a Plan or disclosure statement other than (1) a Plan that is approved by the DIP Lender, or (2) one that provides for repayment in cash on the effective date of the entirety of the DIP Loan and repayment in cash or reinstatement of the balance of the remaining pre-petition secured debts, payment of prepetition claims other than as permitted by the Bankruptcy Court and included in the Approved Budget or the Term Sheet, entry of an order granting stay relief in respect of any Collateral, granting any superpriority claim that is *pari passu* with or senior to those of the DIP Lender, and pursuit of a sale that is not an Acceptable Sale, or failure to promptly obtain Bankruptcy Court approval of an Acceptable Sale.

///

(g) Representations, Warranties, Covenants, Indemnity and Other Provisions: The DIP Credit Agreement shall include other customary provisions including, without limitation, representations and warranties, affirmative and negative covenants, and provisions relating to indemnification, confidentiality, and assignments/participations.

(2) **Schedule Final Hearing** – Setting a final hearing (the “Final Hearing”) to consider entry of the Final Order granting the relief requested in this Motion on a final basis and approving the form of notice with respect to the Final Hearing and the transactions contemplated by the Motion.

(3) **Waiver of Stay** – Waiving any applicable stay (including under Bankruptcy Rule 6004) with respect to the effectiveness and enforceability of the Interim Order and providing for the immediate effectiveness of the Interim Order or Final Order, as applicable.

REQUIRED DISCLOSURES

As required by Section C of the Guidelines, the Debtors provide the following statement regarding the proposed financing.

Disclosure Item	Detail	Reference ⁴
1. Granting of lien or priority	Lien on all property not otherwise subject to a lien under section 364(c)(2), superpriority administrative claim under section 364(c)(1), first priority, senior priming lien on and security interest in all Collateral under section 364(d)(1).	Term Sheet: “DIP Lender’s Collateral, Liens & Priority”; Proposed Interim Order §§ 2.1-2.3
2. Adequate protection	The Debtors’ prepetition secured lender, American AgCredit shall receive: • \$100,000 adequate protection payments; • \$242,000 adequate protection payments related to Costco program that reduces inventory, budgeted for the same week as the collection; and • Interest calculated on \$12,000,000 loan balance at 8.5% interest (\$517,000 for 6 months)	Term Sheet: “Adequate Protection for Prepetition Secured Lender”

⁴ The Term Sheet references for the Required Disclosures will be updated upon the filing of the DIP Credit Agreement.

Disclosure Item	Detail	Reference ⁴
3. A determination with respect to the validity, perfection, priority or amount of a pre-petition claim, or any lien securing such claim	No pre-petition claims or liens will be affected by the DIP Loans.	N/A
4. Waiver or modification of the automatic stay	None.	N/A
5. Waiver of plan and credit rights	No waiver of plan or credit rights.	N/A
6. Waiver of applicable nonbankruptcy law on perfection of or enforcement of lien	None.	N/A
7. Release, waiver, or limitation of any claim or cause of action belonging to the estate	None.	N/A
8. Indemnification of any entity	Provided to DIP Lender.	Term Sheet: "Other Provisions"
9. Release, waiver, or limitation of any right under section 506(c)	Waiver of marshalling, section 506(c), and section 552(b) equity of the cases exception (as of petition date) for American AgCredit.	Term Sheet: "Adequate Protection for Prepetition Secured Lender"
10. Granting of a lien on avoidance and related claims and causes of action	Excluded Property (Avoidance Actions) is not included in the DIP Collateral; and proceeds of Excluded Property will not be applied to the DIP Lender's priority claims.	Term Sheet: "DIP Lender's Collateral, Liens & Priority"; Proposed Interim Order § 2.2

Disclosure Item	Detail	Reference ⁴
11. "Carve-outs" for professional fees and expenses	Carve-Out for Professional fees incurred, but not in excess of amounts therefor provided in the applicable Approved Budget, prior to the earliest of (i) an Event of Default (as defined in the DIP Credit Agreement), (ii) the termination of the DIP Loan, or (iii) the maturity date of the DIP Loan (the earliest, the " <u>Carve-Out Date</u> "); (b) the sum of One Hundred Fifty Thousand Dollars (\$150,000) for payment of Professionals' costs and expenses incurred after the Carve-Out Date; (c) fees and expenses of a chapter 7 trustee in an amount not to exceed Seventy-five Thousand Dollars (\$75,000); and (d) statutory fees of the United States Trustee.	Term Sheet: "DIP Lender's Collateral, Liens & Priority"; Proposed Interim Order § 2.4

CERTIFICATION

The undersigned counsel for the Debtors has read the Motion; to the best of my knowledge, information, and belief, formed after reasonable inquiry, the terms of the relief sought in the Motion are in conformity with the Court's *Guidelines for Cash Collateral and Financing Motions and Stipulations*, except as set forth herein. I understand and have advised the Debtors that the Court may grant appropriate relief under Bankruptcy Rule 9024 if the Court determines that a material element of the Motion was not adequately disclosed in the Introductory Statement.

By: /s/ Jane Kim

Jane Kim

MEMORANDUM OF POINTS AND AUTHORITIES

I. JURISDICTION AND VENUE

The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 (N.D. Cal.), and Rule 5011-1(a) the Bankruptcy Local Rules. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

II. BACKGROUND

A. General Background

On August 27, 2026 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or official committee of unsecured creditors has been appointed in any case of the Debtors.

B. Background and Events Leading up to Chapter 11

Information regarding the Debtors’ businesses and the circumstances leading to the commencement of the Chapter 11 Cases is set forth in the First Day Declaration. As the First Day Declaration describes, the Debtors operate a vineyard and winery on 56 acres of land on the Silverado Trail in Napa Valley.

The Debtors faced significant difficulties over the past nine years, beginning on October 8, 2017, when the Atlas Peak wildfire destroyed the original Signorello Estate winery, hospitality center, house, offices and laboratory. The rebuilding process was long and expensive, the costs of which, coupled with a prolonged insurance dispute and litigation ensuing from the 2017 fire, smoke taint from wildfires in 2020, which affected the harvest, and the significant structural and economic difficulties plaguing the wine industry at large, including the decline of U.S. wine sales in Canada and elsewhere, left the Debtors unable to meet the financial pressures of servicing their substantial reconstruction debt, held by AgCredit (defined below).

C. The Debtors' Prepetition Secured Debt

As described in the First Day Declaration, in order to rebuild after the Atlas Fire, on or about July 20, 2018, Raymond Signorello, as the sole proprietor of Signorello Estate, entered into a certain Master Loan and Membership Agreement (as amended from time to time, the "Master Loan Agreement") with American AgCredit ACA ("ACA") and its subsidiaries American AgCredit, FLCA ("FLCA") and American AgCredit, PCA ("PCA," and together with ACA and FLCA, "AgCredit") as lenders. Pursuant to the Master Loan Agreement, AgCredit has made six loans to Mr. Signorello, with the Debtors as guarantors, in initial principal amounts of \$29,190,000, in the aggregate, which include: (i) that certain loan made by FLCA on or about July 20, 2018, in the initial principal amount of \$1,690,000.00 (Loan No. 009000056461, the "First FLCA Loan"); (ii) that certain loan made by FLCA on or about November 22, 2021, in the initial principal amount of \$13,750,000.00 (Loan No. 009002065426, the "Second FLCA Loan"); (iii) that certain loan made by FLCA on or about June 8, 2023, in the initial principal amount of \$5,750,000.00 (Loan No. 009002084725, the "Third FLCA Loan"); (iv) that certain loan made by FLCA on or about June 8, 2023, in the initial principal amount of \$4,000,000.00 (Loan No. 009002087392, the "Fourth FLCA Loan"); (v) that certain loan made by PCA on or about April 5, 2024, in the initial principal amount of \$3,000,000.00 (Loan No. 009002099514, the "First PCA Loan"); and (vi) that certain loan made by PCA on or about April 5, 2024, in the initial principal amount of \$1,000,000.00 (Loan No. 009002100914, the "Second PCA Loan," and together with the First FLCA Loan, the Second FLCA Loan, the Third FLCA Loan, the Fourth FLCA Loan, and the First PCA Loan, collectively, the "Loans").

In connection with the Loans, the Debtors provided AgCredit with blanket liens on substantially all of their assets. AgCredit filed UCC-1 financing statements in the applicable jurisdictions.

In addition to the AgCredit secured debt, Wells Fargo Bank N.A. holds a lien against equipment owned by Signorello Estate. Finally, there is a lien recorded by Purple Wines, Inc., but there is no remaining underlying obligation.

D. Events Leading to Scheduled Trustee's Sale

On or about July 18, 2024, the Debtors and Mr. Signorello entered into a forbearance agreement with FLCA (the "First Forbearance Agreement"), as a result of the Debtors' alleged breaches and defaults, which included failure to pay the amounts owed under the Loans. Under the First Forbearance Agreement, FLCA agreed to forbear from taking action as a result of the alleged defaults until October 1, 2024, in exchange for certain forbearance and performance fees and the execution of other instruments, documents, and agreements, including additional guaranties and securities agreements.

As of October 1, 2024, the Debtors had not cured the defaults that were subject to the First Forbearance Agreement, and two of the six Loans matured and become fully due and payable. As a result of the failure to make payments due to FLCA under its Loans and failure to pay PCA's Loans in full, AgCredit declared further defaults of all the Loans and related loan documents, accelerated all unpaid indebtedness owed under the Loans, and demanded payment in full from the Debtors and Mr. Signorello.

On or about October 17, 2025, the Debtors and Mr. Signorello entered into a second forbearance agreement and general release (the "Second Forbearance Agreement") with AgCredit, in order to provide the Debtors with the opportunity to market and sell the collateral securing the Loans to facilitate the full repayment of the Loans.

The Second Forbearance Agreement provided a forbearance through March 2, 2026. As of the Petition Date, the Loans remain in default and outstanding in the total asserted amount of approximately \$36,318,412.85.

E. The Sale Process and Notice of Trustee Sale

As part of the consideration for the Second Forbearance Agreement, among other things, the Debtors agreed to retain (i) John Hawkins to serve as Chief Restructuring Officer to, among other things, oversee the ongoing operations, execute a wind-down plan, including the sale process described below, and coordinate directly with BMO (defined below) and AgCredit regarding the sale process, and (ii) BMO Capital Markets Corp. ("BMO") as investment banker to advise the

1 Debtors and market the Debtors' business and assets for sale or investment that would repay the
2 Loans.

3 As soon as the Second Forbearance Agreement was signed in October 2025, BMO and the
4 Debtors conducted a phased marketing process designed to retire AgCredit's debt, satisfy other
5 liabilities, fund ongoing operations, and maximize value. After an initial targeted outreach to 39
6 high-priority prospects, BMO expanded the process to 119 potential buyers, including 85 strategic
7 buyers and 34 sponsors or family offices; 51 parties executed non-disclosure agreements and
8 received confidential information materials.

9 The process produced significant diligence activity, including multiple site visits between
10 February and July 2026, and resulted in three formal indications or letters of interest. Despite this
11 broad marketing effort, none of the proposals came close to repaying AgCredit's loans, and
12 AgCredit informed the Debtors that the prices offered were not acceptable. Indeed, none of the
13 proposals obtained through BMO's sale process exceeded \$15 million for all of the Debtors' assets.

14 When the BMO sale process did not result in a transaction acceptable AgCredit, AgCredit
15 started foreclosure proceedings. On April 17, 2026, AgCredit issued two notices of default filed
16 in Napa County, numbers 2026-0005539 and 2026-0005540, and on July 23, 2026, it issued a
17 Notice of Unified Trustee's Sale (the "Foreclosure Sale"). The sale was originally scheduled on
18 August 21, 2026, but AgCredit continued the Foreclosure Sale until August 28, 2026, to allow
19 negotiations between AgCredit and the Debtors to continue.

20 After the BMO sale process did not produce a transaction acceptable to AgCredit, the
21 Debtors continued to pursue alternatives that could preserve value, maintain momentum, and
22 provide a realistic path toward a sale of the winery and estate. Those efforts were undertaken
23 against the backdrop of an imminent foreclosure sale and significant financial pressure, making it
24 essential that the Debtors identify a transaction structure that could be presented promptly and
25 credibly while also preserving the opportunity for continued marketing and competitive bidding
26 through a court-supervised process.

27 The Debtors' efforts resulted in the identification of Amar Doman and Ashley Cooper, two
28 high net-worth individuals who are, together, the stalking horse buyer (jointly, the "Stalking Horse")

Buyer”) and the DIP Lender. On August 24, 2026, the Stalking Horse Buyer submitted to the Debtors a letter of intent (the “August 24 LOI”) to purchase the Debtors’ assets for a purchase price of \$16 million, subject to the terms and conditions that were set forth in the August 24 LOI. That price was higher than any offer received through the BMO sale process. The Debtors, upon receiving the August 24 LOI, promptly presented the August 24 LOI to AgCredit. On August 25, 2026, AgCredit declined to engage with the Stalking Horse Buyer or provide a written or formal counter to the August 24 LOI.

Because AgCredit would not provide a counter-bid or negotiate with the Stalking Horse Buyer, and because the Stalking Horse Buyer informed the Debtors that they did not think it appropriate to bid against itself, and with the looming Foreclosure Sale scheduled to take place on August 28, 2026, the Debtors had no choice but to negotiate with the Stalking Horse Buyer regarding providing debtor-in-possession financing and submitting a stalking horse bid in these Chapter 11 Cases.

The Stalking Horse Buyer therefore agreed also to be a DIP Lender on the terms set forth in the Term Sheet and further described in this Motion, and the Stalking Horse Buyer, as DIP Lender, executed the Term Sheet with the Debtors on August 27, 2026. The Stalking Horse Buyer also informed the Debtors that it would submit a revised letter of intent to purchase the Debtors’ assets for a purchase price of up to \$20 million (the “Stalking Horse Offer”), comprised of \$16.5 million in cash plus a credit bid of the DIP Obligations. The Debtors intend to file a motion to approve the bid of the Stalking Horse Buyer and to establish bid procedures shortly after they receive and accept the Stalking Horse Offer, subject to Court approval and higher and better bids.

F. Necessity of the Bankruptcy Filing

Allowing the Foreclosure Sale to proceed would have been inconsistent with the best interests of creditors because it would have eliminated the opportunity to preserve and potentially increase the Debtors’ value through a Court-supervised sale process or to preserve the Debtors’ operations as a going concern. Current market conditions have depressed the wine industry, particularly in California, and have consequently impaired the value of the Debtors’ enterprise. Therefore, an immediate foreclosure sale would not capture the full long-term value of the winery,

1 estate, rebuilt production operations, hospitality operations, brand equity, and related assets.
2 Chapter 11, by contrast, permits the Debtors to use the Stalking Horse Offer, which will be for the
3 Debtors' assets and operating businesses, as a baseline while preserving the ability to solicit,
4 evaluate, and pursue higher or otherwise better bids for the benefit of creditors and other
5 stakeholders.

6 As supported by the English Declaration, the Foreclosure Sale would far more likely have
7 resulted in AgCredit owning and holding the Debtors' assets in a "mothballed," non-operating
8 state, until the market rebounds at some indefinite point in the future. In the meantime, the wine
9 inventory would have been liquidated at fire-sale prices to fund property maintenance, wine
10 operations would have ceased, and the brands would have lost substantially all of their value.

11 Based on the highest offer received by BMO (which were going concern bids), it is likely
12 that the Foreclosure Sale would have realized far less than the \$15,000,000 highest non-binding
13 offer received in the non-foreclosure sale process, which remained subject to due diligence and
14 other contingencies. Given the typical behavior of distressed buyers in a foreclosure sale, the
15 Debtors would expect at least a 20% discount, yielding a maximum net realizable value to the
16 prepetition secured creditor of approximately \$12,000,000 through the Foreclosure Sale.

17 The need for a Court-supervised process is particularly acute because the Debtors have
18 identified a purchaser willing to negotiate toward a transaction, but AgCredit has refused to engage
19 with any bidder. The Debtors have repeatedly requested either a written counterproposal, a reserve
20 price, or an in-person meeting with the, now, Stalking Horse Buyer, so that the true economic
21 parties could confer directly. AgCredit has repeatedly declined those requests. AgCredit's
22 position effectively has been that the Debtors must present an offer acceptable to AgCredit before
23 AgCredit will engage in substantive negotiations, while AgCredit simultaneously declines to
24 identify any reserve price or terms that would be acceptable. Not surprisingly, the Stalking Horse
25 Buyer, as a practical and commercial matter, is unwilling to continue increasing its own offer in
26 the absence of meaningful engagement from AgCredit.

27 That uncertainty left the Debtors without a viable out-of-court mechanism to bridge the
28 gap between the parties' positions, all under the impending shadow of the Foreclosure Sale. The

Debtors then made clear to AgCredit that, absent meaningful engagement, they would have no choice but to file bankruptcy petitions and obtain debtor-in-possession financing, resulting in additional delay, expense, and uncertainty. Still, AgCredit declined to engage in negotiations or provide a written counterproposal that the Debtors could share with the Stalking Horse Buyer. This left the Debtors and the Stalking Horse Buyer without a means to find a negotiated out-of-court resolution. The Debtors determined that they would need the protections and structure of chapter 11 to create an open process in which AgCredit will be required to articulate what it deems acceptable and the Debtors can pursue value-maximizing negotiations. For that reason, the Debtors are before the Court. Although AgCredit may ultimately approve or reject a sale, the Debtors believe there is a price that AgCredit should accept in lieu of foreclosure, given the substantial loss of value that foreclosure would cause.

Under these circumstances, the benefits of commencing these Chapter 11 Cases outweigh the attendant costs. Absent a filing, the Debtors faced the imminent Foreclosure Sale that risked permanently forfeiting incremental value, disrupting the operating businesses, eliminating employee jobs, impairing the future of the Debtors' brands, and undermining preservation of the property. Chapter 11 provides the only realistic forum in which the Debtors can compel a structured sale process, require meaningful engagement from AgCredit, and pursue a transaction at the highest and best price available under current market conditions.

The Debtors' objective is therefore to obtain Bankruptcy Court approval of a sale process centered on the Stalking Horse Offer, so that the winery and estate can be transferred as a going concern, the rebuilt production and hospitality operations can be monetized, and the jobs associated with those operations can be protected. The Debtors intend to negotiate with the Stalking Horse Buyer to enter into definitive documentation for the Stalking Horse Offer, which the Debtors believe provides the most realistic path to preserve estate value, avoid the loss of a business developed over decades, and ensure that any higher or otherwise better bids are tested and evaluated through a fair, transparent, and Court-supervised process.

1 The Debtors also hope that, in this forum, AgCredit will do what it did not do outside of
2 bankruptcy – negotiate with the Debtors and the Stalking Horse Buyer so that the parties can try
3 to reach an acceptable price.

4 **G. The Debtors’ Need for DIP Financing**

5 The Debtors require debtor-in-possession financing because, without immediate and
6 reliable access to postpetition liquidity, they will be unable to preserve their business operations,
7 maintain the value of their assets, administer these Chapter 11 Cases, and pursue the sale process
8 that offers the best opportunity to maximize value for creditors and other stakeholders. That need
9 is especially urgent because the Debtors are in the process of harvesting grapes from the vines.
10 Completing the harvest is necessary not only to collect the fruit, but also to maintain the health
11 and viability of the vines and preserve the value of the vineyard. The proposed DIP budget
12 therefore reflects a measured and necessary liquidity bridge for a six-month case timeline,
13 including funding for ongoing operations, restructuring expenses, professional fees, required
14 reserves, and orderly administration of the estates. The requested financing is not merely
15 beneficial; it is essential to prevent deterioration of estate value while the Debtors seek to
16 consummate a value-maximizing transaction through these Chapter 11 Cases.

17 **H. The Debtors’ Search for DIP Financing**

18 The Debtors’ management and advisors solicited indications of interest from lenders that
19 regularly provide financing to debtors in possession. In total, the Debtors contacted nine potential
20 DIP lenders, including AgCredit. Because the Debtors’ property is already subject to senior
21 secured debt, the Debtors have limited unencumbered assets available to serve as collateral for
22 debtor-in-possession financing. No third-party lender was willing to extend credit on terms as
23 favorable as those offered by the DIP Lender, and AgCredit declined to provide DIP financing as
24 well.

25 The Debtors ultimately selected the DIP Lender because the Term Sheet, as finally
26 negotiated, provides the most favorable financing available under the circumstances, taking into
27 account cost, certainty of funding, the Debtors’ collateral limitations, and the reduced risk of
28 objections from parties in interest in connection with approval of the DIP Loans.

III. BASIS FOR RELIEF REQUESTED

A. The Court Should Approve the DIP Loan and Authorize the Debtors to Enter Into the Term Sheet and DIP Credit Agreement.

The Debtors request authorization under section 364(c) and (d) to grant the DIP Lender three types of protections: (a) superpriority administrative claims pursuant to section 364(c)(1); (b) senior liens on Debtors' unencumbered assets pursuant to section 364(c)(2); and (c) priming liens, pursuant to section 364(d)(1). The Debtors have satisfied the requirements to obtain credit on these terms.

Under section 364(c), a debtor may grant superpriority administrative claims and incur secured debt if the court determines that the debtor was "unable to obtain unsecured credit allowable under section 503(b)(1) . . . as an administrative expense." 11 U.S.C. § 364(c). Similarly, under section 364(d)(1), which governs the incurrence of postpetition debt secured by senior or "priming" liens, the court may, after notice and a hearing, "authorize the obtaining of credit or the incurring of debt secured by a senior or equal lien on property of the estate that is subject to a lien only if – (A) the trustee is unable to obtain credit otherwise; and (B) there is adequate protection of the interest of the holder of the lien on the property of the estate on which such senior or equal lien is proposed to be granted." 11 U.S.C. § 364(d)(1). Courts evaluating requests for financing under section 364 consider whether certain factors are met, including that: (1) the proposed financing is an exercise of the debtor's sound and reasonable business judgment; (2) the financing agreement was negotiated in good faith and at arm's length; (3) no alternative financing is available on any other basis; (4) the terms of the transaction are fair, reasonable, and adequate, given the circumstances of the borrower and the proposed lender; (5) the financing is necessary, essential, and appropriate for the continued operation of the Debtor's business and the preservation of its estate; and (6) the financing is in the best interests of the estate and its creditors. *See In re Gardens Reg'l Hosp.*, No. 2:16-BK-17463-ER, 2017 WL 7101146, at *4 (Bankr. C.D. Cal. July 28, 2016) (approving postpetition financing under § 364(c) based on these factors); *In re Sterling Mining Co.*, No. 09-20178-TLM, 2009 WL 2514167, at *3 (Bankr. D. Idaho Aug. 14, 2009); *see also In re Farmland Indus., Inc.*, 294 B.R. 855, 879-81 (Bankr. W.D. Mo. 2003)

(discussing factors applied by bankruptcy courts across jurisdictions). Each of these factors is satisfied here.

1. The Term Sheet Reflects the Debtors' Sound Business Judgment.

In evaluating proposed postpetition financing under section 364, courts generally defer to the business judgment of the debtor. *See In re Republic Airways Holdings Inc.*, No. 16-10429 (SHL), 2016 WL 2616717, at *10–11 (Bankr. S.D.N.Y. May 3, 2016); *In re Ames Dep't Stores*, 115 B.R. 34, 40 (Bankr. S.D.N.Y. 1990). Courts presume that debtors make financing decisions “on an informed basis, in good faith, and in the honest belief that the action taken was in the best interests of the company.” *In re Los Angeles Dodgers LLC*, 457 B.R. 308, 313 (Bankr. D. Del. 2011); *see also In re Simasko Prod. Co.*, 47 B.R. 444, 449 (D. Colo. 1985) (“The discretion to act with regard to business planning activities is at the heart of the debtor’s power.”). Courts will not “second-guess a business decision, so long as corporate management exercised a minimum level of care in arriving of the decision.” *In re Los Angeles Dodgers LLC*, 457 B.R. at 313; *see also In re Simasko Prod. Co.*, 47 B.R. at 449 (“business judgments should be left to the board room and not to this Court”).

Here, the evidence demonstrates that immediate access to capital is essential to the maintenance of the Debtors’ assets and operations, that the terms of the Term Sheet are fair and reasonable, and that the Term Sheet was negotiated in good faith.

2. The DIP Loan Is Necessary and Appropriate for the Continued Operation of the Debtors’ Businesses and Preservation of Their Estates and Is in Their Best Interests.

The Debtors’ need for financing is evident. As indicated in the Approved Budget, the Debtors need liquidity to maintain the property and vineyard, continue serving customers, pay employees, and pay professional fees. As set forth above and in the First Day Declaration, without access to capital to meet these expenses, the Debtors’ businesses and operations will be materially impacted—thus adversely impacting the value of their businesses and assets.

As described in the First Day Declaration, absent the liquidity necessary to sustain the ongoing maintenance of various of the Debtors’ property, the value of the Debtors’ assets would deteriorate precipitously; and, further, it is essential that the vineyard be maintained for the health

of the enterprise as a whole. It is therefore in the best interest of all parties that the Debtors obtain immediate financing in order to preserve the value of the Debtors' estates.

3. The Term Sheet Was Negotiated in Good Faith and at Arm's Length, Its Terms Are Fair, Reasonable and Adequate, and Debtors Could Not Obtain Credit Available on More Favorable Terms.

A debtor is not required to seek alternative financing from every possible lender before it may grant administrative expense claims or incur secured debt. *See In re Snowshoe Co.*, 789 F.2d 1085, 1088 (4th Cir. 1986) (more favorable credit unavailable where debtor contacted lenders in the "immediate geographic area" and they would not extend unsecured credit); *see also In re Reading Tube Indus.*, 72 B.R. 329, 332 (Bankr. E.D. Pa. 1987). Rather, the debtor need only demonstrate that it made a "reasonable effort" to obtain unsecured credit from other lenders. *In re Ames Dep't Stores*, 115 B.R. at 40 (Bankr. S.D.N.Y. 1990) (citing cases); *In re Capitol Station 65, LLC*, No. 17-23627-B-11, 2018 WL 333863, at *12 (Bankr. E.D. Cal. Jan. 8, 2018).

The Debtors engaged in a competitive and thorough marketing process to obtain the most favorable postpetition financing available. As described above and in the First Day Declaration and the English Declaration, the Debtors' marketing process and the negotiations of the terms of the Term Sheet were carried out in good faith and at arm's length through the Debtors' sophisticated and experienced legal and financial advisors. Based on an evaluation of all reasonably available options, the Term Sheet represents the best financing available to the Debtors.

Finally, as described more fully above, the Debtors were unable to obtain financing without agreeing to provide the DIP Lender with the protections set forth in the Term Sheet. The Debtors submit that approving such terms is appropriate under the circumstances because (a) the DIP Lender was unwilling to extend credit without such terms; and (b) the terms of the Term Sheet are generally favorable to the Debtors and their estates. Indeed, as set forth in the Required Disclosures above, the DIP Lender's requirements are generally in compliance with the Guidelines. Provisions similar and even more stringent than the enumerated terms at issue here are frequently approved in this district. *See, e.g., Blue Earth, Inc. et al.*, Case No. 16-30296 (Bankr. N.D. Cal. Apr. 29, 2016) [Docket No. 116]; *In re Newzoom, Inc.*, Case No. 15-31141 (Bankr. N.D. Cal. Oct. 15, 2015) [Docket No. 153]; *In re Rdio, Inc.*, Case No. 15-31430 (Bankr. N.D. Cal. Dec.

10, 2015) [Docket No. 122], and in large chapter 11 cases elsewhere, *see, e.g., In re Toys “R” Us, Inc.*, Case No. 17-34665 (Bankr. E.D. Va. Sep. 20, 2017) [Docket No. 98].

For the foregoing reasons, the Debtors submit that the Term Sheet was negotiated at arm’s length and in good faith, that its terms are fair, reasonable and adequate, and that the Term Sheet represents the best financing available to the Debtors under the circumstances.

4. The DIP Loan Should Receive Superpriority Status and a Priming Lien Over the Prepetition Secured Debt

Section 364(d)(1) of the Bankruptcy Code permits the Court to grant postpetition lenders a priming lien over prepetition secured debt if “(A) the [debtor-in-possession] is unable to obtain such credit otherwise; and (B) there is adequate protection of the interest of the holder of the lien” that is being primed.

Here, the first requirement is easily satisfied: no other lender, including AgCredit, was willing to provide debtor-in-possession financing, and the DIP Lender was not willing to provide the DIP Loan absent a priming lien. *See* English Declaration ¶ 9.

The second requirement is also met. “The purpose of the adequate protection requirement under § 364(d) is to protect an existing lienholder from any decrease in the value of its security interest resulting from the priming lien.” *Wells Fargo Bank, N.A. v. Sonora Desert Dairy, L.L.C. (In re Sonora Desert Dairy, L.L.C.)*, 2015 Bankr. LEXIS 18, at *31 (B.A.P. 9th Cir. Jan. 5, 2015).

The Third Circuit’s formulation in *Swedeland* captures the operative standard for a priming fight: the primed lender must retain “the same level of protection it would have had if there had not been post-petition superpriority financing.” *In re Swedeland Dev. Group, Inc.*, 16 F.3d 552, 564 (3d Cir. 1994) (*en banc*) (a priming lien proposal “should provide the pre-petition secured creditor with the same level of protection it would have had if there had not been post-petition superpriority financing”) (internal quotation marks omitted). That standard does not require an equity cushion; it requires only that the lender not be made worse off, in economic terms, by the financing it is being asked to accept behind.

Without superpriority financing, AgCredit would have been left with nothing but the results of its Foreclosure Sale. AgCredit was on the eve of the Foreclosure Sale, and there is no indication

1 any buyer would have offered an amount in the same ballpark as the going-concern prices
2 generated by the BMO sale process. As set forth in the English Declaration, foreclosure likely
3 would have left AgCredit owning the Debtors' assets, liquidating wine inventory at fire-sale prices
4 to fund maintenance until the market recovered, while operations ceased and brand value was lost.
5 AgCredit therefore likely would have retained property worth no more than approximately \$12
6 million at today's prices, and that foreclosure value is the only value entitled to adequate
7 protection.

8 The Approved Budget includes adequate protection for that value: indeed, the DIP Loan
9 and Approved Budget provide AgCredit with adequate protection in three ways: first, through a
10 dollar-for-dollar payment on any use of inventory; second, through interest payments at the non-
11 default rate on a \$12 million loan. Third, and most critically, the DIP Loan funds the chapter 11
12 and sale process through which AgCredit will receive *more* than it would have received in the
13 Foreclosure Sale – more, indeed, than a 10-month marketing process conducted by BMO, a highly-
14 regarded and experienced investment bank, was able to obtain – through the Stalking Horse Offer
15 or any higher or better offer received. The availability of the Stalking Horse Offer is an
16 improvement of AgCredit's position, not reduction. As such, AgCredit is more than adequately
17 protected.

18 AgCredit will likely argue that the appraised value of the property exceeds AgCredit's debt.
19 But appraisals hold little weight in the absence of a purchaser willing to pay the appraised price;
20 and here, a fulsome, thorough, sophisticated sale process yielded prices that were a fraction of the
21 appraised values. As the Supreme Court stated in 203 North LaSalle, the "best way to determine
22 value is exposure to a market." *Bank of Am. Nat'l Tr. & Sav. Ass'n v. 203 N. LaSalle St. P'ship*,
23 526 U.S. 434, 457 (1999). BMO and the Debtors exposed the Debtors' assets to the market and
24 those results, not appraisals of hypothetical value, are the only evidence of value that matter here.

25 The Stalking Horse Offer exceeds the results of the BMO sale process. As such, these
26 Chapter 11 Cases already ensure that AgCredit will receive a higher value than it could hope to
27 receive through the Foreclosure Sale. Therefore, AgCredit is adequately protected compared to
28 what it stood to receive absent these Chapter 11 Cases, made possible only through the DIP Loan.

B. The Interim Order Should Be Granted.

1. The Court Should Conduct a Preliminary Expedited Hearing.

Bankruptcy Rule 4001(c) provides that a final hearing on a motion to obtain financing may not be commenced earlier than 14 days after the service of such motion. Upon request, however, the Court is authorized to conduct preliminary expedited hearings on a motion to access a post-petition credit facility to the extent necessary to avoid immediate and irreparable harm to a debtor's estate pending a final hearing. Pursuant to Bankruptcy Rule 4001(c), the Debtors request that the Court conduct an expedited preliminary hearing on the Motion and (i) authorize the Debtors to receive the proceeds of the Interim DIP Loan in order to maintain and finance the Debtors' ongoing operations and avoid immediate and irreparable harm and prejudice to the Debtors' estates and all parties in interest, and (ii) schedule a Final Hearing on the relief requested herein. Absent authorization from the Court to access the Interim DIP Loan pending a Final Hearing, the Debtors and their creditors will be immediately and irreparably harmed. As set forth above, the Debtors' ability to access the Interim DIP Loan on the terms described herein is critical to their ability to operate their businesses.

The DIP Lender and the Debtors have not yet completed negotiation of the final and comprehensive DIP Credit Agreement. Accordingly, the Debtors hereby request authority to borrow the Interim DIP Loan of \$1 million against the Term Sheet immediately to fund the Debtors' period of postpetition operations until the Final Hearing, prior to which the DIP Credit Agreement will be negotiated and completed. Accordingly, an Interim Order should be granted based on the Term Sheet and pending the Final Hearing.

2. The Debtors Require Immediate Access to the Interim DIP Loan.

The Court may grant interim relief in respect of a motion filed pursuant to subsections (b) and (c) of section 364 of the Bankruptcy Code where, as here, interim relief is "necessary to avoid immediate and irreparable harm to the estate pending a final hearing." Fed. R. Bankr. P. 4001(c)(2). In examining requests for interim relief under this rule, courts generally apply the same business judgment standard applicable to other business decisions. *See, e.g., In re Seriosa*, Case No. 2:16-BK-14276-RK, 2016 WL 3478953, at *1 (Bankr. C.D. Cal. June 20, 2016).

As set forth in the First Day Declaration, and as further detailed above, the Debtors have an immediate need for access to financing to continue the operation of their businesses, including maintenance and preservation of the vineyard and otherwise satisfy their working capital and operational needs, all of which are required to preserve and maintain the Debtors' value for the benefit of all parties in interest.

The importance of a debtor's ability to access debtor-in-possession financing facilities to prevent immediate and irreparable harm to its estate has been repeatedly recognized in this and other circuits in similar circumstances. *See, e.g., In re Fleetwood Enterprises, Inc., et al.*, Case No. 09-14254-MJ (Bankr. C.D. Cal. Mar. 31, 2009) [Docket No. 183] (approving postpetition financing and modifying the automatic stay where, "[w]ithout the DIP Financing, the Debtors' operations would be discontinued or severely disrupted, and the Debtors would be unable to pay operating expenses, including expenses for necessary inventory and labor, and to operate their businesses in an orderly manner, thereby severely impairing their ability to reorganize"); *In re Gardens Reg'l Hosp.*, 2017 WL 7101146 at *12 (Bankr. C.D. Cal. July 28, 2016); *In re Breitburn Energy Partners LP, et al.*, Case No. 16-11390 (SMB) (Bankr. S.D.N.Y. May 23, 2016) [Docket No.73] (order approving postpetition financing on an interim basis); *In re SunEdison, Inc.*, Case No. 16-10992 (SMB) (Bankr. S.D.N.Y. Apr. 26, 2016) [Docket No. 87] (same); *In re The Great Atl. & Pac.Tea Co., Inc.*, Case No. 15-23007 (RDD) (Bankr. S.D.N.Y. July 21, 2015) [Docket No. 88] (order approving postpetition financing on an interim basis); *In re Eastman Kodak Co., et al.*, Case No. 12-10202 (MEW) (Bankr. S.D.N.Y. Jan. 20, 2012) [Docket No. 54] (same).

As set forth in the First Day Declaration, access to the Interim DIP Loan during the Interim Period will provide the Debtors with sufficient liquidity to continue their operations, maintain their vineyards and fund the administration of these Chapter 11 Cases. Specifically, the Interim DIP Loan will allow the Debtors to continue to fund any operating expenses not otherwise met by the Debtors' current revenues and compensate the employees that oversee the Debtors' daily operations.

Accordingly, for the reasons set forth above, entry of the Proposed Interim Order is necessary to avoid immediate and irreparable harm to the Debtors' estates and is consistent with, and warranted under, Bankruptcy Rules 4001(c)(2).

C. The DIP Lender Is a Good Faith Lender Under Section 364(e).

Section 364(e) of the Bankruptcy Code protects a good faith lender's right to collect on loans extended to a debtor and its right in any lien securing those loans, even if the authority of the debtor to obtain such loans or grant such liens is later reversed or modified on appeal. Section 364(e) provides that:

The reversal or modification on appeal of an authorization under this section [364 of the Bankruptcy Code] to obtain credit or incur debt, or of a grant under this section of a priority or a lien, does not affect the validity of any debt so incurred, or any priority or lien so granted, to an entity that extended such credit in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and the incurring of such debt, or the granting of such priority or lien, were stayed pending appeal.

11 U.S.C. § 364(e).

As explained in detail herein and in the First Day Declaration, the Term Sheet is the result of the Debtors' reasonable and informed determination that the DIP Lender offered the most favorable terms pursuant to which the Debtors could obtain postpetition financing. All negotiations regarding the Term Sheet were conducted in good faith and on an arm's length basis. The terms and conditions of the Term Sheet are fair and reasonable, and the proceeds of the DIP Loans will be used only for purposes that are permissible under the Bankruptcy Code. Further, no consideration is being provided to any party to the Term Sheet other than as described herein. Accordingly, the Court should find that the DIP Lender is a "good faith" lender within the meaning of section 364(e) of the Bankruptcy Code and are entitled to all of the protections afforded by that section.

IV. RESERVATION OF RIGHTS

Nothing contained herein is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (iii) an approval or assumption of any agreement,

contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise, if the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

V. REQUEST FOR IMMEDIATE RELIEF AND WAIVER OF STAY

The Debtors submit that, with respect to the Interim DIP Loan, the requirements for Bankruptcy Rule 4001(c)(2)(A) have been met. The Interim DIP Loan provides credit only to the extent necessary to avoid immediate and irreparable harm to the estate pending a final hearing. The Debtors request a waiver of the notice requirements under Bankruptcy Rule 6004 (a) and any stay of the order granting the relief requested herein pursuant to Bankruptcy Rule 6004(h). Because the relief requested herein is necessary to avoid immediate and irreparable harm to the Debtors, cause exists to justify the waiver of the notice requirements under Bankruptcy Rule 6004(a) and the fourteen-day stay imposed by Bankruptcy Rule 6004(h), to the extent such notice requirements and stay apply.

Notice of this Motion will be provided to (i) the United States Trustee; (ii) counsel to the Debtors' prepetition secured lender, AgCredit; (iii) the DIP Lender; (iv) the parties listed on the Debtors' *List of Creditors Who Have the 30 Largest Unsecured Claims and Are Not Insiders*; and (v) those persons who have formally appeared in these Chapter 11 Cases and requested service pursuant to Bankruptcy Rule 2002. No previous request for the relief sought herein has been made by the Debtors to this or any other court. Based on the urgency of the circumstances surrounding this Motion and the nature of the relief requested herein, the Debtors respectfully submit that no further notice is required.

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1 **WHEREFORE**, the Debtors respectfully request that the Court enter an interim order,
2 substantially in the form attached hereto as **Exhibit A**, and such other and further relief as the
3 Court may deem just and appropriate.

4 Dated: August 28, 2026

KELLER BENVENUTTI KIM LLP

6 By: /s/ Jane Kim

7 Jane Kim

8 *Proposed Attorneys for the Debtors and*
9 *Debtors in Possession*

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Exhibit A
(Proposed Interim Order)

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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SANTA ROSA DIVISION**

In re:

SIGNORELLO ESTATE LP, *et al.*,¹

Debtors.

Case No. 26-10655 (DM)

(Joint Administration Requested)

Chapter 11

**[PROPOSED] INTERIM ORDER
(I) AUTHORIZING THE DEBTORS TO
OBTAIN POST-PETITION SECURED
FINANCING PURSUANT TO SECTION
364 OF THE BANKRUPTCY CODE;
(II) AUTHORIZING THE USE OF THE
DIP LENDER'S CASH COLLATERAL;
(III) GRANTING SUPERPRIORITY
ADMINISTRATIVE EXPENSE CLAIMS;
(IV) SCHEDULING A FINAL HEARING;
AND (V) GRANTING RELATED RELIEF**

Date: September 2, 2026

Time: 10:00 am (Pacific Time)

Place: Zoom Videoconference Only

United States Bankruptcy Court
450 Golden Gate Avenue
Courtroom 17, 16th Floor
San Francisco, CA 94102

¹ The last four digits of Signorello Estate LP's tax identification number are 1655. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.stretto.com/Signorello>. The Debtors' service address is 4500 Silverado Trail, Napa, CA 94558.

Upon consideration of the *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Secured Financing Pursuant to Section 364 of the Bankruptcy Code; (II) Authorizing the Debtors to Use Cash Collateral; (III) Granting Liens and Superpriority Administrative Expense Claims; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief* (the “Motion”),² filed by Signorello Estate LP and its affiliates that are debtors and debtors in possession (collectively, the “Debtors” or the “Borrower”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”); and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, the *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 (N.D. Cal.), and Rule 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern District of California (the “Bankruptcy Local Rules”); and the *Guidelines for Cash Collateral & Financing Motions & Stipulations* (the “Guidelines”); and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found and determined that notice of the Motion as provided to the parties listed therein is reasonable and sufficient, and it appearing that no other or further notice need be provided; and this Court having considered the relief requested in the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interest of the Debtors, their estates, and their creditors; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor; and this Court having reviewed the Motion and any responses and objections thereto, the *Declaration of Raymond Signorello in Support of Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”), the *Declaration of Matthew English in Support of Motion for Entry of Interim and Final Order (I) Authorizing the Debtors to Obtain Postpetition Secured Financing Pursuant to Section 364 of the Bankruptcy Code; (II) Authorizing the Debtors to Use Cash Collateral; (III) Granting Liens*

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

1 *and Superpriority Administrative Expense Claims; (IV) Scheduling a Final Hearing; and*
 2 *(V) Granting Related Relief* (the “English Declaration”), the other filings made by the Debtors; and
 3 it appearing that granting the relief requested in the Motion on an interim basis is necessary to
 4 avoid immediate and irreparable harm to the Debtors, and is otherwise fair and reasonable and in
 5 the best interests of the Debtors, their estates and their creditors, and is essential for the
 6 preservation of the value of the Debtors’ property and assets; and all objections, if any, to the entry
 7 of this Interim Order having been withdrawn, resolved or overruled by the Court; and after due
 8 deliberation and consideration and good and sufficient cause appearing therefor,

9 **THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND**
 10 **CONCLUSIONS OF LAW:**

11 A. Petition. On August 27, 2026 (the “Petition Date”), the Debtors filed voluntary
 12 petitions under chapter 11 of the Bankruptcy Code. The Debtors continue as debtors in possession
 13 pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

14 B. Jurisdiction and Venue. The Court has jurisdiction over these Chapter 11 Cases and
 15 the parties and property affected hereby pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper
 16 pursuant to 28 U.S.C. §§ 1408 and 1409.

17 C. Notice. Under the circumstances, the notice given by the Debtors of the Motion,
 18 the Interim Hearing and the relief granted under this Interim Order constitutes due and sufficient
 19 notice thereof and complies with section 102(1) of the Bankruptcy Code and Bankruptcy Rules
 20 2002 and 4001(c).

21 D. Findings Regarding the Post-Petition Financing. Without prejudice to the rights of
 22 any other non-debtor party in interest, the Debtors admit, stipulate, acknowledge, and agree, and
 23 the Court hereby finds, that:

24 (i) The Debtors have requested from the DIP Lender, and the DIP
 25 Lender is willing to extend, the DIP Loan to the Borrower on the terms and
 26 conditions set forth in this Interim Order and the Term Sheet attached hereto as
 27 **Exhibit 1**.

28 (ii) Need for Post-Petition Financing. The Debtors do not have sufficient

1 available sources of working capital, including cash collateral, to pay administrative
 2 expenses, including professional fees, and conclude a sale of their assets without the
 3 financing requested under the Motion. The ability of the Debtors to obtain sufficient
 4 working capital and liquidity through the proposed post-petition financing
 5 arrangements with the DIP Lender as set forth in this Interim Order and the Term
 6 Sheet is vital to the Debtors' ability to maximize the value of the assets of their
 7 bankruptcy estates (as defined under section 541 of the Bankruptcy Code, the
 8 "Estates") through an orderly process. Accordingly, the Debtors have an immediate
 9 need to obtain the post-petition financing in order to, among other things, preserve
 10 and maximize the value of the assets of their estates.

11 (iii) No Credit Available on More Favorable Terms. The Debtors are
 12 unable to procure financing in the form of unsecured credit allowable under section
 13 503(b)(1) of the Bankruptcy Code, as an administrative expense under section
 14 364(a) or (b) of the Bankruptcy Code, or solely based on the grant of an
 15 administrative expense priority pursuant to section 364(c)(1) of the Bankruptcy
 16 Code. The Debtors are also unable to obtain secured credit allowable solely under
 17 section 364(c)(2) or 364(c)(3) of the Bankruptcy Code. The Debtors have been
 18 unable to procure the necessary financing on terms more favorable than the
 19 financing offered by the DIP Lender pursuant to the Term Sheet, or on a junior, non-
 20 priming basis.

21 (iv) Budget. The Debtors have prepared and delivered to the DIP Lender
 22 an itemized cash-flow forecast that is acceptable to the DIP Lender (as may be
 23 modified from time to time in accordance with this Interim Order and the written
 24 consent of the DIP Lender, the "Approved Budget"). The Approved Budget was
 25 attached to Motion and is attached hereto as Exhibit 2. The Approved Budget sets
 26 forth, among other things, projections for the periods covered thereby. The DIP
 27 Lender is relying upon the Borrower's compliance with the Approved Budget in
 28 accordance with the terms of the Term Sheet and this Interim Order in determining

to enter into the post-petition financing arrangements provided for herein, subject to the restrictions set forth herein.

(v) Business Judgment and Good Faith Pursuant to Section 364(e). The terms of the Term Sheet and this Interim Order reflect the Debtors' exercise of their prudent business judgment and are supported by reasonably equivalent value and fair consideration. The terms and conditions of the Term Sheet and this Interim Order have been negotiated in good faith and at arms' length by and among the Debtors and the DIP Lender, with all parties being represented by counsel. Any credit extended under the terms of this Interim Order shall be deemed to have been extended in good faith by the DIP Lender, as that term is used in section 364(e) of the Bankruptcy Code.

(vi) Good Cause. The relief requested in the Motion and granted pursuant to the terms of this Interim Order is necessary, essential, and appropriate, and is in the best interests of and will benefit the Debtors, their creditors, and their estates, as its implementation will, among other things, provide the Debtors with the necessary liquidity to preserve and maximize the value of the estates for the benefit of all the Debtors' creditors, and avoid immediate and irreparable harm to the Debtors, their creditors, and their assets.

(vii) Immediate Entry. Sufficient cause exists for immediate entry of this Interim Order pursuant to Bankruptcy Rule 4001(c)(2). Any objections that were made (to the extent such objections have not been withdrawn or resolved) are hereby overruled.

Based on the foregoing, it is hereby **ORDERED, ADJUDGED, AND DECREED,**
THAT:

Section 1. Authorization and Conditions to Financing.

1.1. Motion Granted. The Motion is GRANTED in accordance with Bankruptcy Rule 4001(c)(2) to the extent provided in this Interim Order. Any objections to the Motion with respect to entry of this Interim Order to the extent not withdrawn, waived or otherwise resolved,

and all reservations of rights included therein, are hereby denied and overruled on the merits. This Interim Order shall hereinafter be referred to as the “Interim Order.”

1.2. Authorization to Borrow and Use Loan Proceeds. The Borrower is hereby authorized to enter into, be bound by, and perform under the Term Sheet and to immediately borrow an aggregate amount not to exceed \$1,000,000.00 during the Interim Period, provided that disbursements of such amounts are in accordance with the Approved Budget, the Term Sheet, and this Interim Order. Upon the entry of this Interim Order, the Borrower shall be authorized to use the DIP Collateral (as defined below), to execute and deliver all instruments and documents which may be required or necessary for the performance by the Debtors under the DIP Facility and the creation and perfection of the DIP Liens described in and provided for by this Interim Order and the DIP Facility, and to draw on the DIP Facility to make any disbursement as specifically provided in the Approved Budget (subject to the variances as set forth in the Term Sheet and this Interim Order), but solely in accordance with the terms and conditions set forth in this Interim Order and the Term Sheet.

1.3. Term Sheet Approval. The Term Sheet and each term, condition, and covenant set forth therein are approved with respect to the Interim Period. All of such terms, conditions, and covenants shall be sufficient and conclusive evidence of the borrowing arrangements by and among the Borrower and the DIP Lender, and of the Debtors’ assumption and adoption of all of the terms, conditions, and covenants of the Term Sheet for all purposes, including, without limitation, to the extent applicable, the payment when due of all DIP Obligations arising thereunder, including, without limitation, all principal, interest, and such fees and expenses, including, without limitation, all of the DIP Lender’s consultant fees and professional fees (including attorney fees and expenses) as more fully set forth in (and limited by) the Term Sheet and further provided below, are hereby approved.

Section 2. Priority and Liens.

2.1. Superpriority Claims. To secure the prompt payment and performance of any and all obligations of the Borrower to the DIP Lender pursuant to section 364(d)(1) of the Bankruptcy Code, the DIP Lender is entitled to superpriority administrative expense status (the

“DIP Superpriority Claims”), with priority over all other costs and expenses of the kinds specified in, or ordered pursuant to, sections 105, 326, 328, 330, 331, 363, 364, 503(b), 506(c), 507(a), 507(b), 546, 726, 1113 and 1114 of the Bankruptcy Code.

2.2. DIP Collateral. For purposes of this Interim Order, pursuant to section 364(c)(2) of the Bankruptcy Code, the DIP Lender shall have a first priority lien on and security interest in all property (other than the Excluded Property defined in the Term Sheet) of the Debtors (all such property, exclusive of the Excluded Property, the “Collateral”).

2.3. Lien Priority. Pursuant to section 364(d)(1) of the Bankruptcy Code the DIP Lender shall, have a first priority, senior priming lien on and security interest in all Collateral. (All of the above is collectively referred to as the “DIP Lenders’ Collateral, Liens & Priority.”)

2.4. Carve-Out. The DIP Lenders’ Collateral, Liens & Priority, and the prepetition secured lender’s adequate protection liens and claims, shall be subject and subordinate to payment of (a) the Professional fees incurred, but not in excess of amounts therefor provided in the applicable Approved Budget, prior to the earliest of (i) an Event of Default (as defined in the DIP Credit Agreement), (ii) the termination of the DIP Facility, or (iii) the maturity date of the DIP Facility; (b) the sum of One Hundred Fifty Thousand Dollars (\$150,000) for payment of Professionals’ costs and expenses incurred after the Carve-Out Date; (c) fees and expenses of a chapter 7 trustee in an amount not to exceed Seventy-five Thousand Dollars (\$75,000); and (d) statutory fees of the United States Trustee (collectively, the “Carve-Out”). The Debtors shall be permitted to draw and escrow the Professional fees in a segregated account.

Section 3. Adequate Protection. Subject to the Carve-Out, the DIP Lenders’ Collateral, Liens & Priority, and limitations on recourse to Excluded Property, as and for adequate protection on its prepetition debt, AgCredit shall receive: (i) adequate protection liens on all Collateral; (ii) adequate protection 507(b) superpriority claim; (iii) waiver of the equitable doctrine of “marshaling” or any other similar doctrine as of the Petition Date; (iv) interest on AgCredit’s prepetition obligations accrued at the contractual non-default rate; (v) adequate protection payments equal to the diminution in value of the Debtors’ inventory based upon sale price of inventory; (vi) all required written financial reporting and other periodic reporting that is provided

to the DIP Agent and the DIP Lenders; and (vii) other customary legal protections, including benefit of the Milestones, subject to the terms of the Term Sheet.

Section 4. Good Faith. The terms of this Interim Order were negotiated in good faith and at arm's length by and among the Debtors and the DIP Lender. The DIP Lender shall be entitled to the full protections of section 364(e) of the Bankruptcy Code.

Section 5. Other Rights and Obligations.

5.1. No Modification or Stay of This Interim Order. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 6006(d), 7062, 9024, or any other Bankruptcy Rule, or Rule 62(a) of the Federal Rules of Civil Procedure, this Interim Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Interim Order.

5.2. Binding Effect of Interim Order. Immediately upon entry by this Court, this Interim Order shall be valid and binding upon and inure to the benefit of the DIP Lender, the Debtors, and the property of the Debtors' Estates, all other creditors of any of the Debtors, and all other parties in interest and their respective successors and assigns.

5.3. Objections Overruled. All objections to the entry of this Interim Order are, to the extent not withdrawn or resolved, hereby overruled.

Section 6. Retention of Jurisdiction. The Court has and will retain jurisdiction to interpret and enforce the provisions of this Interim Order.

Section 7. Final Hearing and Response Dates. The Final Hearing on the Motion pursuant to Bankruptcy Rule 4001(c)(2) is scheduled for [] (Pacific time) before this Court (the "Final Hearing"). The Debtors shall promptly mail copies of this Interim Order to the Notice Parties, and to any other party that has filed a request for notices with this Court. Any party in interest objecting to the relief sought at the Final Hearing shall serve and file with the Clerk of the United States Bankruptcy Court for the Northern District of California written objections on or before [], which objections shall be served upon (a) counsel for the Debtors; (b) counsel for the DIP Lender; and (c) the U.S. Trustee. The Debtors shall serve and file any reply with the Clerk of the United States Bankruptcy Court for the Northern District of California on or before [].

KELLER BENVENUTTI KIM LLP
101 MONTGOMERY STREET, SUITE 1950
SAN FRANCISCO, CALIFORNIA 94104

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END OF ORDER

KELLER BENVENUTTI KIM LLP
101 MONTGOMERY STREET, SUITE 1950
SAN FRANCISCO, CALIFORNIA 94104

Exhibit 1
(Term Sheet)

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Exhibit 2
(Budget)

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EXHIBIT B
(Term Sheet)

Term Sheet for Debtor-in-Possession Financing

*The following is a summary of the proposed terms and conditions upon which the Lenders identified below (the “**DIP Lenders**”) would consider providing a debtor-in-possession financing loan (the “**DIP Loan**”) to the Borrowers/Debtors identified below (the “**Debtors**”), in connection with the filing of a chapter 11 petition for each of the Debtors (collectively, the “**Bankruptcy Case**”) in the United States Bankruptcy Court for the Northern District of California (the “**Bankruptcy Court**”), pursuant to Bankruptcy Code section 364 in connection with the Bankruptcy Case (the “**Financing Transaction**”).*

*By their signatures below, the DIP Lenders and the Debtors agree to the terms and conditions in this term sheet (the “**Term Sheet**”) solely as they apply to interim financing with respect to the Interim DIP Order Availability Cap Amount (as defined below), subject to and conditioned upon entry of, and as further set forth in, the Interim DIP Order (as defined below). In all other ways, this Term Sheet is non-binding and does not purport to summarize all of the terms and conditions that would be contained in definitive documentation for the Financing Transaction.*

DIP Lenders	Ashley Cooper and Amar Doman ¹
Borrowers/Debtors	Signorello Estate LP , a California Limited Partnership Northern Empire LLC , a California Limited Liability company Napa Wine Partners LP , a California Limited Partnership Trim Wines LLC , a California Limited Liability company R.E.S. Inc. , a Nevada Corporation Walrus Inc. , a Nevada Corporation Fused Wines LLC , a California Limited Liability company Signorello Consulting Inc. , a corporation formed under the Provincial laws of British Columbia
Terms of DIP Financing	
DIP Loan	An up to Three Million Five Hundred Thousand Dollars (\$3,500,000) senior secured credit facility (with lien priorities discussed below) in the form of a delayed draw term loan facility (the “ DIP Loan ”; the facility providing the DIP Loan, the “ DIP Facility ”; and the credit agreement governing the DIP Facility, the “ DIP Credit Agreement ”), which, following the entry of an interim order approving the DIP Facility (“the Interim DIP Order ”), would be available to be drawn in multiple draws, in number no more than to be mutually agreed, for operating and related business expenses; to be made available in amounts and at the times specified in conformance with the Approved Budget (as defined below); and subject to the conditions set forth in the section entitled “Conditions Precedent to Each DIP Loan Draw” below; <u>provided</u> that no more than One Million Dollars (\$1,000,000) in the aggregate (the “ Interim DIP Order Availability Cap Amount ”) shall be available to be drawn under the DIP Facility until the entry of a final order

¹ DIP Lenders may form and designate a new affiliated entity to serve as DIP Lender in the definitive documentation.

	approving the DIP Facility, which order shall be substantially in the same form as the Interim DIP Order, with such modifications as are necessary to convert the Interim DIP Order into a final order; to grant the DIP Lenders protections unavailable on an interim basis; and to include such other modifications as are satisfactory to the DIP Lenders and the Debtors (the “Final DIP Order” and, together with the Interim DIP Order, the “DIP Orders”). Any amounts drawn under the DIP Facility will permanently reduce the committed amount hereunder, and any amount repaid may not be re-borrowed. The draws under the DIP Facility shall be denominated in US Dollars. Notwithstanding anything to the contrary herein, all commitments on the DIP Facility shall terminate and be of no further force or effect upon the Termination Date (as defined below), and no further amounts under the DIP Facility will be available to be drawn under the DIP Facility. <u>DIP Lender Expenses.</u> The Debtors shall reimburse DIP Lenders all of its reasonable and necessary fees and expenses, including, without limitation, attorneys’ and consultants’ fees, costs, and expenses incurred (i) in connection with the negotiation and preparation of this Term Sheet and the agreements contemplated herein, and (ii) in connection with the Bankruptcy Case (“DIP Lender Expenses”). The DIP Lender Expenses shall be added to the principal amount of the DIP Loan, shall be treated as disbursements and reduce remaining availability under the DIP Facility, and shall be part of the DIP Obligations² until paid in full, whether prior to or at maturity. <u>Maturity Date:</u> The term of the DIP Loan commences upon entry of the Interim DIP Order through the earliest to occur of (a) August 31, 2027, (b) an Event of Default as defined in the DIP Loan documents, (c) ten (10) days after the occurrence of the effective date of any plan of reorganization (a “Plan”), and (d) the closing of the sale(s) of substantially all of the Debtors’ assets (the earliest of the foregoing to occur is the “Termination Date”). <u>Interim DIP Order:</u> A form of Interim DIP Order acceptable to the DIP Lenders and the Debtors shall be attached to the DIP Credit Agreement.
Interest and Fees:	<u>Interest Rate:</u> SOFR³ + eight and a half percent (8.50%), payable in arrears. <u>Interest Only Payment:</u> The Debtors will make monthly interest payments to the DIP Lenders until the Maturity Date, which payments shall be reflected in each Approved Budget (as that term is defined below.)

² “**DIP Obligations**” means the due and punctual payment by the Debtors of (i) the unpaid principal amount of and interest on the DIP Loan (including interest accruing after the maturity of the DIP Loan), as and when due, whether at maturity, by acceleration, or otherwise, and (ii) all other monetary obligations of the Debtors to the DIP Lenders, including advances, debts, liabilities, obligations, fees, costs, expenses, and indemnities, whether primary, secondary, direct, indirect, absolute or contingent, due or to become due, now existing or hereafter arising, or fixed or contingent. under the DIP Loan documents and the DIP Orders (including the costs and expenses of the advisors to the DIP Lenders).

³ One-Month Term SOFR, adjusted at the beginning of every month.

	Default Rate: Two percent (2.00%) per annum in addition to the then-current interest rate, payable upon demand.
Use of Proceeds:	Subject to the satisfaction of the other terms and conditions of the DIP Facility, and consistent with the Approved Budget and subject to Permitted Variances, the proceeds of the DIP Facility may be used (a) for working capital, maintenance capital expenditures and general corporate purposes during the Bankruptcy Case (including payment of fees and expenses in connection with the transactions contemplated hereby, and working capital), and (b) for (i) the funding of a segregated account intended for the payment of the fees and expenses of professionals retained in the Bankruptcy Case (hereafter, “Professionals”), and (ii) interest, payments, and expenses associated with the entry into the DIP Credit Agreement and the other documents executed in connection therewith, including reasonable and documented (in summary form) fees and expenses of professionals retained by the DIP Lenders. Unless explicitly provided for in and otherwise in accordance with the Approved Budget, such proceeds will not be permitted to be used for repayment of existing pre-petition debt, except as permitted by order of the Bankruptcy Court (and including, among other things, adequate protection payments on prepetition debt).
Segregated Accounts:	Proceeds of the DIP Facility will be deposited into a segregated escrow account (the “Segregated Account”) with the DIP Lender, which will be subject to the liens and security interests securing the DIP Facility. The DIP Lenders will fund their respective shares of DIP Loan draws into the Segregated Account, the conditions to each of which are set forth herein and shall be more fully set forth in the DIP Credit Agreement. Funds in the Segregated Account will become available to the Debtors via weekly withdrawals, upon submission of a request for withdrawal specifying the use of proceeds, as provided in the DIP Credit Agreement and subject to the Approved Budget and satisfaction of applicable conditions precedent. It is anticipated that advances under the DIP Facility for deposit into the Segregated Account will coincide with the beginning of each six-week Budgetary Compliance Period. If at any time one or more Acceptable Sales (as that term is defined below) have closed and, following application of the proceeds thereof to all amounts owing under the DIP Credit Agreement, the DIP Loan has been repaid in full, then remaining proceeds shall be deposited into a segregated escrow account (the “Segregated Post-Sale Remainder Account”). Upon deposit of funds into the Segregated Post-Sale Remainder Account, Debtors shall provide to DIP Lenders for approval a budget (the “Estimated Remainder Budget”), in a form reasonably acceptable to DIP Lenders, detailing the Debtors’ projected operating cash requirements through and including the remainder of the Bankruptcy Case. An amount equal to the total projected operating costs shown in the Estimated Remainder Budget (that amount, the “Estimated Remainder Cost”) shall be left in the Segregated Post-Sale Remainder Account to be disbursed in accordance with the procedure for DIP Loan disbursements set forth herein, subject to

	the conditions precedent set forth herein. Any amount in the Segregated Post-Sale Remainder Account beyond the Estimated Remainder Cost shall be applied first to the payment of the prepetition obligations owed to American AgCredit.
Sale Process	In the Bankruptcy Case, the Debtors shall seek to sell all or substantially all of the Debtors' non-cash assets (the " Assets "), or obtain exit financing for a plan of reorganization (the " Sale Process "). The DIP Lenders shall be entitled to credit bid all or a portion of the DIP Obligations, and may also serve as the stalking horse purchaser, on terms to be agreed upon between the DIP Lenders and the Debtors.
Milestones	Certain milestones (the "Milestones") shall include, without limitation, the following (subject to extension by the DIP Lenders in their sole discretion): ■ no later than thirty (30) days after the date that the Debtors file the Bankruptcy Case the "Petition Date", the Bankruptcy Court shall enter the Interim DIP Order; ■ no later than sixty (60) days after the parties' execution of all documents evidencing, securing, or supporting the repayment of the DIP Loan (the "DIP Documents"), the Bankruptcy Court shall enter the Final DIP Order; ■ no later than thirty (30) days after the Petition Date, the Debtors shall file a motion seeking approval of bidding procedures (the "Bidding Procedures") in connection with the Sale Process, in form and substance reasonably acceptable to the DIP Lenders and consistent with this DIP Term Sheet; ■ no later than September 30, 2026, the Bankruptcy Court shall have entered the order approving the Bidding Procedures (the "Bidding Procedures Order"), in form and substance acceptable to the DIP Lenders; ■ no later than January 29, 2027, an auction shall have been conducted, if necessary, in accordance with the Bidding Procedures Order; ■ no later than February 5, 2027, the Bankruptcy Court shall hold a hearing (the "Sale Hearing") regarding approval of the sale pursuant to section 363 of the Bankruptcy Code of all or substantially all of the Assets; ■ no later than three (3) Business Days after the Sale Hearing, the Bankruptcy Court shall have entered an order approving the sale of the Assets that either (y) pays the entirety of the DIP Loan in full, in cash or (z) is acceptable to the DIP Lenders in their sole discretion (an "Acceptable Sale"), to a successful bidder in accordance with the Bidding Procedures Order; and ■ no later than February 28, 2027, one or more Acceptable Sales shall have closed that either pays the DIP Loan in full, or is otherwise acceptable to the DIP Lenders; <i>provided</i> that if regulatory approvals associated with an Acceptable Sale remain pending as of such date, such date shall be automatically extended to the date that is the third (3rd) Business Day (as defined in the DIP Documents) following receipt of all necessary regulatory approvals; <i>provided, further, however,</i> that if the successful bid is for exit financing of a plan of

	reorganization, the Debtors shall have filed a chapter 11 plan of reorganization by no later than February 28, 2027; <i>provided further, however</i>, that the Debtors shall consider the willingness of a bidder to fund the administrative expenses incurred in connection with any delay with respect to regulatory approvals or the plan confirmation process, as applicable, in evaluating competing bids.
Prepayments	The DIP Documents will contain mandatory prepayments that are customary for debtor-in-possession financing of this type, including, without limitation, one hundred percent (100%) of the net cash proceeds from (i) non-ordinary course asset sales, (ii) insurance/condemnation events and other extraordinary receipts, and (iii) any incurrence of indebtedness not otherwise permitted under the DIP Documents. The Debtors may, at any time prior to maturity, voluntarily repay the DIP Loan in full or in part; <i>provided</i>, that any such prepayment shall be made with all accrued interest, fees, and other amounts outstanding in respect of the DIP Loan. The Debtors shall have the right, at their discretion, to effectuate any of the foregoing by way of a motion or a Plan.
DIP Lenders' Collateral, Liens & Priority	Subject only to the Carve-Out (defined below), the DIP Obligations shall: ■ pursuant to section 364f(1) of the Bankruptcy Code, be entitled to superpriority administrative expense status (the “<i>DIP Superpriority Claims</i>”), with priority over all other costs and expenses of the kinds specified in, or ordered pursuant to, sections 105, 326, 328, 330, 331, 363, 364, 503(b), 506(c), 507(a), 507(b), 546, 726, 1113 and 1114 of the Bankruptcy Code; ■ pursuant to section 364(c)(2) of the Bankruptcy Code, have a first priority lien on and security interest in all property of the Debtors (other than the Excluded Property defined below) that is not subject to a valid and perfected lien existing on the Petition Date (all such property, exclusive of the Excluded Property, the “<i>Collateral</i>”); and ■ pursuant to section 364(d)(1) of the Bankruptcy Code, have a first priority, senior priming lien on and security interest in all Collateral. (All of the above is collectively referred to as the “<i>DIP Lenders' Collateral, Liens & Priority</i>.”) Notwithstanding the foregoing, no security interest or lien securing the DIP Obligations shall attach to the avoidance actions under chapter 5 of the Bankruptcy Code (“<i>Excluded Property</i>”) nor shall proceeds of the Excluded Property be applied to the DIP Lenders' priority claims.
Adequate Protection for Prepetition Secured Lender	Subject to the Carve-Out, the DIP Lenders' Collateral, Liens & Priority, and limitations on recourse to Excluded Property, as and for adequate protection on its prepetition debt, American AgCredit shall receive: ■ Adequate protection liens on all Collateral; ■ Adequate protection 507(b) superpriority claim; ■ Waiver of marshalling, section 506(c), and section 552(b) equity of the cases exception (as of petition date);

	■ Interest on American AgCredit's prepetition obligations shall accrue at the contractual non-default rate; ■ Adequate protection payments equal to the diminution in value of the Debtors' inventory based upon sale price of inventory (such payments, the "<i>Adequate Protection Payments</i>"); ■ All required written financial reporting and other periodic reporting that is provided to the DIP Lender; and ■ other customary legal protections, including benefit of the Milestones, subject to the terms hereof. Adequate Protection Payments will be calculated on a monthly basis, after the first full calendar month in bankruptcy, by the 20th day after the end of each calendar month with any Adequate Protection Payments made to American AgCredit within 5 business days after such calculation is determined.
Carve-Out	The DIP Lenders' Collateral, Liens & Priority, and the prepetition secured lender's adequate protection liens and claims, shall be subject and subordinate to payment of (a) the Professional fees incurred, but not in excess of amounts therefor provided in the applicable Approved Budget, prior to the earliest of (i) an Event of Default (as defined in the DIP Credit Agreement), (ii) the termination of the DIP Facility, or (iii) the maturity date of the DIP Facility (the earliest, the "<i>Carve-Out Date</i>"); (b) the sum of One Hundred Fifty Thousand Dollars (\$150,000) for payment of Professionals' costs and expenses incurred after the Carve-Out Date; (c) fees and expenses of a chapter 7 trustee in an amount not to exceed Seventy-five Thousand Dollars (\$75,000); and (d) statutory fees of the United States Trustee (collectively, the "<i>Carve-Out</i>").
Budgets	<u>Budget</u>: The Debtors shall prepare a budget consisting of a 13-week cash flow forecast, setting forth, among other things, the Debtors' cash, revenue, cash flow, and net operating cash flow, trade payables, ordinary course expenses, total expenses, capital expenditures, vendor disbursements, working capital, and fees and expenses of the DIP Facility and the Bankruptcy Case during such 13-week period that Debtors are authorized to use proceeds of the DIP Loan ("<i>Approved Budget</i>"). The Approved Budget shall be revised on a six-week cycle (i.e., every six weeks a new 13-week cash flow forecast will be delivered, and variances will be calculated based on that six-week period) ("<i>Budgetary Compliance Period</i>").
Conditions Precedent for Each DIP Loan Draw	On the funding date of each DIP Loan draw, including the initial DIP Loan disbursement and withdrawals from the Segregated Account, (i) there shall exist no Default or Event of Default under and defined in the DIP Credit Agreement and the other DIP Documents, (ii) the representations and warranties of the Debtors therein shall be true and correct in all material respects immediately prior to, and after giving effect to, such funding, (iii) the making of such DIP Loan draw shall not violate any requirement of law and shall not be enjoined, temporarily, preliminarily, or permanently, (iv) the Debtors shall be in compliance with the Approved Budget (subject to Permitted Variances (as defined below)) in all respects, (v) the Interim DIP Order shall be in full force and effect and shall not have been vacated,

	reversed, modified, amended, or stayed in any respect without the consent of the DIP Lenders and the Debtors unless superseded by the Final DIP Order, (vi) the Liquidity (to be defined in the DIP Credit Agreement) of the Debtors prior to giving effect to such funding shall not exceed Five Hundred Thousand Dollars (\$500,000), and (vii) in the event the Debtors are borrowing amounts in excess of the Interim DIP Order Availability Cap Amount, the Final DIP Order shall be in full force and effect and shall not have been vacated, reversed, modified, amended, or stayed in any respect without the consent of the DIP Lenders and the Debtors.
Representations & Warranties	The DIP Documents shall contain representations and warranties usual and customary for facilities of this type, to be applicable to the Debtors and, in each case, with customary exceptions, qualifications, materiality modifiers, and baskets to be agreed upon in the DIP Documents, subject to the approval of the DIP Lenders in their sole discretion, which shall include, but not be limited to, the following: (i) organization and powers, (ii) authorization and enforceability, (iii) no conflicts and no default, (iv) no material adverse effect, (v) properties, (vi) intellectual property, (vii) equity interests and subsidiaries, (viii) litigation, (ix) material agreements, (x) federal reserve regulations, (xi) investment company act, (xii) use of proceeds, (xiii) taxes, (xiv) no material misstatements, (xv) labor matters, (xvi) agreements with affiliates, (xvii) employee benefit plans, (xviii) environmental matters, (xix) insurance, (xx) bank accounts, (xxi) anti-terrorism laws and foreign corrupt practices act, (xxii) the Bankruptcy Case and the secured superpriority obligations, and (xxiii) commercial activity and absence of immunity; <i>provided, however</i>, that the foregoing shall take into account the pending nature of the Bankruptcy Case.
Affirmative Covenants	The DIP Documents shall contain affirmative covenants usual and customary for facilities of this type, to be applicable to the Debtors and, in each case, with customary exceptions, qualifications, and baskets to be agreed upon in the DIP Documents, subject to the approval of the DIP Lenders in their reasonable discretion, which shall include, but not be limited to, the following: (i) financial statements and reports (including, without limitation, the reports relating to the Sale Process, (ii) upon request by the DIP Lenders, engagement by Debtors of a Financial Advisor or other consultant to oversee the Debtors' compliance, budgeting, and financial reporting related to the DIP Facility (the "<i>Required Consultant</i>"), (iii) litigation and other notices, (iv) maintenance of existence, businesses, and properties, (v) maintenance of insurance, (vi) payment of obligations and taxes, (vii) employee benefits, (viii) maintaining records and access to properties and inspections, (ix) use of proceeds, (x) compliance with environmental laws and environmental reports, (xi) additional collateral, (xii) security interests and further assurances, (xiii) maintenance of corporate separateness, (xiv) priority of liens, (xv) compliance with the Milestones, subject to the economic adjustment provided herein, (xvi) bankruptcy -related matters, (xvii) budget compliance, (xviii) lender calls, (xix) maintenance of cash collateral system (as may be modified), and (xx) material agreements; <i>provided, however</i>, that the foregoing shall take into account the pending nature of the Bankruptcy Case.

Negative Covenants	The DIP Documents shall contain negative covenants usual and customary for facilities of this type, to be applicable to the Debtors and, in each case, with customary exceptions, qualifications, and baskets to be agreed upon in the DIP Documents, subject to the approval of the DIP Lenders in their reasonable discretion, which shall include, but not be limited to, the following: (i) limitations on indebtedness and incurrence of additional senior or <i>pari passu</i> claims, (ii) limitations on liens, (iii) limitations on fundamental changes, (iv) limitations on dispositions of property, (v) limitations on restricted payments, (vi) limitations on investments, (vii) limitations on prepayments and modifications of certain debt instruments or organizational documents, (viii) prohibition against termination of any Required Consultant, (ix) limitations on changes in fiscal periods and accounting changes, (x) limitations on negative pledge clauses, (xi) limitations on clauses restricting subsidiary distributions, (xii) limitations on lines of business, (xiii) limitations on material agreements, (xiv) limitations on capital expenditures, (xv) limitations on sale and leaseback transactions, (xvi) limitations on locations of collateral, (xvii) limitations on acquisitions, (xviii) limitations on issuance of capital stock, (xix) anti-terrorism and anti-money laundering and embargoed persons, (xx) limitations on hedging and speculative transactions, (xxi) limitations on changing auditors, (xxii) limitations on new subsidiaries, (xxiii) limitations on changes of name or location, (xxiv) certain bankruptcy matters, and (xxv) limitations on ability to change the terms of ongoing ordinary course business relationships with third parties; <i>provided, however</i>, that the foregoing shall take into account the pending nature of the Bankruptcy Case.
Financial Covenants	The Debtors shall maintain a cumulative ledger of line items appearing in the Approved Budget (the “Performance Ledger”). Variance covenants comparing the Performance Ledger to the Approved Budget will be tested weekly, calculated on a cumulative basis from the beginning date of the six-week Budgetary Compliance Period coinciding with the first six weeks included in such Approved Budget (“Cumulative Basis”), requiring (i) the unfavorable variance (as compared to the Approved Budget) of the net of the aggregate receipts (line-item shown as “Total Cash Receipts” on the Performance Ledger and Approved Budget) of the Debtors not to exceed ten percent (10%) (on a Cumulative Basis), and (ii) the unfavorable variance (as compared to the Approved Budget) of the aggregate operating disbursements (line-item shown as “Total Operating Disbursements” on the Performance Ledger and Approved Budget, and excluding professional fees and expenses and adequate protection claims) made by the Debtors not to exceed ten percent (10%) (on a Cumulative Basis). As used in this DIP Term Sheet, “Permitted Variances” means (i) all favorable variances, and (ii) any unfavorable variance permitted in the budget variance covenant.
Events of Defaults and Remedies	Customary events of default (“Events of Default”), consistent with the terms hereof, as may be modified for the particulars of the Bankruptcy Case, including any Events of Default for the failure to adhere to reporting requirements contained in the DIP Credit Agreement, defaults under

	covenants (including, without limitation, any variance beyond the Permitted Variances under the then-applicable Approved Budget), resignation or termination of any Required Consultant, appointment of a bankruptcy trustee, examiner, or receiver, invalidity of collateral documents, dismissal or conversion of the Bankruptcy Case, certain other bankruptcy matters, failure to comply materially with the DIP Orders, entry of an order amending, modifying, staying, revoking, or reversing the DIP Orders without the consent of the DIP Lenders, termination of the Interim DIP Order or the Final DIP Order, as applicable, allowance of a claim under section 506(c) of the Bankruptcy Code, filing of a Plan or disclosure statement other than (1) a Plan that is approved by the DIP Lenders, or (2) one that provides for repayment in cash on the effective date of the entirety of the DIP Loan and repayment in cash or reinstatement of the balance of the remaining pre-petition secured debts, payment of prepetition claims other than as permitted by the Bankruptcy Court and included in the Approved Budget or the DIP Documents, entry of an order granting stay relief in respect of any Collateral, granting any superpriority claim that is <i>pari passu</i> with or senior to those of the DIP Lenders, and pursuit of a sale that is not an Acceptable Sale, or failure to promptly obtain Bankruptcy Court approval of an Acceptable Sale. Upon the occurrence of an Event of Default, the DIP Lenders may, and at the direction of the applicable DIP Lenders shall, exercise all rights and remedies provided for in the DIP Documents, and may declare (i) the termination, reduction, or restriction of any further commitment to the extent any such commitment remains, (ii) all obligations to be immediately due and payable, without presentment, demand, protest, or other notice of any kind, all of which are expressly waived by the Debtors, and (iii) the termination of the commitments under the DIP Loan as to any future liability or obligation of the DIP Lender, but without affecting any of the DIP Liens or the liabilities or obligations of the Debtors; <i>provided</i>, that prior to the exercise of any enforcement or liquidation remedies against the Collateral, the DIP Lenders shall be required to provide five (5) days' written notice to the Debtors, their bankruptcy counsel, the United States Trustee for the Northern District of California, and any Official Committee of Unsecured Creditors and its counsel.
Other Provisions:	The DIP Documents shall include other customary provisions including, without limitation, representations and warranties, affirmative and negative covenants, and provisions relating to indemnification, confidentiality, and assignments/participations.

This Term Sheet is acknowledged and agreed to as of August 27, 2026, solely as it applies to interim financing with respect to the Interim DIP Order Availability Cap Amount, subject to and conditioned upon entry of, and as further set forth in, the Interim DIP Order.

BORROWERS/DEBTORS

Signorello Estate LP

Dated: Aug 27, 2026

Ray Signorello

Name: Raymond Signorello Jr.

Title: Authorized Signatory

Northern Empire LLC

Dated: Aug 27, 2026

Ray Signorello

Name: Raymond Signorello Jr.

Title: Authorized Signatory

Napa Wine Partners LP

Dated: Aug 27, 2026

Ray Signorello

Name: Raymond Signorello Jr.

Title: Authorized Signatory

Trim Wines LLC

Dated: Aug 27, 2026

Ray Signorello

Name: Raymond Signorello Jr.

Title: Authorized Signatory

R.E.S., Inc.

Dated: Aug 27, 2026

Ray Signorello

Name: Raymond Signorello Jr.

Title: Authorized Signatory

Walrus, Inc.

Dated: Aug 27, 2026

Ray Signorello

Name: Raymond Signorello Jr.
Title: Authorized Signatory

Fused Wines LLC

Dated: Aug 27, 2026

Ray Signorello

Name: Raymond Signorello Jr.
Title: Authorized Signatory

Signorello Consulting Inc.

Dated: Aug 27, 2026

Ray Signorello

Name: Raymond Signorello Jr.
Title: Authorized Signatory

DIP LENDERS

Dated: Aug 27, 2026

Ashley Cooper

Ashley Cooper (Aug 27, 2026 13:19:02 PDT)

Name: Ashley Cooper

Dated: Aug 27, 2026

Amar Doman

Amar Doman (Aug 27, 2026 12:16:58 PDT)

Name: Amar Doman

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EXHIBIT C
(Budget)

Signorello Estate (consolidated)**DIP Cash Flow Model - Rolling Actuals**

Last Updated 8/26/2026

In \$000's USD. Week Ended Saturdays

Draft - Subject to Change (v10)**Week #****CASH FLOW****Operating Cash Receipts**

Tasting Room / On-site Sales

DTC / Wine Club

Distributor Sales / Wholesale

Costco Collections

Custom Crush Services

Other Operating Cash Receipts

Total Cash Receipts**Operating Cash Disbursements**

Wages & Benefits

Contract labor & costs

Management Fees

Total Payroll and Labor Disbursements**Total Vineyard operations, supplies, costs****Total Grape and Bulk Wine Purchases**

Packaging materials

Bottling services

Repair & Maint

Consultants & contract services

Supplies

Barrels and Other Equipment

Rentals, Misc Equip, Other

Total Wine Making and Bottling Disbursements

Freight, delivery, shipping

Travel, meals, ent

DTC supplies, food, event costs

Marketing & Advert / Promo

Warehouse & Storage

Tradeshows, Marketing Collateral, Outside Svc

Owner travel & sales costs

Total Sales & Inventory Mgmt Disbursements

Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
8/29/26	9/5/26	9/12/26	9/19/26	9/26/26	10/3/26	10/10/26	10/17/26	10/24/26	10/31/26	11/7/26	11/14/26	11/21/26		
Aug-26	Sep-26	Sep-26	Sep-26	Sep-26	Oct-26	Oct-26	Oct-26	Oct-26	Oct-26	Nov-26	Nov-26	Nov-26	TOTAL	
Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	
1	2	3	4	5	6	7	8	9	10	11	12	13	To Wk 13	
-	10	10	10	19	23	23	23	23	23	9	9	9	191	
-	-	-	-	176	-	-	-	-	9	-	-	-	185	
-	-	-	30	90	-	-	32	-	95	-	-	15	262	
-	-	-	-	-	-	-	-	-	33	-	-	-	33	
-	-	-	-	29	-	-	-	-	63	-	-	-	92	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	10	10	40	314	23	23	55	23	224	9	9	24	763	
(11)	(29)	(11)	(11)	(6)	(29)	(12)	(12)	(6)	-	(27)	(11)	(11)	(174)	
(2)	(4)	(2)	(2)	(2)	(4)	(2)	(2)	(2)	-	(4)	(2)	(2)	(33)	
(5)	(10)	(5)	(5)	(5)	(10)	(5)	(5)	(5)	-	(10)	(5)	(5)	(75)	
(19)	(43)	(19)	(19)	(13)	(43)	(19)	(19)	(13)	-	(41)	(18)	(18)	(283)	
(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	(1)	(1)	(1)	(9)	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(3)	(5)	(3)	(3)	(3)	(5)	(3)	(3)	(3)	-	(5)	(3)	(3)	(39)	
(0)	(1)	(0)	(0)	(0)	(1)	(0)	(0)	(0)	-	(1)	(0)	(0)	(6)	
(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	(1)	(1)	(1)	(8)	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	-	(0)	(0)	(0)	(3)	
(4)	(7)	(4)	(4)	(4)	(7)	(4)	(4)	(4)	-	(7)	(4)	(4)	(56)	
(1)	(4)	(2)	(2)	(2)	(2)	(1)	(1)	(1)	-	(1)	(0)	(0)	(16)	
-	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	-	(0)	(0)	(0)	(2)	
(3)	(3)	(2)	(2)	(2)	(2)	(1)	(1)	(1)	-	(0)	(0)	(0)	(17)	
(5)	(9)	(5)	(5)	(5)	(9)	(5)	(5)	(5)	-	(9)	(4)	(4)	(67)	
(3)	(5)	(3)	(3)	(3)	(5)	(3)	(3)	(3)	-	(5)	(3)	(3)	(40)	
(0)	(0)	(0)	(0)	(0)	-	-	-	-	-	-	-	-	(0)	
(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	(1)	(1)	(1)	(9)	
(12)	(23)	(12)	(12)	(12)	(20)	(10)	(10)	(10)	-	(17)	(8)	(8)	(153)	

Signorello Estate (consolidated)**DIP Cash Flow Model - Rolling Actuals**

Last Updated 8/26/2026

In \$000's USD. Week Ended Saturdays

Draft - Subject to Change (v10)**Week #**

	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	8/29/26	9/5/26	9/12/26	9/19/26	9/26/26	10/3/26	10/10/26	10/17/26	10/24/26	10/31/26	11/7/26	11/14/26	11/21/26	Forecast
	Aug-26	Sep-26	Sep-26	Sep-26	Sep-26	Oct-26	Oct-26	Oct-26	Oct-26	Oct-26	Nov-26	Nov-26	Nov-26	TOTAL
	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition	Post-Petition
	1	2	3	4	5	6	7	8	9	10	11	12	13	To Wk 13
Rents / Leases (payment to related party Debtor)	(2)	(12)	-	-	-	(12)	-	-	-	-	(12)	-	-	(39)
Utilities & Facility costs	(1)	(1)	(1)	(1)	(0)	(1)	(1)	(1)	(0)	-	(1)	(1)	(1)	(8)
Dues & Subscriptions	(1)	(1)	(1)	(1)	(3)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(19)
Licenses & Permits	-	(2)	(2)	(2)	(3)	(0)	(0)	(0)	(0)	(0)	-	-	-	(9)
Insurance	(2)	(11)	-	-	-	(10)	-	-	-	-	(10)	-	-	(32)
Banking / cc merchant fees	(1)	(2)	(2)	(2)	(4)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(18)
Consulting & outside services	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(3)
Property & real estate taxes	(3)	(14)	-	-	-	(14)	-	-	-	-	(14)	-	-	(45)
Acct / bookkeeping	(3)	(3)	(3)	(3)	(6)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(45)
Other G&A & Misc Supplies	(2)	(5)	(5)	(5)	(9)	(3)	(3)	(3)	(3)	(3)	(2)	(2)	(2)	(42)
Tax Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserve for Unknown	(50)	(20)	(20)	(20)	(40)	(10)	(10)	(10)	(10)	(10)	(5)	(5)	(5)	(215)
Total G&A disbursements	(65)	(71)	(33)	(33)	(66)	(56)	(19)	(19)	(19)	(19)	(49)	(13)	(13)	(475)
Total Operating Disbursements	(99)	(146)	(68)	(68)	(95)	(128)	(52)	(52)	(46)	(19)	(115)	(43)	(43)	(976)
TOTAL OPERATING CASH FLOW	(99)	(136)	(58)	(28)	219	(105)	(29)	2	(23)	205	(107)	(34)	(19)	(213)
Legal and Professional Fees	(125)	(100)	(130)	(115)	(93)	(93)	(88)	(88)	(83)	(93)	(83)	(83)	(73)	(1,247)
DIP Lender Interest, Fees & Expenses	(50)	(1)	(2)	(2)	(2)	(3)	(3)	(3)	(4)	(4)	(4)	(4)	(5)	(87)
Pre-petition Secured Lender Adequate Protection					(25)		(25)		(25)	(42)	(25)			(142)
Pre-petition Secured Lender Interest	(8)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(243)
503(b)9 Administrative Creditors	(50)													(50)
Wind-down expenses (case disposition TBD)														-
Utility Adequate Assurance Account Funding	(5)													(5)
US Trustee Fees Accrual	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(11)
Restructuring Disbursements	(240)	(122)	(152)	(138)	(141)	(116)	(136)	(111)	(132)	(159)	(133)	(108)	(98)	(1,786)
Total Asset Sale & Investing Cash Flows	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP LOAN ADVANCES & REPAYMENTS														
DIP Loan Advances	400	250	200	150		150	150	100	150		200	150	100	2,000
DIP Loan Repayments														-
Other Financing Cash Flows														-
Total DIP Loan Advances & Repayments	400	250	200	150	-	150	150	100	150	-	200	150	100	2,000

DIP Budget

Signorello Estate (consolidated)

DIP Cash Flow Model - Rolling Actuals

Last Updated 8/26/2026

In \$000's USD. Week Ended Saturdays

Draft - Subject to Change (v10) **Week #**

NET CASH FLOW	61	(9)	(11)	(16)	78	(71)	(15)	(9)	(5)	46	(39)	8	(17)	1
BANK BALANCES														
Beginning Cash (Consolidated)	-	61	52	41	25	104	33	18	9	4	49	10	18	-
Net Cash Flow	61	(9)	(11)	(16)	78	(71)	(15)	(9)	(5)	46	(39)	8	(17)	1
Ending Cash Balance	61	52	41	25	104	33	18	9	4	49	10	18	1	1
DIP LOAN BALANCE (Roll-Forward)														
Max DIP Loan Facility	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Beginning DIP Balance	-	400	650	850	1,000	1,000	1,150	1,300	1,400	1,550	1,550	1,750	1,900	-
DIP Loan Advances	400	250	200	150	-	150	150	100	150	-	200	150	100	2,000
DIP Loan (Repayment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending DIP Loan Balance	400	650	850	1,000	1,000	1,150	1,300	1,400	1,550	1,550	1,750	1,900	2,000	2,000