

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WATER GREMLIN COMPANY, et al.,¹

Debtors.

) Chapter 11

) Case No. 23-11775 (LSS)

) (Jointly Administered)

) Re: Docket No. 9, 115

**ORDER (A) APPROVING THE ASSET PURCHASE AGREEMENT; (B) APPROVING
THE SALE TO THE PURCHASER OF CERTAIN ASSETS OF THE DEBTORS
PURSUANT TO SECTIONS 105 AND 363 OF THE BANKRUPTCY CODE FREE AND
CLEAR OF ALL LIENS, CLAIMS, INTERESTS, AND ENCUMBRANCES;
(C) APPROVING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN
EXECUTORY CONTRACTS AND UNEXPIRED LEASES PURSUANT TO
SECTION 365 OF THE BANKRUPTCY CODE; (D) AUTHORIZING THE DEBTORS
TO CONSUMMATE TRANSACTIONS RELATED TO THE ABOVE; AND
(E) GRANTING OTHER RELIEF**

Upon the motion (the “Motion”)² of the above-captioned Debtors and Debtors in possession (the “Debtors”) pursuant to sections 105(a), 363, and 365 of title 11 of the United States Code (the “Bankruptcy Code”) and rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for entry of an order (this “Sale Order”) (a) authorizing and approving that certain Asset Purchase Agreement (the “Purchase Agreement”), dated as of January 12, 2024, between the Debtors, as seller, and WBL Holdco, LLC, as purchaser (collectively, with its designated affiliates, as applicable, the “Purchaser”), (b) approving the sale of certain of the Debtors’ assets pursuant to the Asset Purchase Agreement (the “Purchased Assets”), (c) approving the assumption and assignment of certain executory contracts and unexpired leases pursuant to section 365 of the Bankruptcy Code, (d) authorizing the Debtors to consummate transactions

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: WG Sub, LLC (“WG Sub”) (0781), Water Gremlin Holdings, Inc. (“Holdings”) (9250), and Water Gremlin Company (“Water Gremlin”) (6396).

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement (as defined herein).

related to the Asset Purchase Agreement, and (e) granting other relief, all as more fully described in the Motion; and the Court having entered on November 20, 2023, the *Order (I)(A) Establishing Bidding Procedures For The Sale Of All, Or Substantially All, Of The Debtors' Assets; (B) Approving Bid Protections; (C) Establishing Procedures Relating To The Assumption And Assignment Of Executory Contracts And Unexpired Leases; (D) Approving Form And Manner Of The Sale, Cure And Other Notices; (E) Scheduling An Auction And (F) Scheduling A Hearing To Consider (1) Approval Of The Sale Of The Debtors' Assets Free And Clear Of Claims, Liens And Encumbrances And (2) Approving The Assumption And Assignment Of Executory Contracts* [Docket No. 115] (the “Bidding Procedures Order”); and the Debtors having determined that the highest and otherwise best offer for the Purchased Assets was made by the Purchaser pursuant to the Purchase Agreement; and the Court having conducted a hearing on December 20, 2023 (the “Sale Hearing”), at which time all parties in interest were offered an opportunity to be heard with respect to the proposed sale of the Purchased Assets (the “Sale”), to consider the approval of the Sale pursuant to the terms and conditions of the Purchase Agreement, and the Court having considered: (i) the Motion and any objections thereto; (ii) the proposed Sale by Debtors to the Purchaser pursuant to the Purchase Agreement; (iii) evidence adduced, related thereto; and (iv) the full record in this Bankruptcy Case, including the record related to the hearing to consider the Bidding Procedures Order and the Sale Hearing held before the Court; all parties in interest having been heard, or having had the opportunity to be heard, regarding the approval of the Purchase Agreement and sale of the Purchased Assets and other transactions contemplated by the Purchase Agreement; and it appearing that the relief requested in the Motion is in the best interests of the

Debtors, their estates, their creditors, and other parties in interest; it is hereby **FOUND, CONCLUDED, AND DETERMINED THAT:**³

A. The findings and conclusions set forth herein constitute this Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this Bankruptcy Case pursuant to Bankruptcy Rule 9014.

B. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

C. This Court has jurisdiction over the Motion and over the property of the Debtors, including the Purchased Assets to be sold, transferred, and conveyed pursuant to the Purchase Agreement, pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b)(2). Venue for the Cases and proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

D. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, this Court finds that there is no just reason for delay in the implementation of this Sale Order, and the Court directs entry of judgment as set forth herein.

E. The Purchased Assets constitute property of the Debtors' estate and title thereto is vested in Debtors' estate within the meaning of section 541(a) of the Bankruptcy Code.

³ All findings of fact and conclusions of law announced by the Court at the Sale Hearing in relation to the Motion are hereby incorporated herein to the extent not inconsistent herewith.

F. The statutory bases for the relief requested in the Motion are sections 105(a), 363, and 365 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, and 9014 and Local Rule 6004-1.

G. On October 27, 2023 (the “Petition Date”), the Debtors filed a voluntary petition under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) commencing this Bankruptcy Case.

H. The Debtors are continuing in the management and operation of their business and property as Debtors in possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in this Bankruptcy Case.

I. On November 7, 2023, the Office of the United States Trustee (the “U.S. Trustee”) appointed an official committee of unsecured creditors (the “Committee”) in this Bankruptcy Case pursuant to Section 1102 of the Bankruptcy Code.

J. This Court entered the Bidding Procedures Order on November 20, 2023 and the *Order Approving Designation of Accuma Corporation as Stalking Horse Bidder* [Docket No. 169] on December 12, 2023: (1) establishing bidding and auction procedures for the sale of the Purchased Asset; (2) designating a Stalking Horse and approving proposed bid protections to the Stalking Horse in accordance with the Purchase Agreement; (3) establishing procedures relating to the assumption and assignment of executory contracts and unexpired leases; (4) approving the form and manner of the sale, cure and other notices; and (5) scheduling the Auction and the Sale Hearing to consider the sale of the Purchased Assets.

K. As evidenced by the affidavits of service and publication previously filed with the Bankruptcy Court [Docket Nos. 41, 56, 155], due, proper, timely, adequate, and sufficient notice of the Motion, the Sale Hearing, the Auction, the Sale, and the assumption and assignment of the

executory contracts and unexpired leases to be assumed and assigned to the Purchaser at Closing pursuant to this Sale Order has been provided in accordance with sections 102(1), 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 9007, and 9014 and in compliance with the Bidding Procedures Order, to each party entitled to such notice, including, as applicable: (a) all entities known to have expressed a *bona fide* interest in a transaction with respect to the Purchased Assets within the past two years; (b) all entities known to have asserted any lien, claim or encumbrance in or upon any of the Purchased Assets; (c) all federal, state and local environmental, regulatory or taxing authorities or recording offices that have a reasonably known interest in the relief requested by the Motion; (d) the U.S. Trustee; (e) counsel to the proposed Purchaser; (f) the Internal Revenue Service; (g) the Securities and Exchange Commission; (h) the U.S. Attorney for the District of Delaware; and (i) all persons and entities that have filed a request for service of filings in this Bankruptcy Case pursuant to Bankruptcy Rule 2002. With respect to entities whose identities are not reasonably ascertained by the Debtors: (x) publication of the Sale Notice on November 30, 2023 in *USA Today* (National Edition), the *Minnesota Star Tribune*, the *St. Paul Pioneer Press*, the *White Bear Press*; (y) publication of an ad substantially in the form of the Sale Notice on TwinCities.com starting on November 30, 2023; and (z) postcards, on November 27 and 28, 2023, and emails, on November 24, 2023, substantially in the form of the Sale Notice mailed to residents in the relevant geographic areas around the Debtors' facility in White Bear Township, Minnesota; as evidenced by the affidavit of service filed by the Debtors' notice and claims agent on December 18, 2023 [Docket Nos. 182, 183] and notices were, and are deemed, sufficient, and reasonably calculated under the circumstances to reach such entities. The notices described above were good, sufficient, and appropriate under the circumstances, and no other or further notice of the Motion, the Auction, the Sale, and the Sale Hearing is, or shall be, required.

L. The Debtors and their professionals marketed the Purchased Assets and conducted the marketing and sale process in compliance with the Bidding Procedures and the Bidding Procedures Order. Based upon the record of these proceedings, creditors and other parties in interest and prospective purchasers were afforded a reasonable and fair opportunity to bid for the Purchased Assets.

M. Prior to commencement of the Bankruptcy Cases, the Debtors worked with their counsel and their investment banker, Intrepid Investment Bankers, to implement a process to pursue a transaction or transaction that would allow the Debtors to maximize the value of the Purchased Assets. The Sale that is the subject of this Sale Order is the result of the Debtors' extensive efforts seeking to maximize recoveries to the Debtors' estates for the benefit of their creditors.

N. At the conclusion of the Auction and after reviewing all Qualified Bids (as defined in the Bidding Procedures), the Debtors determined in a valid and sound exercise of their business judgment that the highest or otherwise best Qualified Bid for the Purchased Assets was that of the Purchaser as set forth in the Purchase Agreement.

O. The Debtors have articulated good and sufficient reasons for this Court to grant the relief requested in the Motion regarding the sale process.

P. The Sale Notice provided all interested parties with timely and proper notice of the Sale contemplated by the Purchase Agreement, the Sale Hearing, and the Auction.

Q. The disclosures made by the Debtors in the Motion, the Sale Notice, and related documents filed with the Bankruptcy Court concerning the Purchase Agreement, the Auction, the Sale and the Sale Hearing were good, complete and adequate.

R. The Bidding Procedures set forth in the Bidding Procedures Order were non-collusive, proposed and executed in good faith as a result of arms'-length negotiations, and were substantively and procedurally fair to all parties.

S. The Debtors conducted the sale process in accordance, and have otherwise complied in all respects, with the Bidding Procedures Order. The sale process set forth in the Bidding Procedures Order afforded a full, fair, and reasonable opportunity for any entity to make a higher or otherwise better offer to purchase the Purchased Assets.

T. The terms contained in the Purchase Agreement constitute the highest and best offer for the Purchased Assets and will provide a greater recovery for the Debtors' estate than would be provided by any other available alternative.

U. The Purchase Agreement and the Sale contemplated thereby represent a fair and reasonable offer to purchase the Purchased Assets under the circumstances of the Bankruptcy Case. No other entity or group of entities has presented a higher or otherwise better offer to Debtors to purchase the Purchased Assets for greater economic value to the Debtors' estate than the Purchaser.

V. Approval of the Motion and the Purchase Agreement and the consummation of the Sale contemplated thereby are in the best interests of the Debtors, their creditors and estate, and other parties in interest.

W. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the Sale because, among other reasons: (1) the Purchase Agreement constitutes the highest and best offer for the Purchased Assets; (2) the Purchase Agreement and the closing thereon will present the best opportunity to realize the value of the Purchased Assets on a going-concern basis and avoid decline and devaluation of the

Purchased Assets; and (3) any other transaction would not have yielded as favorable an economic result.

X. The Purchaser is purchasing the Purchased Assets in good faith and is a good-faith buyer within the meaning of section 363(m) of the Bankruptcy Code and is not an “insider” of the Debtors (as defined under section 101(31) of the Bankruptcy Code). The Purchaser has proceeded in good faith in all respects in connection with this Bankruptcy Case in that: (1) the Purchaser recognized that the Debtors were free to deal with any other party interested in acquiring the Purchased Assets; (2) the Purchaser complied with the provisions in the Bidding Procedures Order; (3) the Purchaser agreed to subject its bid to the competitive bidding procedures set forth in the Bidding Procedures Order; (4) all payments to be made by the Purchaser and other agreements or arrangements entered into by the Purchaser in connection with the Sale have been disclosed; (5) the Purchaser has not violated section 363(n) of the Bankruptcy Code by any action or inaction; and (6) the negotiation and execution of the Purchase Agreement, including the Sale contemplated thereby, were at arms’ length and in good faith. The Purchaser, therefore, is entitled to the full protections of section 363(m) of the Bankruptcy Code.

Y. The Purchase Agreement and the transactions contemplated thereby cannot be avoided under section 363(n) of the Bankruptcy Code. The Debtors and the Purchaser have not engaged in any conduct that would cause or permit the Purchase Agreement or the consummation of the transactions contemplated thereby to be avoided, or costs or damages to be imposed, under section 363(n) of the Bankruptcy Code.

Z. The consideration provided by the Purchaser pursuant to the Purchase Agreement: (1) is fair and adequate and constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or

the District of Columbia (including the Uniform Fraudulent Transfer Act); (2) is fair consideration under the Uniform Fraudulent Transfer Act; (3) is reasonably equivalent value, fair consideration, and fair value under any other applicable laws of the United States, any state, territory, or possession thereof, or the District of Columbia; and (4) will provide a greater recovery for the Debtors' creditors than would be provided by any other reasonably practicable available alternative.

AA. The Purchase Agreement, which constitutes reasonably equivalent value and fair consideration, was not entered into, and the Sale is not consummated, for the purpose of hindering, delaying or defrauding creditors of the Debtors under the Bankruptcy Code or under any other law of the United States, any state, territory, possession thereof, or the District of Columbia, or any other applicable law. Neither the Debtors, nor the Purchaser have entered into the Purchase Agreement or is consummating the Sale with any fraudulent or otherwise improper purpose.

BB. By consummating the Sale, the Purchaser is not a mere continuation of Debtors or Debtors' estate, and there is no continuity between the Purchaser and the Debtors. By consummating the sale, the Purchaser is not holding itself out to the public as a continuation of the Debtors. The Purchaser is not a successor to the Debtors or the Debtors' estate by reason of any theory of law or equity, and the Sale does not amount to a consolidation, merger, or *de facto* merger of the Purchaser and the Debtors. Except as provided in the Purchase Agreement, neither the Purchaser nor any of its Affiliates shall assume any obligation or liability of Debtors or Debtors' estate, including any obligation under any collective bargaining agreement or labor practice agreement.

CC. A prohibition against creditors of the Debtors pursuing Liens or Interests (as defined below) against the Purchaser is necessary to induce the Purchaser to close the Sale and is therefore necessary to avoid irreparable injury to the Debtors' estates and will benefit all creditors.

DD. The Sale neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates the terms of a liquidating plan of reorganization of the Debtors. The Sale does not constitute a *sub rosa* plan.

EE. The Debtors, acting by and through their existing agents, representatives, and officers, have full corporate power and authority to execute and deliver the Purchase Agreement and all other documents contemplated thereby, and no further consents or approvals are required for the Debtors to consummate the Sale contemplated by the Purchase Agreement, except as otherwise set forth in the Purchase Agreement.

FF. The transfer of each of the Purchased Assets to the Purchaser will be, as of the Closing Date, a legal, valid, and effective transfer of such assets, and vests or will vest the Purchaser with all right, title, and interest of Debtors to the Purchased Assets free and clear of all Liens or Interests accruing, arising or relating thereto any time prior to the Closing Date, unless otherwise specifically assumed pursuant to the Purchase Agreement; provided that such Liens or Interests shall attach to the proceeds of the Sale.

GG. The Debtors may sell the Purchased Assets free and clear of all Liens or Interests (as defined below) against Debtors, their estates, or any of the Purchased Assets (unless otherwise assumed in the Purchase Agreement) because, in each case, one or more of the standards set forth in section 363(f)(1)–(5) of the Bankruptcy Code has been satisfied. Those holders of Liens or Interests against the Debtors, their estates, or any of the Purchased Assets who did not object, or who withdrew their objections, and had notice of the Sale, to the Sale or the Motion are deemed

to have consented thereto pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of such Liens or Interests that did object fall within one or more of the other subsections of section 363(f) and are adequately protected by having their Liens or Interests, if any, in each instance against Debtors, their estates, or any of the Purchased Assets, attach to the cash proceeds of the Sale ultimately attributable to the Purchased Assets in which such creditor alleges an interest, in the same order of priority, with the same validity, force, and effect that such creditor had prior to the Sale, subject to any claims and defenses that Debtors may possess with respect thereto.

HH. If the Sale were not free and clear of all Liens or Interests (except as otherwise assumed in the Purchase Agreement), or if the Purchaser would, or in the future could, be liable for any of the Liens or Interests (except as otherwise assumed in the Purchase Agreement), the Purchaser would not have entered into the Purchase Agreement and would not consummate the Sale, thus adversely affecting the Debtors and their estates and creditors.

II. Debtors have demonstrated that it is an exercise of their sound business judgment for Debtors to assume and assign the Designated Contracts to the Purchaser, in each case in connection with the consummation of the Sale, and the assumption and assignment of the Designated Contracts is in the best interests of Debtors, their estates, and their creditors and other parties in interest. The Designated Contracts being assigned to the Purchaser under the Purchase Agreement are an integral part of the Purchase Agreement and the Sale and, accordingly, such assumptions and assignments are reasonable and enhance the value of the Debtors' estates. Any non-Debtor counterparty to any Designated Contract that has not actually filed with the Court an objection to such assumption as of the date hereof is deemed to have consented to such assumption and assignment.

JJ. Debtors and the Purchaser have, to the extent necessary, satisfied the requirements of section 365 of the Bankruptcy Code, including sections 365(b)(1)(A), 365(b)(1)(B), and 365(f) of the Bankruptcy Code, in connection with the sale and assumption and assignment of the Designated Contracts to the extent provided under the Purchase Agreement and have: (1) cured any default existing prior to the date hereof under any of the Designated Contracts, within the meaning of section 365(b)(1)(A) of the Bankruptcy Code; and (2) provided compensation or adequate assurance of compensation to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Designated Contracts, within the meaning of section 365(b)(1)(B) of the Bankruptcy Code, and the Purchaser has provided adequate assurance of future performance of and under the Designated Contracts, within the meaning of sections 365(b)(1) and 365(f)(2) of the Bankruptcy Code. Each provision of the Designated Contracts or applicable non-bankruptcy law that purports to prohibit, restrict or condition, or could be construed as prohibiting, restricting or conditioning, assignment of any Designated Contract, has been satisfied or is otherwise unenforceable under Bankruptcy Code section 365.

KK. The Purchase Agreement and Sale must be approved and the Closing must occur promptly to preserve the value of the Debtors' assets.

LL. The Sale constitutes a reasonable and sound exercise of Debtors' business judgment, is in the best interests of Debtors, their estates, creditors, and other parties in interest, and should be approved.

MM. The consummation of the Sale is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including sections 105(a), 363(b), 363(f), 363(m), 365(b), and 365(f) of the Bankruptcy Code, and all of the applicable requirements of such sections have been complied with in respect of the Sale.

Based upon the foregoing findings and conclusions, the Motion and the record before the Court with respect to the Motion, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED that:

1. The relief requested in the Motion is granted as set forth herein.
2. Any and all objections and responses to the Motion that have not been withdrawn, waived, settled, or resolved, and all reservations of rights included therein, are hereby overruled and denied on the merits.
3. Notice of the Motion, the Auction, the Sale Hearing, and the Sale was fair and equitable under the circumstances and complied in all respects with section 102(1) of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, and 6006.

Approval of the Sale of Purchased Assets

4. Pursuant to section 363(b) of the Bankruptcy Code, the Debtors and the Purchaser, acting by and through their existing agents, representatives and officers, are authorized and empowered, to take any and all actions necessary or appropriate to: (a) consummate the Sale pursuant to and in accordance with the terms and conditions of the Purchase Agreement; (b) close the Sale as contemplated in the Purchase Agreement and this Sale Order; (c) transfer and assign all right, title, and interest to all property, licenses, and rights to be conveyed in accordance with the terms and conditions of the Purchase Agreement and (d) execute and deliver, perform under, consummate, and implement the Purchase Agreement and all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement and the Sale, including any other ancillary documents, or as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by the Purchase Agreement and such other ancillary documents. The Purchaser and the Debtors shall have no obligation to close the Sale except as provided for in the Purchase Agreement.

5. This Sale Order shall be binding in all respects upon the Debtors, their estates, all creditors (including the Committee), all holders of equity interests in the Debtors, all holders of any Liens or Interests (whether known or unknown) against the Debtors, any holders of Interests or Liens or Interests against or on all or any portion of the Purchased Assets, all counterparties to any executory contract or unexpired lease of the Debtors (including any collective bargaining agreement or labor practice agreement), the Purchaser and all successors and assigns of the Purchaser, and any trustees, examiners, or other fiduciary under any section of the Bankruptcy Code, if any, subsequently appointed in this Bankruptcy Case or upon a conversion of this Bankruptcy Case to chapter 7 under the Bankruptcy Code.

6. The terms and provisions of the Purchase Agreement and this Sale Order shall inure to the benefit of the Debtors, their estates and creditors, the Purchaser, and their respective Affiliates, successors and assigns, and any other affected third parties, including all persons asserting any Liens or Interests in the Purchased Assets to be sold to the Purchaser pursuant to the Purchase Agreement, notwithstanding any subsequent appointment of any trustee, party, entity, or other fiduciary under any section of any chapter of the Bankruptcy Code, as to which trustee, party, entity, or other fiduciary such terms and provisions likewise shall be binding.

Sale and Transfer of Purchased Assets

7. Pursuant to sections 105(a), 363(b), 363(f), 365(b) and 365(f) of the Bankruptcy Code, upon the Closing Date, and pursuant to and as otherwise set forth in the Purchase Agreement, the Purchased Assets shall be transferred to the Purchaser free and clear of all encumbrances, claims, interests, and liens, including Liens, Claims, and the Excluded Liabilities (as each defined in the Purchase Agreement), mortgages, restrictions, hypothecations, reversionary rights, assignment rights, rights to specific performance, reimbursement rights, charges, indentures, loan agreements, instruments, consent rights, regulatory violations, collective

bargaining agreements, leases, licenses, options, deeds of trust, security interests, other interests, conditional sale or other title retention agreements, pledges, and other liens (including mechanics', materialman's, and other consensual and non-consensual liens and statutory liens), judgments, demands, encumbrances, rights of first refusal, offsets, contracts, recoupment, rights of recovery, claims for reimbursement, contribution, indemnity, exoneration, products liability, alter-ego, environmental, tax, decrees of any court or foreign or domestic governmental entity or quasi-governmental entity, or charges of any kind or nature, if any, including any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership, debts arising in any way in connection with any agreements, acts, or failures to act, including any pension liabilities, retiree medical benefit liabilities, liabilities related to the Employee Retirement Income Security Act of 1974, liabilities related to the Internal Revenue Code, or any other liability relating to Debtors' current and former employees, including any withdrawal liabilities or liabilities under any collective bargaining agreement or labor practice agreement (to the extent not assumed under the Purchase Agreement), of the Debtors or any of the Debtors' predecessors or Affiliates, claims, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, whether arising prior to or subsequent to the commencement of this Bankruptcy Case, and whether imposed by agreement, understanding, law, equity or otherwise, including claims otherwise arising under doctrines of successor liability (other than Assumed Liabilities) (collectively, the "Liens or Interests"), with all such Liens or Interests to attach to the cash proceeds of the Sale in the order of their priority, with the same validity, force, and effect that they had against the Purchased Assets, subject to any claims and defenses the

Debtors may possess with respect thereto. Furthermore, except as otherwise provided in the Purchase Agreement, the Purchaser and its Affiliates shall not have any liabilities for the prepetition and pre-Closing Date conduct of the Debtors or any of their officers, directors, employees, or agents for their conduct prior to Closing.

8. On the Closing Date, this Sale Order shall be construed and shall constitute, for any and all purposes, a full and complete general assignment, conveyance, and transfer of all of the Purchased Assets and shall constitute a bill of sale transferring good and marketable title in such Purchased Assets to the Purchaser pursuant to the terms and allocations set forth in the Purchase Agreement. For the avoidance of doubt, the Excluded Assets set forth in the Purchase Agreement are not included in the Purchased Assets.

9. Subject to the terms and conditions of this Sale Order, the transfer of Purchased Assets to the Purchaser pursuant to the Purchase Agreement and the consummation of the Sale and any related actions contemplated thereby do not require any consents other than as specifically provided for in the Purchase Agreement, constitute a legal, valid, and effective transfer of the Purchased Assets, and shall vest Purchaser with right, title, and interest of the Debtors in and to the Purchased Assets as set forth in the Purchase Agreement, as applicable, free and clear of all Liens or Interests of any kind or nature whatsoever (except as otherwise specifically assumed in the Purchase Agreement), with all such Liens or Interests to attach to the cash proceeds of the Sale in the order of their priority, with the same validity, force, and effect that they had against the Purchased Asset, subject to any claims and defenses the Debtors may possess with respect thereto.

10. To the greatest extent available under applicable law and except as provided in the Purchase Agreement or this Sale Order, the Purchaser, as provided by the Purchase Agreement, shall be authorized, as of the Closing Date, to operate under any license, permit, registration, and

governmental authorization or approval of the Debtors with respect to the Purchased Assets, and all such licenses, permits, registrations, and governmental authorizations and approvals are deemed to have been, and hereby are, directed to be transferred to the Purchaser as of the Closing Date as provided by the Purchase Agreement. To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any grant, permit, or license relating to the operation of the Purchased Assets sold, transferred, assigned, or conveyed to the Purchaser on account of the filing or pendency of this Bankruptcy Case or the consummation of the Sale.

11. All entities that presently are, or on the Closing may be, in possession of some or all of the Purchased Assets to be sold, transferred, or conveyed (wherever located) to the Purchaser pursuant to the Purchase Agreement hereby are directed to surrender possession of the Purchased Assets to the Purchaser on the Closing Date. These entities were served with notice of this Sale as evidenced by the certificates of services filed at docket no. 155 of the court docket.

12. Upon consummation of the Sale set forth in the Purchase Agreement, if any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens*, or other documents or agreements evidencing Liens or Interests against or in the Purchased Assets shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfactions, releases of all Liens or Interests that the person or entity has with respect to the Purchased Assets (unless otherwise assumed in the Purchase Agreement), or otherwise, then: (a) the Debtors hereby are authorized and directed to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Purchased Assets; and (b) the Purchaser hereby is authorized to file, register, or otherwise record a certified copy of this Sale Order, which, once

filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all Liens or Interests in the Purchased Assets of any kind or nature (except as otherwise assumed in the Purchase Agreement). For the avoidance of doubt, to the extent necessary, upon consummation of the Sale set forth in the Purchase Agreement, the Purchaser is authorized to file, with respect to the Purchased Assets, termination statements, lien terminations, or other amendments in any required jurisdiction to remove and record, notice filings or financing statements recorded to attach, perfect or otherwise notice any lien or encumbrance that is extinguished or otherwise released pursuant to this Sale Order under section 363 and the related provisions of the Bankruptcy Code.

13. All entities, including all lenders, debt security holders, equity security holders, governmental, tax, and regulatory authorities, parties to executory contracts and unexpired leases, customers, employees and former employees, dealers and sale representatives, and trade or other creditors holding Liens or Interests or Interests of any kind or nature whatsoever in or against the Debtors or the Purchased Assets arising under or out of, in connection with, or in any way relating to, the Debtors, the Purchased Assets, the operation of the Debtors' business prior to the Closing, or the transfer of the Purchased Assets to the Purchaser, hereby are forever barred, estopped, and permanently enjoined from asserting any Liens or Interests of any kind or nature whatsoever (except to the extent such Liens or Interests are assumed by the Purchaser pursuant to the Purchase Agreement) against the Purchaser and its successors, designees, permitted assigns, or property, or the Purchased Assets conveyed in accordance with the Purchase Agreement.

14. The Purchaser (and any assignee of the Purchaser's rights under the Purchase Agreement) and its respective owners, members, shareholders, managers, directors, officers, partners, employees, agents, attorneys, investment bankers and financial advisors are hereby

generally released by the Debtors, their Affiliates, their respective estates and their respective owners, members, shareholders, managers, directors, officers, partners, employees, agents, attorneys, investment bankers and financial advisors from any and all claims that the Debtors and their Affiliates or estates or any party claiming derivatively through the Debtors may have against the Purchaser, other than claims against the Purchaser arising under the Purchase Agreement or as otherwise provided in this Sale Order; provided however that such release will not be in effect until the later of the Closing or all obligations under the Purchase Agreement have been fulfilled.

15. As of and after the Closing: (a) each of the Debtors' creditors is hereby authorized and directed to execute such documents and take all other actions as may be necessary to release their Liens or Interests in the Purchased Assets (if any) as such Liens or Interests may have been recorded or may otherwise exist; and (b) any Purchased Assets that may be subject to a statutory or mechanic's lien shall be turned over and such liens shall attach to the sale proceeds in the same priority they currently enjoy with respect to the Purchased Assets.

Contracts to be Assumed and Assigned

16. Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code, and subject to and conditioned upon the occurrence of the Closing Date, Debtors' assumption and assignment to the Purchaser, and the Purchaser's assumption on the terms set forth in the Purchase Agreement of the Designated Contracts is hereby approved in its entirety, and the requirements of section 365 of the Bankruptcy Code with respect thereto are hereby deemed satisfied.

17. The Debtors hereby are authorized in accordance with sections 105(a), 363, and 365 of the Bankruptcy Code to assume and assign to the Purchaser, effective upon the Closing Date of the sale of the Purchased Assets, the Designated Contracts free and clear of all Liens or Interests of any kind or nature whatsoever and execute and deliver to the Purchaser such documents

or other instruments as may be necessary to assign and transfer the Designated Contracts to the Purchaser.

18. To the extent that an objection by a counterparty to any Designated Contract, including all objections related to Cure Costs, is not resolved prior to the Closing Date, the Debtors, in consultation with the Purchaser, may elect to reserve the disputed Cure Cost and assume the Designated Contract on the Closing Date. So long as the Debtors holds the claimed Cure Cost in reserve, and there are no other unresolved objections to the assumption and assignment of the applicable Designated Contract, the Debtors can, without further delay, assume and assign the Designated Contract that is the subject of the objection. Under such circumstances, the respective objecting counterparty's recourse is limited to the funds held in reserve.

19. Upon the Closing, in accordance with sections 363 and 365 of the Bankruptcy Code, the Purchaser shall fully and irrevocably be vested in all right, title, and interest of each Designated Contract. To the extent provided in the Purchase Agreement, the Debtors shall cooperate with, and take all actions reasonably requested by, the Purchaser to effectuate the foregoing.

20. The Designated Contracts shall be transferred to, and remain in full force and effect for the benefit of, the Purchaser in accordance with their respective terms, notwithstanding any provision in any such Designated Contract (including those of the type described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer.

21. Pursuant to sections 365(b)(1)(A) and (B) of the Bankruptcy Code, any and all Cure Costs necessary to assume and assign a Designated Contract or Additional Designated Contract shall be paid as provided in the Purchase Agreement.

22. The Cure Costs to which no objections have been filed are hereby fixed at the amounts set forth in the Cure Notice filed by the Debtors, or as otherwise agreed, in writing and with the consent of the Purchaser, which shall not be unreasonably withheld, between the Debtors and the non-Debtor third parties to such Designated Contracts, and the non-Debtor parties to such Designated Contracts are forever bound by such Cure Costs and, upon payment of such Cure Costs, are hereby enjoined from taking any action against the Purchaser or the Purchased Assets with respect to any claim for cure under any assumed Designated Contract.

23. The payment of the Cure Costs (if any) shall effect a cure of all defaults existing as of the date that such executory contracts or unexpired leases are assumed and compensate for any actual pecuniary loss to such non-Debtor party resulting from such default. No other amounts will be owed by the Debtors, their estates or the Purchaser with respect to amounts first arising or accruing during, or attributable or related to, the period before Closing with respect to the Designated Contracts, and any and all persons or entities shall be forever barred and estopped from asserting a claim against the Debtors, their estates, or the Purchaser that any additional amounts are due or defaults exist under the Designated Contracts that arose or accrued, or relate to or are attributable to the period before the Closing.

24. The Purchaser shall have assumed the Designated Contracts, and pursuant to section 365(f) of the Bankruptcy Code, the assignment by the Debtors of such Designated Contracts shall not be a default thereunder. After the payment of the relevant Cure Costs by the Debtors, neither the Debtors nor the Purchaser shall have any further liabilities to the counterparties to the Designated Contracts, other than the Purchaser's obligations under the Designated Contracts that accrue and become due and payable on or after the date that such Designated Contracts are assumed.

25. Any provisions in any Designated Contract that prohibit or condition the assignment of such Designated Contract or allow the party to such assumed Designated Contract to terminate, recapture, impose any penalty, condition on renewal or extension or modify any term or condition upon the assignment of such Designated Contract constitute unenforceable anti-assignment provisions that are void and of no force and effect with respect to the transaction approved by this Order. All other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Debtors and assignment to the Purchaser of the Designated Contracts have been satisfied.

26. Any party having the right to consent to the assumption or assignment of any Designated Contract that failed to object to such assumption or assignment is deemed to have consented to such assumption and assignment as required by section 365(c) of the Bankruptcy Code.

27. The Purchaser shall be deemed to be substituted for the Debtors as a party to the applicable Designated Contracts and the Debtors shall be relieved, pursuant to section 365(k) of the Bankruptcy Code, from any further liability under the Designated Contracts.

28. After the passage of fourteen days from the date of notice to a counterparty of the inclusion of its agreement in the list of the Designated Contracts (the “Adequate Assurance Deadline”) with no objections from counterparties, the Purchaser will be deemed to have provided adequate assurance of future performance under the relevant Designated Contracts within the meaning of sections 365(b)(1)(C), 365(b)(3) (to the extent applicable) and 365(f)(2)(B) of the Bankruptcy Code. Should an objection from a counterparty exist upon the Adequate Assurance Deadline, after the passage of two business days with no resolution of such objection, the Debtors shall schedule a hearing regarding the objection.

29. There shall be no assignment fees, increases, rent-acceleration, or any other fees charged to the Purchaser or the Debtors as a result of the assumption and assignment of the Designated Contracts. Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code, all counterparties to the Designated Contracts are forever barred and permanently enjoined from raising or asserting against the Debtors or the Purchaser, with respect to the assignment of the Designated Contracts to the Purchaser, any assignment fee, default, breach, claim, pecuniary loss, or condition to assignment, that arise under or related to the Designated Contracts, existing as of the date of assignment of such Designated Contracts.

30. Neither the Purchaser, nor any successor of the Purchaser, shall be responsible for or have any Liens or Interests or obligations arising out of any of the contracts, agreements, or understandings that have not been assumed or assigned to the Purchaser (except as specifically provided by the Purchase Agreement).

No Successorship

31. Neither the Purchaser nor any of its Affiliates are successors to the Debtors or their estates by reason of any theory of law or equity, and neither the Purchaser nor any of its Affiliates shall assume or in any way be responsible for any liability or obligation of the Debtors or their estates, except as otherwise provided in the Purchase Agreement.

Time is of the Essence

32. Time is of the essence in consummating the Sale. In order to maximize the value of the Purchased Assets, it is essential that the sale and assignment of the Purchased Assets occur within the time constraints set forth in the Purchase Agreement.

Modification of the Automatic Stay

33. The automatic stay provisions of section 362 of the Bankruptcy Code are lifted and modified to the extent necessary to implement the terms and conditions of the Purchase Agreement and the provisions of this Sale Order.

Exclusion of Insider and Affiliate Causes of Action from Assets Purchased, Sold or Transferred

34. Notwithstanding anything else herein or in the Purchase Agreement, the following property and assets are not being purchased by the Purchaser or Sold by the Debtor under this Order or the Purchase Agreement and shall, solely to the extent finally determined by the Court to be property of the Debtors' estate(s) (other than Avoidance Actions, defined below, which are property of the Debtors' estate(s)) as of the Petition Date, remain property of the Debtors' estate(s): any claims, of any type or kind, of the Debtors' estates against any current or former Insiders or Affiliates (as such terms are defined in Bankruptcy Code §§ 101(2) and (31)) of the Debtors, including Avoidance Actions (defined below) against current or former Insiders or Affiliates (the "Excluded Claim Assets"). Nothing in this Order affects or limits the DIP Lender's liens in the proceeds of such Excluded Claim Assets, subject to the provisions of the *Final Order (I) Authorizing The Debtors To Obtain Postpetition Financing, (II) Granting Liens, (III) Modifying The Automatic Stay, And (IV) Granting Related Relief* [Docket No. 111].

35. Nothing in this Order shall be deemed to be a finding, or a ruling, as to the Debtors' estates' interest, or not, in any non-Avoidance Actions (defined below) against any current or former Insiders or Affiliates of the Debtor (as such terms are defined in Bankruptcy Code §§ 101(2) and (31)). To the extent a creditor, or group of creditors, can assert a claim or claims unique to it or them under applicable law is not or are not cause(s) of action of the Debtors' estates, nothing in this Order will be deemed to render such claim or claims as causes of action of the Debtors' estates.

All parties' rights to argue, dispute or assert that any claims (other than causes of action under Chapter 5 of Title 11 of the U.S. Bankruptcy Code, "Avoidance Actions") are or are not property of the Debtors or the Debtors' estates are fully preserved, and this Order shall not prejudice the rights of any party to contend that any claims (other than Avoidance Actions) are not property of the Debtors or the Debtors' estates.

Additional Provisions

36. Effective upon the Closing Date and except as otherwise provided in this Sale Order or the Purchase Agreement, all entities are forever prohibited and permanently enjoined from commencing or continuing in any manner any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral, or other proceeding against the Purchaser, its successors and assigns, or the Purchased Assets, with respect to any: (a) Liens or Interests arising under, out of, in connection with, or in any way relating to the Debtors, the Purchaser, the Purchased Assets, or the operation of the Debtors' business or the Purchased Assets prior to the closing of the Sale; or (b) successor liability, including the following actions: (i) commencing or continuing in any manner any action or other proceeding against the Purchaser, its successors or assigns, assets, or properties, including with respect to the Liens or Interests; (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against the Purchaser, its successors, assigns, assets, or properties; (iii) creating, perfecting, or enforcing any Liens or Interests against the Purchaser, its successors, assigns, assets, or properties; (iv) asserting any setoff (except to the extent exercised prepetition), right of subrogation, or recoupment of any kind against any obligation due the Purchaser or its successors or assigns; or (v) commencing or continuing any action, in any manner or place, that does not comply or is inconsistent with the provisions of this Sale Order or other orders of this Court, or the agreements or actions contemplated or taken in respect thereof.

37. Except as otherwise provided in the Purchase Agreement, the Purchaser shall have no obligation, as successor or otherwise (including with respect to successor or vicarious liabilities of any kind or character), to pay wages, bonuses, severance pay, benefits (including contributions or payments on account of any under-funding with respect to any and all pension plans) or any other payment to employees of the Debtors or their Affiliates. Except as otherwise provided in the Purchase Agreement, the Purchaser shall have no liability, as successor or otherwise (including with respect to successor or vicarious liabilities of any kind or character), with respect to any collective bargaining agreement, labor practice agreement, employee pension plan, employee welfare or retention, benefit, and/or incentive plan to which the Debtors or their Affiliates are a party and relating to the Debtors' business (including arising from or related to the rejection or other termination of any such agreement), and the Purchaser shall in no way, as successor or otherwise (including with respect to successor or vicarious liabilities of any kind or character), be deemed a party to or assignee of any such agreement, and no employee of the Purchaser shall be deemed in any way covered by or a party to any such agreement, and all parties to any such agreement are hereby enjoined from asserting against the Purchaser any and all Liens or Interests arising from or relating to such agreement.

38. Except as provided in the Purchase Agreement and without limiting other applicable provisions of this Sale Order, the Purchaser is not, by virtue of the consummation of the Sale, assuming, nor shall it be liable or responsible for, as a successor or otherwise (including with respect to successor or vicarious liabilities of any kind or character), under any theory of law or equity, including any theory of antitrust, environmental successor or transferee liability, labor law, *de facto* merger, or substantial continuity, whether known or unknown as of the Closing Date, now existing or hereafter raised, which may be asserted or unasserted, fixed or contingent,

liquidated or unliquidated with respect to the Debtors, or any of their predecessors or Affiliates or any obligations of the Debtors or their predecessors or Affiliates arising prior to the Closing Date, for any liabilities, debts, commitments, or obligations (whether known or unknown, disclosed or undisclosed, absolute, contingent, inchoate, fixed or otherwise) in any way whatsoever relating to or arising from the Purchased Assets or the Debtors' operation of their business or use of the Purchased Assets on or prior to the Closing Date or any such liabilities, debts, commitments, or obligations that in any way whatsoever relate to periods on or prior to the Closing Date or are to be observed, paid, discharged, or performed on or prior to the Closing Date (in each case, including any liabilities that result from, relate to or arise out of tort or other product liability claims), or any liabilities calculable by reference to the Debtors or their assets or operations, or relating to conditions existing on or prior to the Closing Date. Without limiting the generality of the foregoing and except as provided in the Purchase Agreement or this Sale Order, by virtue of the consummation of the Sale contemplated by the Purchase Agreement, the Purchaser shall not be liable or responsible, as a successor or otherwise, including with respect to successor or vicarious liabilities of any kind or character, for the Debtors' liabilities, debts, commitments, or obligations, whether calculable by reference to the Debtors, arising on or prior to the Closing and under or in connection with: (a) any employment or labor agreements (including any collective bargaining agreements or labor practice agreements), consulting agreements, severance arrangements, change-in-control agreements or other similar agreement to which the Debtors are a party; (b) any pension, welfare, compensation or other employee benefit plans, agreements, practices, and programs, including any pension plan of the Debtors; (c) the cessation of the Debtors' operations, dismissal of employees, or termination (including rejection) of employment or labor agreements (including any collective bargaining agreements or labor practice agreements) or pension, welfare,

compensation or other employee benefit plans, agreements, practices, and programs, obligations that might otherwise arise from or pursuant to the Employee Retirement Income Security Act of 1974, as amended, the Fair Labor Standard Act, Title VII of the Civil Rights Act of 1964, the Age Discrimination and Employment Act of 1967, the Federal Rehabilitation Act of 1973, the National Labor Relations Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Consolidated Omnibus Budget Reconciliation Act, or the Worker Adjustment and Retraining Notification Act; (d) workmen's compensation, occupational disease or unemployment or temporary disability insurance claims, (e) environmental liabilities, debts, claims or obligations arising from conditions first existing on or prior to Closing (including the presence of hazardous, toxic, polluting, or contaminating substances or wastes), which may be asserted on any basis, including under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 *et seq.*; (f) any bulk sales, bulk transfer, or similar law; (g) any liabilities, debts, commitments, or obligations of, or required to be paid by, the Debtors for any Taxes of any kind for any period; (h) any liabilities, debts, commitments, or obligations relating to the business of the Debtors or the Purchased Assets for or applicable to the pre-Closing period; (i) any litigation; (j) any liability, whether pursuant to any state or any federal laws that arise from products manufactured or distributed by or on behalf of Debtors; and (k) any Excluded Liabilities as set forth in the Purchase Agreement.

39. The recitation, in the immediately preceding paragraph of this Sale Order, of specific agreements, plans, or statutes is not intended, and shall not be construed, to limit the generality of the categories of liabilities, debts, commitments, or obligations referred to therein.

40. Nothing in the Sale Order or the Asset Purchase Agreement releases, nullifies, precludes, or enjoins the enforcement of any police or regulatory liability to a governmental unit to

the extent that any entity would be subject to as the post-sale owner or operator of the property after the date of Closing of the transaction approved through the entry of the Sale Order. Nothing in the Sale Order (including this paragraph) or the Asset Purchase Agreement (i) shall be interpreted to deem the Purchaser the successor to the Debtor under any successor liability doctrine with respect to: (x) any pre-petition costs incurred by any entity or Governmental Unit, or (y) fines or penalties for days of violation prior to the date of Closing; or (ii) shall be deemed to diminish any liability defense available to the Purchaser under non-bankruptcy law. Nothing in the Sale Order or the Asset Purchase Agreement authorizes the transfer or assignment of any governmental (a) license, (b) permit, (c) registration, (d) authorization or (e) approval, or the discontinuation of any obligation thereunder, without compliance with all applicable legal requirements and approvals under applicable non-bankruptcy law. Nothing in the Sale Order or the Asset Purchase Agreement releases, nullifies, precludes, or enjoins the enforcement of any powers the State of Minnesota may have under any environmental cost recovery statute with respect to the Debtors for liabilities or matters arising prior to the Closing, and the Purchaser for liabilities or matters arising after the Closing, including but not limited to the Minnesota Environmental Response and Liability Act, Minnesota statutes, chapter 115B, to pursue any cost recovery claims for, in the case of the Purchaser, liabilities or matters arising after the Closing.

41. Debtors and the Purchaser hereby waive, and shall be deemed to waive, any requirement of compliance with, and any claims related to non-compliance with, the provisions of any bulk sales, bulk transfer, or similar law of any jurisdiction that may be applicable.

42. If the Sale of assets pursuant to the Purchase Agreement that is the subject of this Order (the “WG Asset Sale”) closes prior to the closing of the sale pursuant to the Equity Purchase Agreement between the Debtors and Accuma Corporation, then at the Closing of the WG Asset

Sale, (i) the Debtors shall cause Water Gremlin Aquila Company S.p.A, a Società per Azioni to make a dividend to Holdings (no later than the business day prior to the Closing) of not less than \$3 million and the Debtors shall pay such \$3 million to the DIP Lender for application to any unpaid Obligations (including principal, interest, and fees, and including all accrued and unpaid legal fees and expenses) remaining outstanding (as such terms are used in the Final DIP Order [Docket No 111]), (ii) the Debtors shall pay all of the approximately \$2 million in cash on hand at Holdings to the DIP Lender for application to any unpaid Obligations remaining outstanding; (iii) the Debtors shall pay all cash on hand at Water Gremlin after the Closing to the DIP Lender for application to any unpaid Obligations remaining outstanding; and (iv) all net proceeds of the WG Asset Sale shall also be paid directly to the DIP Lender for application to those same amounts (to the extent outstanding).

43. In order to resolve the limited objection of RoofCare Service Center, LLC [Docket No. 274], the Debtors shall place in a segregated account the sum of \$276,372.46 on account of RoofCare Service Center, LLC's alleged mechanics' lien claim (the "Roof Claim") to be released upon further order of the Court in connection with the allowance or disallowance of the Roof Claim. With respect to the Roof Claim, all parties' rights as to the validity, amount, extent, and priority of such claim are fully preserved, including without limitation that the value of the property allegedly secured by the Roof Claim is zero.

44. Following the Closing, no holder of a Claim or Interest in or against the Debtors or the Purchased Assets shall interfere with the Purchaser's title to or use and enjoyment of the Purchased Assets based on or related to such Claim or Interest or any actions that the Debtors may take in this Bankruptcy Case or any successor cases.

45. The Debtors shall be, and it hereby are, authorized to take all such actions as may be necessary to effectuate the terms of this Sale Order.

46. The Sale contemplated by the Purchase Agreement is undertaken by the Purchaser without collusion and in good faith, as that term is defined in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein under subsection (b) or (c) of section 363(m) of the Bankruptcy Code to consummate the Sale does not affect the validity of the Sale to the Purchaser (including the assumption and assignment of the Designated Contracts by the Purchaser, if any, and the sale free and clear of all Liens or Interests (unless otherwise assumed in the Purchase Agreement)), whether or not the Purchaser knew of the pendency of any appeal, unless such authorization and consummation of such Sale are duly stayed pending such appeal. The Purchaser is a good-faith buyer within the meaning of section 363(m) of the Bankruptcy Code and, as such, is entitled to the full protections of section 363(m) of the Bankruptcy Code.

47. As a good-faith purchaser of the Purchased Assets, the Purchaser has not colluded with any of the other bidders, potential bidders, or any other parties interested in the Purchased Assets, and therefore neither the Debtors nor any successor in interest to the Debtors' estate nor any other party in interest shall be entitled to bring an action against the Purchaser or any of its Affiliates, and the sale of the Purchased Assets may not be avoided pursuant to section 363(n) of the Bankruptcy Code.

48. The Debtors commit not to propose any plan of reorganization or liquidation, or order of any type or kind entered in this Bankruptcy Case, any subsequent chapter 7 or chapter 11 case of the Debtors, or any related proceeding subsequent to entry of this Sale Order that shall

directly conflict with or directly derogate from the provisions of the Purchase Agreement or the terms of this Sale Order.

49. The failure specifically to include any particular provisions of the Purchase Agreement including any of the documents, agreements, or instruments executed in connection therewith in this Sale Order shall not diminish or impair the efficacy of such provision, document, agreement, or instrument.

50. To the extent that this Sale Order is inconsistent with any prior order or pleading with respect to the Motion in this Bankruptcy Case, the terms of this Sale Order shall govern.

51. To the extent there are any inconsistencies between the terms of this Sale Order and the Purchase Agreement (including all ancillary documents executed in connection therewith), the terms of this Sale Order shall govern.

52. The Purchase Agreement and any related agreements, documents, or other instruments may be modified, amended or supplemented by the parties thereto in accordance with the terms thereof without further order of this Court, provided any such modifications, amendments, or supplements either are not prejudicial to third parties or are made with such third parties' consent.

53. The provisions of this Sale Order are nonseverable and mutually dependent.

54. Notwithstanding Bankruptcy Rules 6004(h), 6006(d), 7062, and 9014, this Sale Order shall be effective immediately upon entry and the Debtors and the Purchaser are authorized to close the Sale immediately upon entry of this Sale Order, in accordance with the Purchase Agreement.

55. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Sale Order.

56. This Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the Purchase Agreement, all amendments thereto and any waivers and consents thereunder and each of the agreements executed in connection therewith to which the Debtors are a party or which has been assigned by the Debtors to the Purchaser, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to Purchase Agreement or the Sale.

Dated: February 15th, 2024
Wilmington, Delaware


LAURIE SELBER SILVERSTEIN
UNITED STATES BANKRUPTCY JUDGE