

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

In re:

NEW RUE21 HOLDCO, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-10939 (BLS)

(Jointly Administered)

**Re: Dkt. Nos. 94, 151, 171, 172, 187,
194, 228, 243, & 245**

**ORDER (I) AUTHORIZING THE SALE OF CERTAIN ASSETS OF THE
DEBTORS TO YM INC. (SALES) FREE AND CLEAR OF ALL LIENS, CLAIMS,
INTERESTS, AND ENCUMBRANCES AND (II) GRANTING RELATED RELIEF**

Upon the motion, dated May 7, 2024 [Dkt. No. 94], as supplemented by the *Supplement to the Debtors' Bidding Procedures Motion [D.I. 94] Requesting (I) Authorization to Enter into the Stalking Horse APA, (II) Approval of Bid Protections and (III) Certain Related Relief*, dated May 20, 2024 [Dkt. No. 171] (collectively, the "Motion")² of the debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"), pursuant to sections 105 and 363 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6003, 6004, 6006, 9006, 9007, 9008 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rules 2002-1, 6004-1 and 9006-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), seeking entry of (i) an order (the "Bidding Procedures Order") (a) approving the bidding procedures (the "Bidding Procedures") in connection with the sale (the "Sale" or "Sale

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of their federal tax identification numbers, are New rue21 Holdco, Inc. (4668), r21 Holdings, Inc. (1618), New rue21 Intermediate, Inc. (9166), New rue21, LLC (4521), New RSC, LLC (4690), and r services llc (9425). The Debtors' headquarters is located at 800 Commonwealth Drive, Warrendale, PA 15086.

² All capitalized terms used but not otherwise defined in this Order shall have the meaning ascribed to them in the Bidding Procedures Order or in the Stalking Horse APA (each, as defined below), as applicable.

Transaction”) of substantially all of the Debtors’ remaining assets, including their intellectual property, customer data and information, certain furniture, fixtures, and equipment, and related assets (including the Purchased Assets (as defined in the Stalking Horse APA)), (b) authorizing the Debtors to enter into that certain *Asset Purchase Agreement*, by and among the Debtors and YM Inc. (Sales) (the “Purchaser”), dated as of May 16, 2024, as amended by that certain *Amendment to Asset Purchase and Sale Agreement*, dated as of May 31, 2024 (the “Amendment”) (as may be further amended or otherwise modified from time to time in accordance with the terms thereof and this Order and including all related documents, exhibits, schedules, and agreements thereto, collectively, the “Stalking Horse APA”), a copy of which is attached hereto as **Exhibit 1**, (c) granting the Purchaser the Bid Protections subject to higher and otherwise better offers for the Assets in accordance with the Bidding Procedures Order, (d) scheduling one or more auctions (the “Auction”) and one or more hearings to consider approval of the Sale (the “Sale Hearing”), and approving the form and manner of notice of the proposed Bidding Procedures, the Auction and the Sale Hearing, substantially in the form attached to the Bidding Procedures Order as **Exhibit 2**, (e) approving the form and manner of notice to each relevant non-Debtor counterparty to an executory contract or unexpired lease, if any, that may be assumed and assigned in connection with the Sale and the assumption and assignment procedures related thereto, and (f) granting related relief; and (ii) an order (a) approving the Sale and other transactions contemplated by the Stalking Horse APA for the sale of the Purchased Assets to the Purchaser free and clear of any and all Claims (as defined below), (b) approving the assumption and assignment of certain executory contracts, if any, in connection therewith, and (c) granting related relief; and the Debtors and the Purchaser having executed the Stalking Horse APA; and the Court having entered the Bidding Procedures Order on May 24, 2024 [Dkt. No. 194]; and the Auction having been cancelled in accordance with the

Bidding Procedures on May 29, 2024 [Dkt. No. 228]; and the Debtors having filed that certain *Notice of Cancellation of Auction and Designation of Successful Bidder* [Dkt. No. 228] in accordance with the Bidding Procedures Order, designating the Purchaser as the Successful Bidder for the Purchased Assets pursuant to the Stalking Horse APA; and the Sale Hearing having been held on May 30, 2024; and the Court having reviewed and considered the relief sought in the Motion, the Stalking Horse APA, any objections to the Motion, and the arguments of counsel made, and the evidence proffered or adduced, at the Sale Hearing; and all parties in interest having been heard or having had the opportunity to be heard regarding the Sale Transaction and the relief requested in this Order; and due and sufficient notice of the Sale Hearing and the relief sought therein having been given under the particular circumstances of these Chapter 11 Cases and in accordance with the Bidding Procedures Order; and it appearing that no other or further notice need be provided; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and all other parties in interest; and it appearing that the Court has jurisdiction over this matter; and it further appearing that the legal and factual bases set forth in the Motion, the First Day Declaration [Dkt. No. 19], the Adams Declaration [Dkt. No. 172] and the Supplemental Adams Declaration [Dkt. No. 245] (collectively, the “Declarations”), and it being established that there exists just cause for the relief granted herein; and after due deliberation thereon,

THE COURT HEREBY FINDS THAT:³

Jurisdiction and Venue

A. This Court has jurisdiction to hear and determine the Motion pursuant to 28 U.S.C.

³ The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

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

Statutory Predicates

B. The statutory predicates for the relief requested in the Motion are Bankruptcy Code sections 105 and 363. Such relief is also warranted pursuant to Bankruptcy Rules 2002, 6003, 6004, 6006, 9006, 9007, 9008, and 9014, and Local Rules 2002-1, 6004-1 and 9006-1.

Final Order

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

**Notice of the Stalking Horse APA,
Sale Transaction, Sale Hearing, and Bidding Procedures Order**

D. On May 2, 2024 (the “Petition Date”), the Debtors commenced these chapter 11 cases (the “Chapter 11 Cases”) by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. Since the Petition Date, the Debtors have continued to operate and manage their businesses as debtors-in-possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

E. On May 13, 2024, the Office of the United States Trustee for the District of Delaware appointed the official committee of unsecured creditors (the “Committee”) pursuant to Bankruptcy Code section 1102 [Dkt. No. 134].

F. The Debtors gave due and proper notice of the proposed Sale, Auction, and Sale Hearing on May 29, 2024 [Dkt. No. 226] (the “Sale Notice”). The Sale Notice constituted good, sufficient, and appropriate notice of the Sale under the particular circumstances and no further notice need be given with respect to the proposed Sale. As provided by the Sale Notice, a reasonable opportunity to object or be heard regarding the requested relief has been afforded to all interested persons and entities. Other parties interested in bidding on the Purchased Assets were provided, prior to and pursuant to the Bidding Procedures Order, sufficient information to make an informed judgment on whether to bid.

G. As evidenced by the affidavits of service [Dkt. Nos. 136, 185, and 212] and certificate of publication [Dkt. No. 238] previously filed with the Court, and based on the Declarations and the representations of counsel at the Sale Hearing, and under the urgent circumstances of these Cases, due, proper, timely, adequate and sufficient notice of the Motion, the Bidding Procedures Order, the Auction, the Sale Hearing, the Stalking Horse APA, this Order, and the Sale Transaction has been provided in accordance with Bankruptcy Code sections 102(1) and 363, Bankruptcy Rules 2002, 9006, 9007, 9008, and 9014, and Local Rules 2002-1 and 6004-1. The Debtors have complied with all obligations to provide notice of the Motion, the Bidding Procedures Order, the Auction, the Sale Hearing, the Stalking Horse APA, this Order and the Sale Transaction as required by the Bidding Procedures Order.

H. Based on the Declarations and representations of counsel at the Sale Hearing and prior hearing(s) in these cases, time is of the essence for the Debtors, and these cases do not require a longer process than the one contemplated for the Sale Transactions. While the sale timeline was accelerated, it was consistent with the timeline set forth in the Bidding Procedures Order and appropriate under the circumstances in light of, among other things, the nature of the Debtors’

assets, their liquidity constraints, and the extensive marketing process that the Debtors have conducted to date.

I. The aforementioned notices are good, sufficient and appropriate under the circumstances, and no other or further notice of the Motion, the Bidding Procedures Order, the Bid Deadline, the Auction, the Sale Hearing, the Sale Objection Deadline, the Post-Auction Objection Deadline (each as defined in the Bidding Procedures Order), the Stalking Horse APA, this Order or the Sale Transaction is or shall be required.

J. A reasonable opportunity to object or be heard regarding the relief requested in the Motion and provided in this Order was afforded to all parties in interest.

Compliance with the Bidding Procedures Order

K. As demonstrated by the evidence proffered or adduced in the Declarations and at the Sale Hearing and the representations of counsel at the Sale Hearing, the Debtors have complied in all material respects with the Bidding Procedures Order. The Debtors and their professionals have adequately and appropriately marketed the Purchased Assets in compliance with the Bidding Procedures, and the Bidding Procedures Order, and in accordance with the Debtors' fiduciary duties. Based upon the record of these proceedings and the circumstances of these Chapter 11 Cases, creditors, other parties in interest and prospective purchasers were afforded a reasonable and fair opportunity to bid for the Purchased Assets.

L. The Bidding Procedures were substantively and procedurally fair to all parties and all potential bidders and afforded notice and a full, fair and reasonable opportunity for any person to make a higher or otherwise better offer to purchase the Purchased Assets. The Debtors conducted the sale process without collusion and in accordance with the Bidding Procedures. No other entity or group of entities has presented a higher or otherwise better offer to the Debtors to

purchase the Purchased Assets for greater economic value to the Debtors' estates than the Purchaser.

M. The Bidding Procedures Order is incorporated herein by reference.

N. The Purchaser is the Successful Bidder (as defined in the Bidding Procedures), and the Stalking Horse APA is the Successful Bid (as defined in the Bidding Procedures), for the Purchased Assets in accordance with the Bidding Procedures Order. The Debtors and the Purchaser have complied in all respects with the Bidding Procedures Order and all other applicable orders of the Court in negotiating and entering into the Stalking Horse APA and the Sale Transaction and the Stalking Horse APA likewise comply with the Bidding Procedures Order and all other applicable orders of the Court.

Business Judgment

O. The Stalking Horse APA, including the form and total consideration to be realized by the Debtors under the Stalking Horse APA, (i) constitutes the highest and best offer received by the Debtors for the Purchased Assets, (ii) is fair and reasonable, and (iii) is in the best interests of the Debtors, their estates, their creditors and all other parties in interest.

P. The Debtors' determination, in consultation with the Consultation Parties, that the consideration provided by the Purchaser under the Stalking Horse APA constitutes the highest and best offer for the Purchased Assets is a valid and sound exercise of the Debtors' business judgment.

Q. Consistent with their fiduciary duties, the Debtors have demonstrated good, sufficient and sound business reasons and justifications for entering into the Sale Transaction and the performance of their obligations under the Stalking Horse APA, including, but not limited to, the fact that (i) the consideration provided by the Purchaser under the Stalking Horse APA will provide a greater recovery for the Debtors' estates than would be provided by any other available

alternative, including a separate liquidation of the Purchased Assets, and (ii) unless the Sale Transaction is concluded expeditiously as provided for in the Motion and pursuant to the Stalking Horse APA, recoveries of creditors will be diminished.

Corporate Authority

R. Subject to entry of this Order, each Debtor (i) has full corporate power and authority to execute and deliver the Stalking Horse APA and all other documents contemplated thereby, (ii) has all of the necessary corporate power and authority to consummate the transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction, (iii) has taken all corporate action necessary to authorize and approve the Stalking Horse APA and the consummation by the Debtors of the transactions contemplated thereby, including, without limitation, the Sale Transaction, and (iv) subject to entry of this Order, needs no consents or approvals, other than those expressly set forth in the Stalking Horse APA or this Order, to consummate the transactions contemplated thereby, including, without limitation, the Sale Transaction.

S. The consummation of the Sale Transaction is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, Bankruptcy Code sections 105(a), 363(b), 363(f), and 363(m) of the Bankruptcy Code, and all of the applicable requirements of such sections have been complied with in respect of the transaction.

T. The Stalking Horse APA has been duly and validly executed and delivered by the Debtors and, subject to the terms of the Stalking Horse APA, shall constitute a valid and binding obligation of the Debtors, enforceable against the Debtors in accordance with its terms.

Good Faith

U. The sales process engaged in by the Debtors and the Purchaser, including, without limitation, the negotiation of the Stalking Horse APA, was at arm's length, non-collusive, in good faith, and substantively and procedurally fair to all parties in interest. None of the Debtors or the Purchaser has engaged in any conduct that would cause or permit the Stalking Horse APA or the Sale Transaction to be avoided, or costs or damages to be imposed, under Bankruptcy Code section 363(n).

V. The Debtors and the Purchaser have complied, in good faith, in all respects with the Bidding Procedures Order and the Bidding Procedures. The Debtors and their respective management, board of directors, board of managers (or comparable governing authority), employees, agents, and representatives, and the Purchaser and its employees, agents, advisors and representatives, each actively participated in the bidding process, and each acted in good faith and without collusion or fraud of any kind. The Sale of the Purchased Assets was the subject of a competitive sale and marketing process, and the Purchaser was designated the Successful Bidder for the Purchased Assets in accordance with the Bidding Procedures and the Bidding Procedures Order.

W. The Purchaser is a good faith purchaser within the meaning of Bankruptcy Code section 363(m) and is therefore entitled to the full protection of that provision in respect of the Sale Transaction, each term of the Stalking Horse APA (and any ancillary documents executed in connection therewith) and each term of this Order, and otherwise has proceeded in good faith in all respects in connection with this proceeding. None of the Debtors or the Purchaser has engaged in any conduct that would prevent the application of Bankruptcy Code section 363(m). The Debtors were free to deal with any other party interested in buying or selling some or all of the

Purchased Assets on behalf of the Debtors' estates. The protections afforded by Bankruptcy Code section 363(m) are integral to the Sale Transaction and the Purchaser would not consummate the Sale Transaction without such protections.

X. The form and total consideration to be realized by the Debtors under the Stalking Horse APA constitutes fair value, fair, full and adequate consideration, reasonably equivalent value and reasonable market value for the Purchased Assets.

Y. Neither the Purchaser nor any of its affiliates, officers, directors, managers, shareholders, members or any of their respective successors or assigns is an "insider" of any of the Debtors, as that term is defined under Bankruptcy Code section 101(31). No common identity of directors, managers, controlling shareholders, or members exists between the Debtors and the Purchaser.

No Fraudulent Transfer

Z. The consideration provided by the Purchaser for the Purchased Assets pursuant to the Stalking Horse APA (i) is fair and reasonable, (ii) is the highest and best offer for the Purchased Assets, (iii) will provide a greater recovery for the Debtors' creditors and estates than would be provided by any other practical available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, and each state, territory, possession and the District of Columbia.

AA. The Stalking Horse APA was not entered into, and none of the Debtors or the Purchaser has entered into the Stalking Horse APA or proposes to consummate the Sale Transaction, for the purpose of (i) escaping liability for any of the Debtors' debts or (ii) hindering, delaying or defrauding the Debtors' present or future creditors, for the purpose of statutory and common law fraudulent conveyance and fraudulent transfer claims whether under the Bankruptcy

Code or under the laws of the United States, any state, territory, possession thereof or the District of Columbia or any other applicable jurisdiction with laws substantially similar to the foregoing.

Free and Clear

BB. The transfer of the Purchased Assets to the Purchaser will be legal, valid, and effective transfers of the Purchased Assets, and will vest the Purchaser with all right, title, and interest of the Debtors to the Purchased Assets free and clear of any and all claims, causes of action, liens (including, without limitation, any statutory lien on real and personal property and any and all “liens” as that term is defined and used in the Bankruptcy Code, including section 101(37) thereof), liabilities, interests, rights and encumbrances, including, without limitation, the following: all mortgages, restrictions (including, without limitation, any restriction on the use, voting rights, transfer rights, claims for receipt of income or other exercise of any attributes of ownership), hypothecations, charges, indentures, loan agreements, instruments, leases, licenses, sublicenses, options, deeds of trust, security interests, equity interests, conditional sale rights or other title retention agreements, pledges, judgments, demands, rights of first refusal, consent rights, offsets, contract rights, rights of setoff, recoupment rights, rights of recovery, reimbursement rights, contribution claims, indemnity rights, exoneration rights, product liability claims, alter-ego claims, environmental rights and claims (including, without limitation, toxic tort claims), labor rights and claims, employment rights and claims, pension rights and claims, tax claims, regulatory violations by any governmental entity, decrees of any court or foreign or domestic governmental entity, charges of any kind or nature, debts arising in any way in connection with any agreements, acts, or failures to act, reclamation claims, obligation claims, infringement claims, claims or interests of governmental entities arising under state or local escheat or similar laws, claims of Debtors’ customers, claims under gift cards or arising from

merchandise credits, demands, guaranties, option rights or claims, rights, contractual or other commitment rights and claims, rights of tenants and subtenants (if any) under Bankruptcy Code section 365(h) or any similar statute, and all other matters of any kind and nature, 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 the Chapter 11 Cases and whether imposed by agreement, understanding, law, equity or otherwise, including claims otherwise arising under any theory, law or doctrine of successor or transferee liability or theories of liability related to acting in concert or active participation with the Debtors or related theories (all of the foregoing, including, without limitation, Liens and Liabilities, but excluding Assumed Liabilities (each as defined in the Stalking Horse APA), are collectively referred to in this Order as “Claims” and, as used in this Order, the term “Claims” includes, without limitation, any and all “claims” as that term is defined and used in the Bankruptcy Code, including section 101(5) thereof); provided, however, that such transfer shall not be free and clear of any Permitted Liens and Assumed Liabilities.

CC. All right, title, and interest of the Debtors in the Abandoned FF&E that has been or will be abandoned, and to the extent subsequently transferred to the Purchaser, will vest in the Purchaser, free and clear of any and all Claims.

DD. The Debtors may transfer the Purchased Assets or abandon the Abandoned FF&E free and clear of all Claims (other than any Permitted Liens and Assumed Liabilities), including, without limitation, rights or claims based on any successor, mere continuation or transferee liability or theories of liability related to actions in concert or active participation with the Debtors,

because, in each case, one or more of the standards set forth in Bankruptcy Code section 363(f)(1)-(5) has been satisfied. Those holders of Claims who had notice of the Motion and who did not object or withdrew their objections to the Motion, are deemed to have consented pursuant to Bankruptcy Code section 363(f)(2). Those holders of Claims who did object, fall within one or more of the other subsections of Bankruptcy Code section 363(f).

EE. The Debtors have, to the extent necessary, satisfied the requirements of section 363(b)(1) of the Bankruptcy Code.

FF. The Purchaser would not have entered into the Stalking Horse APA and would not consummate the transactions contemplated thereby, including, without limitation, the Sale Transaction, (i) if the transfer of the Purchased Assets were not free and clear of all Claims, or (ii) if the Purchaser would, or in the future could, be liable for or subject to any such Claims. The Purchaser will not consummate the transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction unless the Court expressly orders that none of the Purchaser, its respective affiliates, its respective present or contemplated members or shareholders, or the Purchased Assets will have any liability whatsoever with respect to, or be required to satisfy in any manner, whether at law or equity, or by payment, setoff, or otherwise, directly or indirectly, any Claims.

GG. Not transferring the Purchased Assets free and clear of all Claims would adversely impact the Debtors' efforts to maximize the value of their estates, and the transfer of the Purchased Assets other than pursuant to a transfer that is free and clear of all Claims of any kind or nature whatsoever would be of substantially less benefit to the Debtors' estates.

HH. Neither the Purchaser nor any of its affiliates are a mere continuation of the Debtors or their estates, there is no continuity or common identity between the Purchaser, any of its

affiliates and any of the Debtors, and there is no continuity of enterprise between the Purchaser, any of its affiliates and any of the Debtors. Neither the Purchaser nor any of its affiliates are holding themselves out to the public as a continuation of any of the Debtors. Neither the Purchaser nor any of its affiliates are a successor to any of the Debtors or their estates, and none of the transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction amounts to a consolidation, merger, or *de facto* merger of the Purchaser or any of its affiliates with or into any of the Debtors.

II. Without limiting the generality of the foregoing, and other than as may be set forth in the Stalking Horse APA, none of the Purchaser, its affiliates, its and their respective present or contemplated members or shareholders, or the Purchased Assets will have any liability whatsoever with respect to, or be required to satisfy in any manner, whether at law or equity, or by payment, setoff, or otherwise, directly or indirectly, any Claims relating to any U.S. federal, state or local income tax liabilities, that the Debtors may incur in connection with consummation of the transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction or that the Debtors have otherwise incurred prior to the consummation of the transactions contemplated by the Stalking Horse APA.

Validity of Transfer

JJ. The consummation of the transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction is legal, valid and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, Bankruptcy Code sections 105(a), 363(b), 363(f), and 363(m), and all of the applicable requirements of such sections have been complied with in respect of the transactions contemplated under the Stalking Horse APA.

KK. The Purchased Assets constitute property of the Debtors' estates and good title to the Purchased Assets of the Debtors is vested in the Debtors' estates within the meaning of Bankruptcy Code section 541(a). The Debtors are the sole and lawful owners of the Purchased Assets, and no other person has any ownership right, title, or interest therein.

LL. The sale, conveyance, assignment and transfer of any personally identifiable information pursuant to the terms of the Stalking Horse APA and this Order complies with the terms of the Debtors' policy regarding the transfer of such personally identifiable information as of the Petition Date and, as a result, consummation of the Sale Transaction is permitted pursuant to Bankruptcy Code section 363(b)(1)(A). Accordingly, appointment of a consumer privacy ombudsman in accordance with Bankruptcy Code sections 363(b)(1) or 332 is not required with respect to the Sale Transaction.

Compelling Circumstances for an Immediate Sale

MM. To maximize the value of the Purchased Assets and preserve the viability of the Purchased Assets, and as set forth in the Declarations due to the urgent circumstances of the Debtors, it is essential that the transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction occur within the time constraints set forth in the Stalking Horse APA. Time is of the essence in consummating the transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction. Accordingly, there is cause to waive the stays contemplated by Bankruptcy Rules 6004 and 6006.

NN. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the immediate approval and consummation of the transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction prior to, and outside of, a chapter 11 plan because, among other things, the Debtors'

estates will suffer irreparable harm if the relief requested in the Motion is not granted on an expedited basis. The transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates the terms of a chapter 11 plan for the Debtors, and therefore, do not constitute a *sub rosa* plan.

OO. The legal and factual bases set forth in the Motion, and in the Declarations filed in support thereof, and presented at the Sale Hearing establish just cause for the findings made and relief granted herein.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

General Provisions

1. The Motion is granted as provided herein, and entry into and performance under, and in respect of, the Stalking Horse APA attached hereto as **Exhibit 1** and the consummation of the transactions contemplated thereby, including, without limitation, the Sale Transaction is authorized and approved.

2. Entry into and performance under, and in respect of, the Amendment and the consummation of the transactions contemplated thereby is authorized and approved.

3. Any objections and responses to the Motion or the relief requested therein that have not been withdrawn, waived, settled, or resolved, and all reservations of rights included in such objections and responses, are overruled on the merits and denied with prejudice. All persons and entities given notice of the Motion that failed to timely object thereto are deemed to consent to the relief granted herein, including for purposes of Bankruptcy Code sections 363(f)(2), 365(c)(1), and 365(e)(2).

Approval of the Stalking Horse APA

4. The Stalking Horse APA, all ancillary documents, the transactions contemplated thereby, including, without limitation, the Sale Transaction and all the terms and conditions thereof, are approved. The failure specifically to include any particular provision of the Stalking Horse APA in this Order shall not diminish or impair the effectiveness of such provision, and the Court finds that the Stalking Horse APA be authorized and approved in its entirety.

5. The Debtors and their respective officers, employees and agents are authorized and directed to take any and all actions necessary, appropriate or requested by the Purchaser to perform, consummate, implement and close the Sale Transaction, including, without limitation, (a) the sale to the Purchaser of all Purchased Assets, in accordance with the terms and conditions set forth in the Stalking Horse APA and this Order, and (b) executing, acknowledging and delivering such deeds, assignments, conveyances and other assurance, documents and instruments of transfer and taking any action for purposes of assigning, transferring, granting, conveying and confirming to the Purchaser, or reducing to possession, the Purchased Assets, all without further order of the Court. The Debtors are further authorized to pay, without further order of the Court, whether before, at or after the Closing Date, any expenses or costs, if any, that are required to be paid by the Debtors under the Stalking Horse APA, this Order or the Bidding Procedures Order, in order to consummate the Sale Transaction or perform their obligations under the Stalking Horse APA.

6. All persons and entities, including, without limitation, the Debtors, the Debtors' estates, all debt security holders, equity security holders, governmental tax and regulatory authorities, lenders, customers, vendors, employees, former employees, litigation claimants, trustees, former employees, trade creditors, and any other creditors (or agent of any of the foregoing) who may or do hold Claims (whether legal or equitable, secured or unsecured, matured

or unmatured, contingent or noncontingent, senior or subordinated) 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 or ownership of the Purchased Assets by the Debtors prior to the Closing Date, or the Sale Transaction, are hereby prohibited, forever barred, estopped, and permanently enjoined from asserting or pursuing such Claims against the Purchaser, its affiliates, successors, assigns, its property or the Purchased Assets, including, without limitation, taking any of the following actions with respect to any Claims: (a) commencing or continuing in any manner any action, whether at law or in equity, in any judicial, administrative, arbitral, or any other proceeding, against the Purchaser, its affiliates, successors, assigns, assets (including the Purchased Assets), and/or properties; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against the Purchaser, its affiliates, successors, assigns, assets (including the Purchased Assets), and/or properties; (c) creating, perfecting, or enforcing any Claim against the Purchaser, its affiliates, any of their respective successors, assigns, assets (including the Purchased Assets), and/or properties; (d) asserting a Claim as a setoff, right of subrogation, or recoupment of any kind against any obligation due against the Purchaser, its affiliates or any of their respective successors or assigns; or (e) commencing or continuing any action in any manner or place that does not comply, or is inconsistent, with the provisions of this Order, the Stalking Horse APA, or the agreements or actions contemplated or taken in respect thereof, including the Debtors' ability to transfer the Purchased Assets to the Purchaser in accordance with the terms of this Order and the Stalking Horse APA. No such Person shall assert or pursue against the Purchaser or its affiliates, successors or assigns any such Claim.

7. The sale of the Purchased Assets to the Purchaser under the Stalking Horse APA constitutes a transfer for reasonably equivalent value and fair consideration under the Bankruptcy

Code and laws of all applicable jurisdictions, including, without limitation, the laws of each jurisdiction in which the Purchased Assets are located, and the sale of the Purchased Assets to the Purchaser may not be avoided under any statutory or common law fraudulent conveyance and fraudulent transfer theories whether under the Bankruptcy Code or under the laws of the United States, any state, territory, possession thereof or the District of Columbia or any other applicable jurisdiction with laws substantially similar to the foregoing.

Transfer of the Purchased Assets Free and Clear

8. Pursuant to Bankruptcy Code sections 105(a) and 363(f), the Purchased Assets shall be sold free and clear of all Claims, and the Abandoned FF&E has been and shall be abandoned free and clear of all Claims, with all such Claims, including, for the avoidance of doubt, any outstanding prepetition and postpetition liens and encumbrances securing the Prepetition Secured Obligations and any Adequate Protection Superpriority Claims,⁴ to attach to the proceeds of the Sale Transaction to be received by the Debtors with the same validity, force, priority and effect which they now have as against the Purchased Assets, subject to any claims and defenses the Debtors may possess with respect thereto; provided, however, that the proceeds of the Sale Transaction received by the Debtors shall be held and applied in accordance with the Cash Collateral Order.⁵

⁴ As such terms are defined in the *Interim Order (I) Authorizing Debtors to Use Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Dkt No. 78], as amended.

⁵ “Cash Collateral Order” shall mean, collectively, the (i) *Interim Order (I) Authorizing Debtors to Use Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Dkt. No. 78], the (ii) *Order Approving Stipulation Among the Debtors, the Prepetition ABL Agent and the Prepetition Term Loan Agent Regarding the Use of Cash Collateral* [Dkt. No. 112], and (iii) any final order that may be entered by the Court with respect to the use of cash collateral.

9. At Closing, all of the Debtors' right, title and interest in and to, and possession of, the Purchased Assets shall be immediately vested in the Purchaser pursuant to Bankruptcy Code sections 105(a), 363(b), and 363(f) free and clear of any and all Claims. All right, title, and interest of the Debtors in the Abandoned FF&E that has been or will be abandoned, and to the extent subsequently transferred to the Purchaser, will vest in the Purchaser, free and clear of any and all Claims. Such transfer of Purchased Assets shall constitute a legal, valid, binding and effective transfer of, and shall vest the Purchaser with good and marketable title to, the Purchased Assets. All persons or entities, presently or on or after the Closing Date, in possession of some or all of the Purchased Assets are directed to surrender possession of the Purchased Assets to the Purchaser or its designees on the Closing Date or at such time thereafter as the Purchaser may request.

10. This Order is and shall be binding upon and govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, registrars of patents, trademarks, domain names or other intellectual property, governmental entities, administrative agencies, governmental departments, secretaries of state, federal and local officials and all other persons and entities who may be required by operation of law, the duties of their office or contract, to accept, file, register or otherwise record or release any documents or instruments; and each of the foregoing persons and entities is hereby authorized to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the Sale Transaction contemplated by the Stalking Horse APA. The Purchased Assets are sold free and clear of any reclamation rights.

11. Except as otherwise expressly provided in the Stalking Horse APA or this Order, all persons and entities (and their respective successors and assigns), including, but not limited to, all debt security holders, equity security holders, affiliates, foreign, federal, state and local

governmental, tax and regulatory authorities, governmental entities, lenders, secured parties, customers, vendors, employees, trade creditors, litigation claimants and other creditors holding Claims against the Debtors or the Purchased Assets arising under or out of, in connection with, or in any way relating to, the Debtors, their estates, the Debtors' predecessors or affiliates, the Purchased Assets, the ownership, sale, use, possession, or operation of the Purchased Assets prior to Closing or, if later, the transfer of the Purchased Assets to the Purchaser, are hereby forever barred, estopped and permanently enjoined from asserting or prosecuting any cause of action or any process or other act or seeking to collect, offset, or recover on account of any Claims against the Purchaser, its predecessors, successors or assigns, its property, or the Purchased Assets. Following the Closing, except as expressly provided in the Stalking Horse APA or this Order, no holder of any Claim shall interfere with the Purchaser's title to or use and enjoyment of the Purchased Assets based on or related to any such Claim, or based on any action or omission of the Debtors, including any action or omission the Debtors may take in the Chapter 11 Cases.

12. The Debtors are authorized and directed to execute such documents as may be necessary to release any Claims of any kind against the Purchased Assets as such Claims may have been recorded or may otherwise exist. If any person or entity that has filed financing statements, *lis pendens* or other documents or agreements evidencing Claims against or in the Purchased Assets shall not have delivered to the Debtors prior to the Closing of the Sale Transaction, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Claims that the person or entity has with respect to the Purchased Assets, (a) the Debtors are hereby 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, (b) the Purchaser is hereby authorized to file, register or otherwise record a

certified copy of this Order, which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the release of all such Claims against the Purchaser and the applicable Purchased Assets, (c) the holders of any Claims are authorized and directed, if requested by Debtors or Purchaser, to execute such documents and take all other actions as may be necessary to terminate, discharge, or release their Claims in the Purchased Assets, and (d) the Purchaser may seek in the Court or any other court to compel appropriate parties to execute termination statements, instruments of satisfaction and releases of all such Claims with respect to the Purchased Assets. This Order is deemed to be in recordable form sufficient to be placed in the filing or recording system of each and every federal, state, or local government agency, department or office, and such agencies, departments and offices are authorized to accept this Order for filing or recording. Notwithstanding the foregoing, the provisions of this Order authorizing the sale and assignment of the Purchased Assets free and clear of Claims shall be self-executing, and none of the Debtors or the Purchaser shall be required to execute or file releases, termination statements, assignments, consents or other instruments in order to effectuate, consummate and implement the provisions of this Order.

13. To the maximum extent permitted under applicable law, the Purchaser 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 with respect to the Purchased Assets as of the Closing Date.

14. If, after the Closing Date, any licensee of any of the Purchased Assets (including pursuant to any contract that may have been previously rejected by the Debtors) is required, by

agreement, contract or applicable law, to make royalty or similar payments to the Debtors arising after the Closing Date on account of any Purchased Asset, such licensee shall instead make any such payments to the Purchaser directly.

15. No governmental unit (as defined in Bankruptcy Code section 101(27)) or any representative thereof may deny, revoke, suspend or refuse to renew any permit, license or similar grant relating to the operation of the Purchased Assets on account of the filing or pendency of the Chapter 11 Cases or the consummation of the Sale Transaction to the extent that any such action by a governmental unit or any representative thereof would violate Bankruptcy Code section 525.

No Successor or Transferee Liability

16. Upon the Closing Date, except as provided in the Stalking Horse APA, the entry of this Order and approval of the Stalking Horse APA shall mean that neither the Purchaser nor its affiliates, successors, or assigns, as a result of any action taken in connection with the Stalking Horse APA, the consummation of the transactions contemplated by the Stalking Horse APA, including, without limitation, the Sale Transaction, or the transfer or operation of the Purchased Assets, shall not be, nor be deemed to: (a) be a legal successor or successor employer to the Debtors (including with respect to any health or benefit plans), or otherwise be deemed a successor to the Debtors, and shall instead be, and be deemed to be, a new employer with respect to all federal or state unemployment laws, including any unemployment compensation or tax laws, or any other similar federal or state laws; (b) have, *de facto*, or otherwise, merged or consolidated with or into the Debtors; or (c) be an alter ego or a mere continuation or substantial continuation of the Debtors or the enterprise(s) of the Debtors or otherwise be deemed to be acting in concert or active participation with the Debtors, including, in the case of each of (a)-(c), without limitation, (x) within the meaning of any foreign, federal, state or local revenue law, pension law, the

Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act (“COBRA”), the WARN Act (29 U.S.C. §§ 2101 et seq.) (“WARN”), Comprehensive Environmental Response Compensation and Liability Act (“CERCLA”), the Fair Labor Standard Act, Title VII of the Civil Rights Act of 1964 (as amended), the Age Discrimination and Employment Act of 1967 (as amended), the Federal Rehabilitation Act of 1973 (as amended), the National Labor Relations Act, 29 U.S.C. § 151, et seq. (the “NLRA”) or (y) in respect of (i) any environmental liabilities, debts, claims or obligations arising from conditions first existing on or prior to the Closing Date (including, without limitation, the presence of hazardous, toxic, polluting, or contaminating substances or wastes), which may be asserted on any basis, including, without limitation, under CERCLA, (ii) any liabilities, penalties, costs, debts or obligations of or required to be paid by the Debtors for any taxes of any kind for any period, labor, employment, or other law, rule or regulation (including, without limitation, filing requirements under any such laws, rules or regulations), (iii) any products liability law or doctrine with respect to the Debtors’ liability under such law, rule or regulation or doctrine, (iv) any consumer protection law or doctrine with respect to the Debtors’ liability under such law, rule or regulation or doctrine, including, without limitation, any liabilities penalties, costs, debts or obligations imposed by the Federal Trade Commission and/or Bureau of Consumer Protection, of, or required to be paid by, the Debtors, or (v) any state or local escheat or similar laws.

17. Without limiting the generality of the foregoing, and except for the Assumed Liabilities and, as otherwise provided in the Stalking Horse APA and this Order, neither the Purchaser nor any of its affiliates, successors, or assigns shall have any responsibility for (a) any liability or other obligation of the Debtors or related to the Purchased Assets or (b) any Claims against the Debtors or any of their predecessors or affiliates. By virtue of the Purchaser’s

purchase of the Purchased Assets, neither the Purchaser nor any of its affiliates shall have any liability whatsoever with respect to the Debtors' (or their predecessors' or affiliates') respective businesses or operations or any of the Debtors' (or their predecessors' or affiliates') obligations based, in whole or part, directly or indirectly, on any theory of successor or vicarious liability of any kind or character, or any theory based on acting in concert or active participation with the Debtors, or based upon any theory of antitrust, environmental (including, but not limited to CERCLA), successor or transferee liability, *de facto* merger or substantial continuity, labor and employment (including, but not limited to, WARN), consumer protection law, or products liability law, whether known or unknown as of the Closing, now existing or hereafter arising, asserted or unasserted, fixed or contingent, liquidated or unliquidated, including any liabilities or non-monetary obligations on account of the Debtors' employment agreements or health or benefit plans, any settlement or injunction or any liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to the operation of the Purchased Assets prior to the Closing (collectively, with the potential claims set forth in paragraph 15 above, "Successor or Transferee Liability"). The Purchaser would not have acquired the Purchased Assets but for the foregoing protections against potential claims based upon Successor or Transferee Liability.

18. None of the Purchaser nor its affiliates, successors, assigns, equity holders, employees or professionals shall have or incur any liability to, or be subject to any action by any of the Debtors or any of their estates, predecessors, successors or assigns, arising out of the negotiation, investigation, preparation, execution, delivery of the Stalking Horse APA and the entry into and consummation of the sale of the Purchased Assets, except as expressly provided in the Stalking Horse APA and this Order.

19. Nothing in this Order or the Stalking Horse APA shall require the Purchaser or any of its affiliates to: (a) continue or maintain in effect, or assume any liability in respect of any employee, former employee, collective bargaining agreement, pension, welfare, fringe benefit or any other benefit plan, trust arrangement or other agreements to which the Debtors are a party or have any responsibility therefor including, without limitation, medical, welfare, and pension benefits payable after retirement or other termination of employment; or (b) assume any responsibility as a fiduciary, plan sponsor or otherwise, for making any contribution to, or in respect of the funding, investment or administration of any employee benefit plan, arrangement or agreement (including but not limited to pension plans) or the termination of any such plan, arrangement or agreement.

20. No bulk sales law or similar law of any state or other jurisdiction shall apply in any way to the transactions with the Debtors that are approved by this Order, including, without limitation, the Stalking Horse APA and the Sale Transaction.

Good Faith; Arm's Length Sale

21. The Stalking Horse APA has been negotiated and executed, and the transactions contemplated thereby, including, without limitation, the Sale Transaction are and have been undertaken, by the Debtors, the Purchaser and their respective representatives at arm's length, without collusion and in "good faith," as that term is defined in Bankruptcy Code section 363(m). Accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale Transaction shall not affect the validity of the Sale Transaction or any term of the Stalking Horse APA, and shall not permit the unwinding of the Sale Transaction. The Purchaser is a good faith purchaser within the meaning of Bankruptcy Code section 363(m) and, as such, is entitled to the full protections of Bankruptcy Code section 363(m).

22. None of the Debtors or the Purchaser has engaged in any conduct that would cause or permit the Stalking Horse APA or the transactions contemplated thereby, including, without limitation, the Sale Transaction, to be avoided or costs or damages, to be imposed, under Bankruptcy Code section 363(n). The consideration provided by the Purchaser for the Purchased Assets under the Stalking Horse APA is fair and reasonable, and the Sale Transaction may not be avoided under Bankruptcy Code section 363(n).

Related Relief

23. Each and every federal, state and governmental entity, agency or department, and any other person or entity, is hereby authorized to accept any and all documents and instruments in connection with or necessary to consummate the Sale Transaction and all other transactions contemplated by the Stalking Horse APA. For the avoidance of doubt, Bankruptcy Code section 1146(a) shall not apply to the Sale Transaction.

24. Nothing in this Order or the Stalking Horse APA releases, nullifies, or enjoins the enforcement of any liability (including, but not limited to, for reclamation and mitigation and any associated long-term protection requirements) by a governmental unit under police and regulatory statutes and regulations that any entity would be subject to as the owner of the Purchased Assets, provided, however, that the Purchaser shall not be liable for penalties for days of violation on or prior to the consummation of the Sale Transaction. Nothing in this Order or the Stalking Horse APA 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 police or regulatory law.

25. Neither Purchaser nor any Person claiming by, through or on behalf of Purchaser (including but not limited to by operation of law, sale, assignment, conveyance or otherwise) shall pursue, prosecute, litigate, institute or commence an action based on, assert, sell, convey, assign or file any claim that relates to the Avoidance Actions.

26. Subject to Section 8.8(b) of the Stalking Horse APA, effective upon the Closing and until and including June 30, 2024, the Purchaser shall grant to the Debtors and any agents engaged by or on behalf of the Debtors, a royalty free license of the Intellectual Property included in the Purchased Intellectual Property (each as defined in the Stalking Horse APA) for the purposes of conducting such Store Closing Sales (as defined in the Stalking Horse APA) in accordance with this Order and the previous orders of the Court in these Chapter 11 Cases.

27. No governmental unit may revoke or suspend any right, license, copyright, patent, trademark or other permission relating to the use of the Purchased Assets sold, transferred or conveyed to the Purchaser on account of the filing or pendency of these Chapter 11 Cases or the consummation of the sale of the Purchased Assets.

28. Absent the express written consent of the Purchaser, the Debtors shall not enter into any agreement with any third party or any governmental entity, which limits, restricts or affects the Purchased Assets.

29. Unless otherwise agreed to by Comenity Capital Bank (“Comenity”) and the Debtors in a separate written agreement, the private label credit cards offered by Comenity to qualifying customers of the Debtors pursuant to that certain Private Label Credit Card Program Agreement by and between Comenity Capital Bank and New Rue21, LLC dated as of July 16, 2021 (as amended or modified from time to time, the “Program Agreement”) shall cease utility, including being accepted for the purchase or return of any merchandise or inventory, effective as

of May 24, 2024 at 3:00 a.m. (prevailing eastern time). Notwithstanding anything to the contrary in the foregoing, Comenity shall be permitted to use the Debtors' trademarks and service marks through the later of (i) March 31, 2025 or (ii) nine (9) months after the last date on which Comenity is required to operate under the existing Program Agreement, solely as necessary to administer the private label credit card accounts and collect the balances due on any accounts pursuant to the Program Agreement. Additionally, Comenity shall have the right to use the un-stylized Rue21 name for as long as reasonably needed, provided Comenity is using commercially reasonable diligence to complete the liquidation of the portfolio, solely to service the private label credit card accounts (e.g. process, customer care, and collect any balances), including, but not limited to, through liquidation of the portfolio. In the event that Comenity uses the Debtors' trademarks and service marks after May 31, 2024, Comenity shall include an express written statement that the Rue21 Private Label Credit Card Program has no relationship with and is not applicable to YM Inc. (Sales) dba Rue21. Comenity and the Debtors agree that the Program Agreement will not be assumed, or assumed and assigned, as part of this Order nor will the Program Agreement be placed in any designation rights category or otherwise classified where it could be assumed and assigned at a later date.

30. To the extent any personal property on which Broward County holds a valid, senior, perfected, and unavoidable lien is sold pursuant to this Order, the Debtors are directed to pay the claims of Broward County, Florida, for estimated 2024 personal property tax in the amount of \$6,476.48 within 10 days of closing from the proceeds of the Sale. If such payment results in an overpayment of actual 2024 personal property taxes, Broward County shall refund any excess amounts to the Prepetition Term Loan Agent (as defined in the Interim Cash Collateral Order, at

Dkt No. 17). Such payment shall be without prejudice as to the Debtor's right to any refund or the County's right to pursue any shortfall after the amount owed is ascertained.

31. To the extent this Order is inconsistent with any prior order or pleading filed in these Chapter 11 Cases related to the Motion, the terms of this Order shall govern. To the extent there is any inconsistency between the terms of this Order and the terms of the Stalking Horse APA, the terms of this Order shall govern. Nothing contained in any plan of liquidation or reorganization, or order of any type or kind entered in these Chapter 11 Cases, any subsequent chapter 7 or chapter 11 case of the Debtors, or any related proceeding subsequent to entry of this Order, will conflict with or derogate from the terms of this Order or the Stalking Horse APA.

32. This Order and the Stalking Horse APA shall be binding in all respects upon all prepetition and postpetition creditors of the Debtors, all interest holders of the Debtors, any Court appointed committee (including the Committee), all successors and assigns of the Debtors and their affiliates and subsidiaries, and any trustees, examiners, "responsible persons" or other fiduciaries appointed in these Chapter 11 Cases or upon a conversion of any of the Debtors' cases to a case under chapter 7 of the Bankruptcy Code, including a chapter 7 trustee, and the Stalking Horse APA and Sale Transaction shall not be subject to rejection or avoidance under any circumstances by any party. If any order under Bankruptcy Code section 1112 is entered, such order shall provide (in accordance with Bankruptcy Code sections 105 and 349) that this Order and the rights granted to the Purchaser hereunder shall remain effective and, notwithstanding such dismissal, shall remain binding on parties in interest. For the avoidance of doubt, the Debtors' inability to satisfy in full all administrative expense claims of the Debtors' estates shall not be a basis for termination, rejection or avoidance (as applicable) of the Stalking Horse APA or the Sale Transaction.

33. This Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Order and the Stalking Horse APA, 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 the Sale Transaction and any party that has, or asserts, possession, control or other rights in respect of any of the Purchased Assets; provided, however, that, in the event the Court abstains from exercising or declines to exercise such jurisdiction with respect to the Stalking Horse APA, the Bidding Procedures Order, or this Order, such abstention, refusal, or lack of jurisdiction shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction of any other court having competent jurisdiction with respect to any such matter. This Court retains jurisdiction to compel delivery of the Purchased Assets, to protect the Debtors and their assets, including the Purchased Assets, against any Claims and Successor or Transferee Liability and to enter orders, as appropriate, pursuant to Bankruptcy Code sections 105(a) or 363 (or other applicable provisions) necessary to transfer the Purchased Assets to the Purchaser.

34. The Stalking Horse APA and any related agreements, documents, or other instruments may be modified, amended or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment, or supplement does not have a material adverse effect on the Debtors' estates.

35. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a).

36. Notwithstanding the provisions of Bankruptcy Rules 6004(h) and 6006(d) or any applicable provisions of the Local Rules, this Order shall not be stayed after the entry hereof, but shall be effective and enforceable immediately upon entry, and the 14-day stay provided in

Bankruptcy Rules 6004(h) and 6006(d) is hereby expressly waived and shall not apply. Time is of the essence in closing the Sale Transaction and the Debtors and the Purchaser intend to close the Sale Transaction as soon as practicable.

37. The Purchaser shall not be required to seek or obtain relief from the automatic stay under Bankruptcy Code section 362, to give any notice permitted by the Stalking Horse APA or to enforce any of its remedies under the Stalking Horse APA or any other sale-related document. The automatic stay imposed by Bankruptcy Code section 362 is modified solely to the extent necessary to implement the preceding sentence; provided, however, that the Court shall retain exclusive jurisdiction over any and all disputes with respect thereto.

38. The provisions of this Order are non-severable and mutually dependent.

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

Dated: May 31st, 2024
Wilmington, Delaware



BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Stalking Horse APA

ASSET PURCHASE AND SALE AGREEMENT

BY AND AMONG

NEW RUE21, LLC,

THE SUBSIDIARIES PARTY HERETO,

AND

YM INC. (SALES)

DATED AS OF May 16, 2024

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ASSET PURCHASE AND SALE AGREEMENT

THIS ASSET PURCHASE AND SALE AGREEMENT (this “Agreement”), dated as of May 16, 2024 (the “Execution Date”) is made and entered into by and among New rue21, LLC, a Delaware limited liability company (“Seller Parent”), each of the Subsidiaries of Seller Parent (together with Seller Parent, “Sellers” and individually, a “Seller”) and YM Inc. (Sales), a Canadian corporation (“Purchaser”). Sellers and Purchaser are sometimes herein referred to collectively as the “Parties” and individually as a “Party.”

WITNESSETH:

WHEREAS, Sellers and their Subsidiaries are retailers of fashionable, affordable apparel, shoes, beauty and accessories targeting all genders, including under the trade and brand name “rue21” and derivations thereof (the “Business”);

WHEREAS, on May 2, 2024, Sellers filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101 *et seq.* (the “Bankruptcy Code”), in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”); and

WHEREAS, on the terms and subject to the conditions hereinafter set forth and pursuant to the Bid Procedures Order and the Sale Order (each as defined herein), the Parties desire to enter into this Agreement pursuant to which, among other things, Sellers shall sell to Purchaser, and Purchaser shall purchase from Sellers, all of Sellers’ right, title and interest in and to the Purchased Assets (as defined herein) and Purchaser shall assume from Sellers and thereafter pay, discharge and perform the Assumed Liabilities (as defined herein) in accordance with their respective terms and conditions.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants, representations, warranties and agreements herein contained, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. For the purposes of this Agreement, the following terms shall have the meanings specified in this Section 1.1:

“Action” means any action, suit, arbitration, claim, inquiry, proceeding or investigation by or before any Governmental Authority of any nature, civil, criminal, regulatory or otherwise, in law or in equity.

“Affiliate” (and, with a correlative meaning “affiliated”) means, with respect to any Person, any direct or indirect subsidiary of such Person, and any other Person that directly, or through one or more intermediaries, controls or is controlled by or is under common control with such first Person. As used in this definition, “control” (including with correlative meanings, “controlled by” and “under common control with”) means possession, directly or indirectly, of power to direct or

cause the direction of the management or policies (whether through ownership of securities or partnership or other ownership interests, by Contract or otherwise).

“Agency Agreement” means that certain Store Closing Consulting Agreement, dated as of April 26, 2024 (as amended, modified, or supplemented from time to time) by and between Seller Parent and Gordon Brothers Retail Partners, LLC (the “Agent”).

“Applicable Law” means, with respect to any Person, any Law applicable to such Person or its business, properties or assets.

“Bankruptcy Cases” means the chapter 11 cases commenced or to be commenced by Sellers on or about May 2, 2024 jointly administered under Case No. 24-10939.

“Bid Procedures Order” means the order of the Bankruptcy Court in substantially the proposed form filed with the Bankruptcy Court on May 7, 2024 [Docket No. 94].

“Business Day” means a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by Law to close. Any event, the scheduled occurrence of which would fall on a day that is not a Business Day, shall be deferred until the next succeeding Business Day.

“Code” means the Internal Revenue Code of 1986, as amended.

“Contract” means any written contract, instrument, lease (other than a Real Property Lease), license (including any Intellectual Property License), commitment or other legally binding written agreement.

“Cure Costs” means amounts that must be paid and obligations that otherwise must be satisfied, pursuant to sections 365(b)(1)(A) and (B) of the Bankruptcy Code, in connection with the assumption and assignment to Purchaser (or its designee) of any Purchaser Assumed Contract as determined pursuant to the Sale Order whether or not they arise prior to the commencement of the Bankruptcy Cases.

“Distribution Centers” means all of Sellers’ distribution centers located throughout the United States.

“Documents” means all files, documents, instruments, papers, books, reports, manuals, records, tapes, microfilms, hard drives, databases, compilations of information, photographs, letters, budgets, accounts, forecasts, ledgers, journals, title policies, customer and supplier lists, regulatory filings, operating data and plans, technical documentation (design specifications, functional requirements, operating instructions, logic manuals, flow charts, etc.), user documentation (installation guides, user manuals, training materials, release notes, working papers, etc.), marketing documentation (including sales brochures, flyers, pamphlets, web pages, etc.), and other similar materials, in each case, whether or not in electronic form.

“Employee” means any employee of any Seller who performs work primarily related to the operation of the Business.

“Employee Benefit Plans” means all employee benefit plans (as defined in Section 3(3) of ERISA), all employment or individual compensation agreements, and all other plans, policies, agreements, payroll practices or arrangements providing any bonus, incentive, retention, equity or equity-based compensation, deferred compensation, stock purchase, severance pay, sick leave, vacation pay, salary continuation, disability, welfare benefit, pension benefit, life insurance, medical insurance, fringe benefits, educational assistance, tax gross up, change in control or other material employee benefit, in each case as to which any Seller or its Subsidiaries has any Liability with respect to any current or former officers, employees or directors of any Seller or its Subsidiaries.

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

“Excluded Contracts” means (a) each of the Contracts which are either (i) identified by Sellers as Excluded Assets on Schedule 1.1(b) or (ii) not designated as Purchaser Assumed Contracts and (b) the Real Property Leases.

“Excluded Matter” means any adverse change, circumstance, fact, condition or event resulting from one or more of the following: (i) the condition of the economy or the securities markets in general, or any outbreak of hostilities, terrorist activities or war; (ii) the announcement, pendency or consummation of the sale of the Purchased Assets or any other action by Purchaser or its Affiliates contemplated or required hereunder, including the inability of Sellers to pay any administrative expense claims in the Bankruptcy Cases and any Action taken by any Person as a result thereof; (iii) any changes in general economic, political or regulatory conditions; (iv) the commencement of the Bankruptcy Cases and the conducting of the Store Closing Sales under the Agency Agreement; or (v) any changes in Applicable Laws or accounting rules.

“FF&E Purchase Amount” means the product of (A) \$6,500 times (B) the number of Designated Stores.

“Fraud” means a knowing and intentional misrepresentation of a material fact in one or more of the representations and warranties of (i) the Sellers set forth in Article V or any Transaction Document executed and delivered by the Sellers pursuant to Section 4.2 or (ii) Purchaser set forth in Article VI or any Transaction Document executed and delivered by Purchaser pursuant to Section 4.3, in each case of clauses (i) and (ii), with the intent that the other Party rely on such fact, and, such other Party relies on such fact to its material detriment.

“GAAP” means United States generally accepted accounting principles as in effect during the time period of the relevant financial statement.

“Governmental Authority” means any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to United States or foreign federal, state or local government, any governmental authority, agency, department, board, commission or instrumentality or any political subdivision thereof, and any tribunal or court or arbitrator(s) of competent jurisdiction, and shall include the Bankruptcy Court.

“Incidental Licenses” means, collectively, any (i) permitted use right in a nondisclosure agreement; (ii) license with any current and former vendors, employees or contractors of any of the Sellers for the benefit of such Seller; (iii) non-exclusive licenses of Purchased Intellectual

Property in the ordinary course of business; (iv) non-exclusive licenses for “off-the-shelf”, “clickwrap” and “shrink-wrap” software and other software licenses that are commercially available to the public generally, with annual or onetime license, maintenance, support and other fees of less than \$100,000 per annum; (v) license implied by law; and (vi) non-exclusive licenses granted in a Contract to purchase or lease equipment, such as a photocopier, computer, or mobile phone that also contains a license of Intellectual Property.

“Intellectual Property” means all worldwide intellectual property and rights arising from or in respect of the following: all (i) trademarks, service marks, certification marks, collective marks, trade names, business names, assumed names, d/b/a’s, fictitious names, brand names, trade dress, logos, symbols, Internet domain names and corporate names, general intangibles of a like nature and other indicia of origin or quality, whether registered, unregistered or arising by Law, and all applications, registrations, and renewals for any of the foregoing, together with the goodwill associated with and symbolized by each of the foregoing (collectively, “Trademarks”); (ii) published and unpublished works of authorship in any medium, whether copyrightable or not (including databases and other compilations of information, computer software, source code, object code, algorithms, and other similar materials and Internet website content), copyrights and moral rights therein and thereto, and registrations and applications therefor, and all issuances, renewals, extensions, restorations and reversions thereof (collectively, “Copyrights”); (iii) inventions, discoveries, industrial designs, business methods, patents and patent applications (including provisional and Patent Cooperation Treaty applications), including continuations, divisionals, continuations-in-part, reexaminations and reissues, extensions, renewals and any patents that may be issued with respect to the foregoing (collectively, “Patents”); (iv) confidential and proprietary information, trade secrets, and know-how, including methods, processes, business plans, schematics, concepts, software (including source code, object code, and algorithms), and databases, formulae, drawings, prototypes, models, patterns, tools, designs, “tech packs”, specifications, instructions, assembly procedures, molds, masters, technology, research and development and supplier lists (collectively, “Trade Secrets”); and (v) all rights and remedies related to any of the foregoing, including the right to sue for and recover damages, profits and any other remedy in connection therewith, for past, present or future infringement, misappropriation or other violation related to any of the foregoing.

“Intellectual Property In-Licenses” means any Contract that contains any grant by any third Person to any Seller or any of its Subsidiaries of any right to use, publish, perform or exploit any Intellectual Property of such third Person concerning or relating to the Purchased Intellectual Property, including licenses, sublicenses, consent to use agreements, settlements, coexistence agreements, covenants not to sue and other Contracts (including any right to receive or obligation to pay royalties or any other consideration) relating to the Purchased Intellectual Property.

“Intellectual Property Licenses” means the Intellectual Property Out-Licenses and the Intercompany Licenses.

“Intellectual Property Out-Licenses” means any Contract that contains any grant by any Seller or any of its Subsidiaries to any third Person of any right to use, publish, perform or exploit any of the Purchased Intellectual Property, including any licenses, sublicenses, consent to use agreements, settlements, coexistence agreements, covenants not to sue and other Contracts

(including any right to receive or obligation to pay royalties or any other consideration) relating to the Purchased Intellectual Property.

“Intercompany License” means any Contract that contains any grant by any Seller to any other Seller (or Affiliate of a Seller) of any right to use, publish, perform or exploit any of the Purchased Intellectual Property.

“Law” means any foreign, federal, state or local law (including common law), statute, code, ordinance, rule, regulation or other requirement enacted, promulgated, issued or entered by a Governmental Authority.

“Legal Proceeding” means any judicial, administrative or arbitral actions, suits, proceedings (public or private) or claims or any proceedings by or before a Governmental Authority.

“Liabilities” means any and all debts, losses, liabilities, claims (including claims as defined in the Bankruptcy Code), damages, expenses, fines, costs, royalties, proceedings, deficiencies or obligations (including those arising out of any action, such as any settlement or compromise thereof or judgment or award therein), of any nature, whether known or unknown, absolute, contingent, accrued or unaccrued, liquidated or unliquidated, or otherwise and whether due or to become due, and whether in contract, tort, strict liability or otherwise, and whether or not resulting from third party claims, and any reasonable out-of-pocket costs and expenses in connection therewith (including reasonable legal counsels’, accountants’, or other fees and expenses incurred in defending any action or in investigating any of the same or in asserting any rights thereunder or hereunder).

“Lien” means any lien, pledge, mortgage, deed of trust, security interest, claim (including claim as defined in the Bankruptcy Code), lease, charge, option, right of first refusal, right of first offer, easement, servitude, transfer restriction under any shareholder or similar agreement or encumbrance, interest or any other restriction or limitation whatsoever; *provided* that no Intellectual Property License shall be deemed a “Lien” hereunder.

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

“Ordinary Course of Business” means the ordinary and usual course of normal day to day operations of the Business through the Execution Date consistent with past practice during the one (1) month period prior to the Execution Date (taking into account Store Closing Sales conducted under the Agency Agreement).

“Permits” means any approvals, authorizations, consents, licenses, permits or certificates.

“Permitted Liens” means:

(a) any Lien that pursuant to section 363(f) of the Bankruptcy Code will be released from the Purchased Assets upon entry of the Sale Order; and

(b) other Liens that will be released on or prior to Closing at no cost or expense to Purchaser.

“Person” means and includes natural persons, corporations, limited partnerships, limited liability companies, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and all Governmental Authorities.

“Purchased Intellectual Property” means all Intellectual Property owned by any Seller and used or held for use by Sellers in the conduct of the Business, including but not limited to:

(a) the copyright registrations set forth in Schedule 5.5(a) (the “Transferred Copyrights”);

(b) the internet domain name registrations set forth in Schedule 5.5(a) and any passwords and administrator rights related thereto (the “Transferred Domain Names”);

(c) the social media accounts set forth in Schedule 5.5(a) and any passwords and administrator rights related thereto (the “Transferred Social Media Accounts”);

(d) the Patents listed on Schedule 5.5(a) (the “Transferred Patents”), including any and all reissues, reexaminations, continuations, continuations in part (only with respect to subject matter disclosed in the scheduled Patents), divisionals, requests for continuing examinations or continuing prosecution applications, or design registrations associated with any such Transferred Patent;

(e) the Trademarks set forth in Schedule 5.5(a) (the “Transferred Trademarks”), and goodwill associated therewith;

(f) any and all right, title and interest to the name “rue21” and all marks containing or comprising “rue21”, including the marks set forth on Schedule 5.5(a) and any derivations thereof;

(g) all clothing designs, drawings, diagrams, patterns, samples, forms, tools, tech packs, models, assembly procedures, labeled gift cards, labeled shopping bags, labeled tags, specifications and instructions in the possession of any Seller in each case, to the extent located at the Rejected Distribution Center (the “Movable Assets”);

(h) all rights of publicity and all commercial merchandising rights, owned or controlled by Sellers and used or held for use by Sellers in the conduct of the Business, in each case, to the extent permitted to be assigned by Sellers under any Contract or applicable Law;

(i) all customer data and information derived from customer purchase files and branded loyalty promotion programs and other similar information related to customer purchases, including personal information, such as name, address, telephone number, email address, website information derived from automated data collection technologies, gender, date of birth, customer demographics and customer purchase history at a transaction level (including dollar amounts, dates, and items purchased, but excluding from the foregoing any payment card numbers or related

customer payment source, or Social Security numbers), any data evidencing that a customer has opted in to receive texts and opted out of receiving emails, in all cases relating to customers of the retail stores and ecommerce sites operated or controlled by Sellers, and passwords and administrator rights related to the foregoing, in all cases delivered to Purchaser in an accessible, usable, manipulable, and transferrable file format or database reasonably acceptable to Purchaser, such as comma-separated values (CSV) format, excel format or other similar format feasible for Seller to produce (collectively, the “Customer Data”);

(j) all historic sales data associated with Stores operated at the Designated Stores and with ecommerce sites operated or controlled by Sellers; and

(k) the right to sue for and recover damages, profits and any other remedy in connection with any of the foregoing, for past, present or future infringement, misappropriation or other violation related to any of the foregoing (including to substitute in as plaintiff in any pending actions at the sole cost of the Purchaser).

“Purchaser Assumed Contracts” means, to the extent assignable pursuant to this Agreement and Section 365 of the Bankruptcy Code, all Contracts identified on Schedule 1.1(a) to be delivered to the Sellers by no later than May 24, 2024.

“Rejected Distribution Center” means the Distribution Center located at 491 Park Drive, Weirton, West Virginia 26062.

“Representatives” of a Person means its officers, directors, managers, employees, attorneys, investment bankers, accountants and other agents and representatives.

“Sale Order” means an order or orders of the Bankruptcy Court issued pursuant to sections 105, 363 and 365 of the Bankruptcy Code approving this Agreement and all of the terms and conditions hereof, and approving and authorizing Sellers to consummate the Transactions and enter into the Transaction Documents, which shall be in form and substance acceptable to Sellers and Purchaser.

“Seller Material Adverse Effect” means any change, circumstance, fact, condition or event that, individually or in the aggregate with any other change, circumstance, fact, condition or event, (a) is or would reasonably be expected to have a materially adverse effect on (i) the Purchased Assets or Assumed Liabilities, as the same shall have existed as of the Execution Date, or (ii) the ability of Sellers to perform their respective obligations under this Agreement, or (b) prevents or materially delays the consummation of the Transactions, in each case other than an Excluded Matter, which shall not be taken into account in determining whether there has been or would reasonably be expected to be a Seller Material Adverse Effect.

“Sellers’ Knowledge” means the actual knowledge of Michele Pascoe.

“Store Closing Sales” means the store closing sales with respect to the inventory and, other than Abandoned FF&E, the Tangible Personal Property at the Stores and the Distribution Centers being conducted in accordance with the Agency Agreement.

“Store Closing Sales Order” means that certain order of the Bankruptcy Court approving or authorizing debtors to perform under the Agency Agreement.

“Stores” means Sellers’ retail store locations.

“Subsidiary” or “subsidiary” means, with respect to any Person, any corporation, limited liability company, joint venture or partnership of which such Person (a) beneficially owns, either directly or indirectly, more than fifty percent (50%) of (i) the total combined voting power of all classes of voting securities of such entity entitled, under ordinary circumstances, to vote in the election of directors or other governing body of such Person, (ii) the total combined equity interests, or (iii) the capital or profit interests, in the case of a partnership; or (b) otherwise has the power to vote or to direct the voting of sufficient securities to elect a majority of the board of directors or similar governing body of such Person.

“Tangible Personal Property” shall mean all equipment, computers, hardware, electronics, file servers, scanners, printers, networks, copiers, cash registers, furniture, furnishings, trade fixtures, racking, interior and exterior store signage, telephone lines, telecopy machines, telecommunication equipment, spare parts, shipping materials, office supplies, Store supplies, packaging materials, shopping bags, gift cards, hangers, raw materials, samples, and mannequins.

“Tax” means all federal, state, provincial, territorial, municipal, local or foreign income, profits, franchise, gross receipts, environmental (including taxes under Code Section 59A), customs, duties, net worth, sales, use, goods and services, withholding, value added, ad valorem, employment, social security, disability, occupation, pension, real property, personal property (tangible and intangible), stamp, transfer, conveyance, severance, production, excise and other taxes, withholdings, duties, levies, imposts and other similar charges and assessments (including any and all fines, penalties and additions attributable to or otherwise imposed on or with respect to any such taxes, charges, fees, levies or other assessments, and interest thereon) imposed by or on behalf of any Governmental Authority.

“Tax Returns” means any report, return, declaration, claim for refund, information report or return or statement required to be supplied to a Taxing Authority in connection with Taxes, including any schedule or attachment thereto or amendment thereof.

“Taxing Authority” means any Governmental Authority exercising any authority to impose, regulate, levy, assess or administer the imposition of any Tax.

“Transaction Documents” means this Agreement, the Sale Deposit Account Agent Agreement, the Bill of Sale, the Assignment Agreement, the IP Assignment Agreement, the Bid Procedures Order and all other Contracts and agreements necessary to effectuate the Transactions.

“Transactions” means the transactions contemplated by this Agreement and the other Transaction Documents.

“Transfer Taxes” means, collectively, all sales, transfer, filing, recordation, registration, documentary, stamp, and similar Taxes and fees arising from the Transactions.

“WARN Act” means the federal Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 2101 *et seq.* (1988) and any similar state or local “mass layoff” or “plant closing” laws.

Section 1.2 Terms Defined Elsewhere in this Agreement. For purposes of this Agreement, the following terms have meanings set forth in the sections indicated:

Term	Section
Accounting Referee	Section 3.4
Agent	Section 1.1 (in Agency Agreement definition)
Agreement	Preamble
Asset Acquisition Statement	Section 3.4
Assignment Agreement	Section 4.2(b)
Assumed Cure Costs	Section 2.5(a)
Assumed Liabilities	Section 2.3
Bankruptcy Code	Recitals
Bankruptcy Court	Recitals
Business	Recitals
Cash Purchase Price	Section 3.1
Closing	Section 4.1
Closing Date	Section 4.1
Closing Date Payment	Section 3.3(a)
Competing Bid	Section 7.1(a)
Confidentiality Agreement	Section 8.4
Copyright	Section 1.1 (in Intellectual Property definition)
Cost Cover	Section 3.1
Customer Data	Section 1.1 (in Purchased Intellectual Property definition)
Deposit	Section 3.2(a)
Designated Stores	Section 2.6
Escrow Agent	Section 3.2(a)
Excluded Assets	Section 2.2
Excluded Liabilities	Section 2.4
Execution Date	Preamble
Minimum FF&E Purchase Amount	Section 2.6
Nonassignable Assets	Section 2.7(b)
Outside Date	Section 4.4(b)
Parties	Preamble
Patents	Section 1.1 (in Intellectual Property definition)
Proposed Allocation	Section 3.4
Purchase Price	Section 3.1
Purchased Assets	Section 2.1
Abandoned FF&E	Section 2.6
Abandoned FF&E Designation Deadline	Section 2.6
Purchaser	Preamble

Term	Section
Purchaser Documents	Section 6.2
Rejected Distribution Center	Section 2.9
Retained FF&E	Section 2.6
Revised Statements	Section 3.4
Rejection Date	Section 2.6
Reserved Locations	Section 2.6
Sale Deposit Account Agent Agreement	Section 3.2(a)
Seller or Sellers	Preamble
Seller Documents	Section 5.2
Seller Parent	Preamble
Tangible Personal Property	Section 2.1(d)
Taxable Consideration	Section 3.4
Trademarks	Section 1.1 (in Intellectual Property definition)
Trade Secrets	Section 1.1 (in Intellectual Property definition)
Transfer Taxes	Section 8.10

Section 1.3 Other Definitional and Interpretative Provisions.

(a) The words “hereof,” “herein,” and “hereunder” and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term.

(c) Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.”

(d) Any reference in this Agreement to “\$” shall mean United States dollars.

(e) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day.

(f) Any agreement, instrument or statute defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes and references to all attachments thereto and instruments incorporated therein. References to a Person are also to its permitted successors and assigns.

(g) All Article and Section references herein are to Articles and Sections of this Agreement, unless otherwise specified.

(h) All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule or Exhibit but not otherwise defined therein shall be defined as set forth in this Agreement.

(i) This Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if all Parties had prepared it and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

ARTICLE II

PURCHASE AND SALE

Section 2.1 Purchase and Sale of Assets. On the terms and subject to the conditions set forth in this Agreement and the Sale Order, at the Closing, Sellers shall, to the extent permitted by Applicable Law (including the Bankruptcy Code) sell, transfer, assign, convey and deliver to Purchaser (or its designee), and Purchaser (or its designee) shall purchase, acquire and accept from Sellers, free and clear of any and all Liens (other than Liens created by Purchaser and Permitted Liens) and Excluded Liabilities, all of Sellers' right, title and interest in, to and under any and all of following assets (such assets, properties, rights and claims to be acquired hereunder, collectively, the "Purchased Assets"):

- (a) the Purchased Intellectual Property;
- (b) to the extent transferrable after giving effect to the Sale Order, all of the rights and benefits accruing under any of the Purchaser Assumed Contracts, including any Intellectual Property License that is a Purchaser Assumed Contract;
- (c) the obligation of the Sellers under Section 2.6 with respect to the Retained FF&E and Abandoned FF&E;
- (d) all Documents that are used in, held for use in or intended to be used in, or that arise primarily out of, the Purchased Assets, but excluding (i) personnel files for employees or independent contractors of the Sellers, (ii) such files as may not be transferred under Applicable Law regarding privacy, (iii) Documents which any Seller is not permitted to transfer pursuant to any contractual confidentiality obligation owed to any third party, and (iv) Documents relating to an Excluded Asset or Excluded Liability;
- (e) any rights, demands, claims, causes of action, rights of recovery, credits, allowances, rebates, or rights of setoff or subrogation primarily arising out of or primarily relating to any of the Purchased Assets;
- (f) to the extent transferrable after giving effect to the Sale Order, all rights of Sellers under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of Seller or with third parties to the extent primarily relating to the Purchased Assets (or any portion thereof); and

(g) all goodwill and other intangible assets primarily related to the Purchased Assets; *provided* that Sellers can continue to use such Purchased Intellectual Property throughout the period of the Store Closing Sales pursuant to Section 8.9(b).

Section 2.2 Excluded Assets. Nothing herein contained shall be deemed to sell, transfer, assign or convey the Excluded Assets to Purchaser, and Sellers shall retain all right, title and interest to, in and under the Excluded Assets. "Excluded Assets" shall mean all of the assets of the Sellers other than the Purchased Assets, and such Excluded Assets include the following assets:

(a) all inventory and Tangible Personal Property of the Sellers to be sold under the Agency Agreement as part of the Store Closing Sales;

(b) all Tangible Personal Property owned by Sellers related to, useful in or held for use in the conduct of the Business other than the Abandoned FF&E and any tangible items included in the Purchased Intellectual Property;

(c) all equity interests in Sellers;

(d) all cash, cash equivalents, bank deposits or similar cash items of Sellers;

(e) all accounts and notes receivable and other rights to payment (including credit card receivables), together with any unpaid financing charges accrued thereon, other than any accounts and notes receivable or other rights to payment arising solely out of or solely relating to any Purchased Asset and which receivable or right to payment is created or arises subsequent to the Closing;

(f) all deposits (including security deposits for rent, electricity, telephone or otherwise) and prepaid or deferred charges and expenses of Sellers, including all prepaid rentals and unbilled charges, fees or deposits, other than deposits or prepaid charges and expenses paid solely in connection with or solely relating to any Purchased Asset which are made, created or arise subsequent to the Closing;

(g) each of the Excluded Contracts, including any all right, title, interest, actions or claims arising out of or in connection with any Excluded Contract;

(h) any (i) confidential personnel and medical records pertaining to any Employee or independent contractors of Sellers; (ii) books and records that Sellers are required by Law or confidentiality obligations to retain, that relate to the Excluded Assets or the Excluded Liabilities, including Tax Returns, financial statements, and corporate or other entity filings; and (iii) corporate charters, qualifications to do business, taxpayer and other identification numbers, corporate seals, minute books, stock ledgers, stock certificates and any other documentation related to governance, organization, maintenance or existence of Sellers;

(i) any claim, right or interest of any Seller in or to any refund, rebate, abatement or other recovery for Taxes, together with any interest due thereon or penalty rebate arising therefrom, for any Tax period (or portion thereof) ending on or before the Closing Date;

- (j) any rights or recovery under any insurance policies held by any Seller;
- (k) all rights and claims of Sellers under the Transaction Documents;
- (l) all Employee Benefit Plans (and any trusts, 501(c)(9) organizations, insurance (including fiduciary insurance), administrative or other service contracts relating thereto); and
- (m) all restricted cash of Sellers.

Section 2.3 Assumption of Liabilities. Purchaser shall assume no Liability of Sellers except the Liabilities expressly set forth in this Section 2.3 (collectively, the “Assumed Liabilities”). On the terms and subject to the conditions set forth in this Agreement, at the Closing, Purchaser shall assume the Assumed Liabilities and shall agree to pay, discharge, perform and otherwise satisfy such Assumed Liabilities in accordance with their respective terms, subject to any defenses or offsets asserted in good faith against the obligee to whom such Liabilities of Sellers and their Subsidiaries are owed. The Assumed Liabilities shall consist of only the following Liabilities:

- (a) all Liabilities of Sellers under the Purchaser Assumed Contracts, if any, solely to the extent such Liabilities arise from events or omissions occurring, or obligations under the Purchaser Assumed Contracts attributable to the period, on or after the Closing;
- (b) all Liabilities arising out of or relating to Purchaser’s ownership or operation of the Purchased Assets on or after the Closing Date;
- (c) all Liabilities for Transfer Taxes;
- (d) all Liabilities incurred pursuant to Section 11.3 (unless otherwise provided therein); and
- (e) all Liabilities with respect to the Assumed Cure Costs.

Section 2.4 Excluded Liabilities. Notwithstanding anything to the contrary in this Agreement, the Parties expressly acknowledge and agree that Purchaser shall not assume or in any manner whatsoever be liable or responsible for any Liabilities of any Seller or of any predecessor of any Seller, existing on the Closing Date or arising thereafter, other than the Assumed Liabilities. All of the Liabilities of any Seller or of any predecessor of any Seller not specifically and expressly assumed by Purchaser pursuant to Section 2.3 shall be referred to herein collectively as the “Excluded Liabilities.” Without limiting the foregoing, Purchaser shall not be obligated to assume, and does not assume, and hereby disclaims all of the Excluded Liabilities, including all of the following Liabilities, of each Seller or of any predecessor of any Seller:

- (a) all Liabilities for accrued expenses and accounts payable incurred prior to the Closing Date, except to the extent that the same constitute Assumed Liabilities pursuant to Section 2.3;
- (b) all Liabilities arising out of or related to any of the Excluded Assets;

- (c) all Liabilities for any Taxes of any Seller (other than Transfer Taxes);
- (d) all Liabilities relating to any claims against Sellers asserted by a third party arising prior to the Closing Date for infringement, dilution, misappropriation, or any other violation with regards to any of the Purchased Intellectual Property;
- (e) all Liabilities arising out of, relating to or with respect to (i) the employment or performance of services by any Employee of Sellers or any of their Affiliates prior to the Closing, (ii) termination of employment or services of any Employee by any Seller or any of its Affiliates, including any severance payments, (iii) each of the Employee Benefit Plans subject to Title IV of ERISA and all Employee Benefit Plans and (iv) the WARN Act;
- (f) all Liabilities arising as a result of any Action, to the extent related to the Business or the Purchased Assets, initiated or arising from events or omissions occurring, on or prior to the Closing Date, including any shareholder Actions, Actions for breach of contract, or any tort Actions;
- (g) all Liabilities arising under any Indebtedness of Sellers and any obligations or Liabilities to equity holders of the Sellers;
- (h) all Liabilities with respect to any costs and expenses (including all legal, accounting, financial advisory, valuation, investment banking and other third party advisory or consulting fees and expenses) incurred by or on behalf of any Seller or its Affiliates (or any official committee or other fiduciary) in connection with the Bankruptcy Cases or the Transactions;
- (i) all Liabilities of Sellers arising prior to the filing of the Bankruptcy Cases that are subject to compromise under the Bankruptcy Cases, other than the Assumed Cure Costs;
- (j) all Liabilities with respect to any customer programs or rights, including gift card balances, discount vouchers, merchandise returns and customer communications arising prior to the Closing Date;
- (k) all Liabilities arising out of any claim or interest that a Governmental Authority has under escheat or similar laws arising prior to the Closing Date; and
- (l) all Liabilities relating to the failure to comply with any bulk sales Laws.

Section 2.5 Purchaser Assumed Contracts. At the Closing and pursuant to section 365 of the Bankruptcy Code and the Sale Order, Sellers shall assume and assign to Purchaser or its designee(s) or assignees, and Purchaser or its designee(s) or assignees shall accept such assignment from Sellers, the Purchaser Assumed Contracts. Purchaser may, at or prior to the Closing, elect upon written notice to Sellers (email being sufficient) to remove a Purchaser Assumed Contract from Schedule 1.1(a), after which time the removed Contract shall no longer be a Purchaser Assumed Contract. Other than Cure Costs, neither Purchaser nor any of its designees that are assigned Purchaser Assumed Contracts pursuant to Section 11.14 shall have any liability for any obligations under a Purchaser Assumed Contract until the first calendar day after the Purchaser Assumed Contract is assigned to Purchaser or such designee or assignee. Without limiting the foregoing, Purchaser agrees to assume and pay in full on or prior to or promptly after

the Closing Date all Cure Costs with respect to the Purchaser Assumed Contracts, to the extent not waived by the counterparties (the “Assumed Cure Costs”), and Sellers shall have no liability for such Assumed Cure Costs or for any other costs or expenses associated with any Purchaser Assumed Contract from and after the Closing Date. Sellers acknowledge and agree that Purchaser and its designee(s) or assignees shall be permitted to communicate directly with counterparties to the Purchaser Assumed Contracts and enter into agreements to compromise, waive or otherwise cause to be discharged any and all Cure Costs payable with respect to such Purchaser Assumed Contracts or to enter into new contractual arrangements with any counterparty to a Purchaser Assumed Contract.

Section 2.6 Abandoned FF&E. Purchaser has the right to designate for abandonment in place by Sellers any Tangible Personal Property located in or at the Stores listed on Schedule 2.6 of this Agreement (the “Reserved Locations,” and the Tangible Personal Property located in or at the Reserved Locations, the “Retained FF&E”). Purchaser shall have until 7:00 p.m. EDT on May 24, 2024 (the “Abandoned FF&E Designation Deadline”) to identify in writing the Reserved Locations that contain the Retained FF&E (the “Designated Stores”) to be abandoned in place by Sellers (the “Abandoned FF&E”) pursuant to motion(s) filed by Sellers in the Bankruptcy Cases to reject the Real Property Leases for the Designated Stores. In exchange for Sellers’ abandonment of the Abandoned FF&E at the Designated Stores, Purchaser shall pay Sellers the FF&E Purchase Amount; *provided* that the FF&E Purchase Amount shall be no less than \$975,000 (the “Minimum FF&E Purchase Amount”) without regard to whether the number of Designated Stores is less than one hundred and fifty (150) of the Reserved Locations. For the avoidance of doubt, Purchaser’s obligation to pay the FF&E Purchase Amount or the Minimum FF&E Purchase Amount shall be conditioned on the Closing of the purchase of all Purchased Intellectual Property in accordance with the terms of this Agreement. Any Retained FF&E in Reserved Locations that are not designated by Purchaser as Designated Stores by the Abandoned FF&E Designation Deadline Date shall, after such date, no longer constitute Retained FF&E and Sellers or Agent may do whatever they want with such Tangible Personal Property. Sellers shall not, and shall not permit their Subsidiaries or the Agent to, sell, lease, license (other than Incidental Licenses), surrender, relinquish, dispose of, abandon, remove, replace or transfer to a different Store, a third party, the Seller’s corporate offices or Distribution Centers, or to any other location, the Retained FF&E until the Abandoned FF&E Designation Deadline and the Abandoned FF&E for so long as Sellers retain possession or control of the Abandoned FF&E, and, *provided, further*, that Sellers agree to maintain the Abandoned FF&E in substantially the same repair, working order, make-up and condition as such Abandoned FF&E existed and has been maintained as of the Execution Date, ordinary wear and tear excepted, until the effective date of a rejection of the Real Property Lease related thereto (the “Rejection Date”). Purchaser shall assume the risk of loss with respect to any Abandoned FF&E from and after the date immediately following the relevant Rejection Date. Purchaser agrees that Seller can continue to reasonably use such Abandoned FF&E throughout the period of the Store Closing Sales.

Section 2.7 Further Conveyances and Assumptions.

(a) From time to time following the Closing, Sellers and Purchaser shall, and shall cause their respective Affiliates to, execute, acknowledge and deliver all such further conveyances, notices, assumptions, releases and acquittances and such other instruments, and shall take such further actions, as may be reasonably necessary or appropriate to assure fully to

Purchaser and its respective successors or assigns, all of the properties, rights, titles, interests, estates, remedies, powers and privileges intended to be conveyed to Purchaser under this Agreement and the Seller Documents and to assure fully to Sellers and their Affiliates and their successors and assigns, the assumption of the Assumed Liabilities assumed by Purchaser under this Agreement and the Seller Documents, and to otherwise make effective the transactions contemplated hereby and thereby; *provided, however*, that this Section 2.7(a) shall not be construed as a requirement by the Sellers to move any Tangible Personal Property at its expense.

(b) Nothing in this Agreement nor the consummation of the Transactions shall be construed as an attempt or agreement to transfer or assign any Purchased Asset, including any Contract, Permit, certificate, approval, authorization or other right, which (i) is not capable of being assigned pursuant to section 365 of the Bankruptcy Code or transferred pursuant to section 363 of the Bankruptcy Code to Purchaser at the Closing, or (ii) the transfer or assignment of which would result in a violation of any Applicable Law, if the consent of a third party is not obtained prior to such transfer or assignment (“Nonassignable Assets”) unless and until such consent shall have been obtained. Sellers shall use their commercially reasonable efforts, and Purchaser shall use commercially reasonable efforts to cooperate with Sellers, in endeavoring to obtain such consents; *provided* that no Party shall be obligated to incur any costs or expenses or provide any financial accommodation or other consideration of any nature to any Person to facilitate obtaining such consent to transfer any Nonassignable Asset.

(c) If either Purchaser or Sellers becomes aware that any of the Purchased Assets has not been transferred to Purchaser or that any of the Excluded Assets has been transferred to Purchaser, such party shall promptly notify the other and the parties shall, as soon as reasonably practicable, ensure that such property is transferred to (i) Purchaser, in the case of any Purchased Asset which was not transferred to Purchaser at the Closing; or (ii) Sellers, in the case of any Excluded Asset which was transferred to Purchaser at the Closing.

Section 2.8 Bulk Sales Laws. To the extent permitted by Applicable Law and the Sale Order, Sellers and Purchaser hereby waives compliance by Sellers with the requirements and provisions of any “bulk-transfer” Laws of any jurisdiction that may otherwise be applicable with respect to the sale and transfer of any or all of the Purchased Assets to Purchaser.

Section 2.9 Rejected Distribution Center. By 5:00 p.m. (ET) on Friday, May 17, 2024, Purchaser may, at Purchaser’s sole cost and expense, remove any Movable Assets from the Rejected Distribution Center and possess such Movable Assets pending the Closing; *provided* that in the event the Closing does not occur, Purchaser shall promptly return any Movable Assets in Purchaser’s possession to Sellers at a location to be provided by Sellers.

ARTICLE III

PURCHASE PRICE

Section 3.1 Purchase Price. The aggregate consideration for the Purchased Assets (the “Purchase Price”) shall be (a) an amount in cash equal to the Deposit *plus* (b) an amount in cash equal to the Closing Date Payment ((a) and (b), together, the “Cash Purchase Price”), *plus* (c)

the assumption of Assumed Liabilities, *plus* (d) \$1,500 (the “Cost Cover”) to cover the costs and expenses associated with the Sale Deposit Account Agent Agreement (as defined below).

Section 3.2 Deposit.

(a) Following the execution of this Agreement by all Parties and within one (1) Business Day after receipt of written instruction from Sellers, YM shall deposit with Kroll Restructuring Administration LLC, as escrow agent (the “Escrow Agent”), pursuant to that certain Account Agent Agreement, executed by the Parties and dated as of the Execution Date, among Seller Parent, Purchaser and the Escrow Agent (the “Sale Deposit Account Agent Agreement”), by certified check or wire transfer of immediately available funds, an amount equal to \$3,975,000 (the “Deposit”). The Parties agree that the Escrow Agent shall hold the Deposit in a non-interest bearing account.

(b) The Parties agree that the Deposit shall (i) be delivered to Seller Parent at Closing as provided in Section 3.3(d), (ii) subject to the last sentence of this Section 3.2(b), be returned to Purchaser in the event that this Agreement is terminated pursuant to any provision of Section 4.4 other than by Sellers pursuant to (A) Section 4.4(g) or (B) pursuant to Section 4.4(b) in the event that Closing does not occur on or before the Outside Date solely as a result of Purchaser’s material breach of its obligations under this Agreement (including non-payment of the Closing Date Payment pursuant to Section 3.3), (iii) be paid to Sellers in the event that this Agreement is properly terminated by Sellers (A) pursuant to Section 4.4(g) or, (B) pursuant to Section 4.4(b) in the event that Closing does not occur on or before the Outside Date solely as a result of Purchaser’s material breach of its obligations under this Agreement (including payment of the Closing Date Payment pursuant to Section 3.3), or (iv) in accordance with Section 7.3, the excess portion of the Deposit will be immediately returned to Purchaser in the event Purchaser is designated a Back-Up Bidder (with the balance of the Deposit to be returned in accordance with this subsection (b)).

(c) Concurrently with the execution of this Agreement, Purchaser shall pay to the Seller Parent the Cost Cover in readily available funds to the account set forth in the Sale Deposit Account Agent Agreement.

Section 3.3 Payment of Purchase Price.

(a) At the Closing, Purchaser, shall deliver, or cause to be delivered, the Closing Date Payment (as defined below) by wire transfer of immediately available funds, as set forth in clause (b) below. “Closing Date Payment” means an amount equal to the Deposit, *plus* an amount that reflects the FF&E Purchase Amount in excess of the Minimum FF&E Purchase Amount.

(b) The Deposit and the payments for the Abandoned FF&E will be allocated, deposited or delivered in accordance with the Sale Order.

(c) At the Closing, Seller Parent and Purchaser shall jointly instruct the Escrow Agent to transfer to Seller Parent (or such other Person as may be directed by the Bankruptcy Court in the Sale Order) the Deposit by wire transfer of immediately available funds into an account designated in writing by Seller Parent or as directed in the Sale Order.

(d) On or prior to the Closing Date, Purchaser shall deliver to each of the counterparties to the Purchaser Assumed Contracts the full amount of the applicable Assumed Cure Costs, if any, for the assumption and assignment of such Purchaser Assumed Contracts (unless the Cure Cost is waived by the counterparty).

Section 3.4 Allocation of Purchase Price. Within thirty (30) days after the Closing Date, Purchaser shall prepare and deliver to Sellers an allocation of the Cash Purchase Price, the Assumed Liabilities and any other items that are treated as additional purchase price for Tax purposes (the “Taxable Consideration”) among the Purchased Assets in accordance with Section 1060 of the Code (the “Proposed Allocation”), solely for purposes of preparing the relevant Tax Returns and filings. Sellers shall have thirty (30) days after receipt of the Proposed Allocation to notify Purchaser in writing of any items of the Proposed Allocation that are not reasonable in Sellers’ view. If Sellers do not object in writing during such thirty (30) day period, then the Proposed Allocation shall be final and binding on all Parties. If Sellers object in writing during such thirty (30) day period, then the Parties shall cooperate in good faith to reach a mutually agreeable allocation of the Taxable Consideration, which allocation shall be binding on all Parties. If the Parties are unable to reach an agreement within sixty (60) days of Sellers’ receipt of the Proposed Allocation, then any disputed items shall be referred to an independent accountant to be mutually agreed upon by Seller Parent and Purchaser (the “Accounting Referee”) for resolution, and the determination of the Accounting Referee shall be final and binding on the Parties. The fees and expenses of the Accounting Referee shall be paid fifty percent (50%) by Purchaser and fifty percent (50%) by Sellers, with each Seller severally liable for the entire portion allocable to Sellers. In accordance with such allocation, Purchaser shall prepare and deliver to Sellers copies of Form 8594 and any required exhibits thereto (the “Asset Acquisition Statement”). Purchaser shall prepare and deliver to Sellers (or their designated successors) from time to time revised copies of the Asset Acquisition Statement (the “Revised Statements”) so as to report any matters on the Asset Acquisition Statement that need updating, consistent with the agreed upon allocation. The Parties shall, and shall cause their respective Affiliates to, use the allocations set forth in the Asset Acquisition Statement or, if applicable, the last Revised Statement for all Tax purposes, file all Tax Returns in a manner consistent with such allocation statement and take no position contrary thereto, in each case, unless required to do so by a change in applicable Tax Laws or good faith resolution of a Tax contest.

ARTICLE IV

CLOSING AND TERMINATION

Section 4.1 Closing Date. Subject to the satisfaction of the conditions set forth in Section 9.1, Section 9.2 and Section 9.3 (or the waiver thereof by the Party entitled to waive that condition), the closing of the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities provided for in Article II (the “Closing”) shall take place at the offices of Willkie Farr & Gallagher LLP located at 787 Seventh Avenue, New York, New York 10019 (or at such other place as the Parties may designate in writing) at 10:00 a.m. local time on the date the conditions set forth in Article IX (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), unless another time or date, or both, are agreed to in writing by the Parties; *provided, however*, that the Closing shall take place no later than June 7, 2024. The date on which the Closing shall be held is referred to in this

Agreement as the “Closing Date.” Unless otherwise agreed by the Parties in writing, the Closing shall be deemed effective and all right, title and interest of Sellers to be acquired by Purchaser hereunder shall be considered to have passed to Purchaser as of 12:01 a.m. (prevailing eastern time) on the Closing Date.

Section 4.2 Deliveries by Sellers. At the Closing, Sellers shall deliver to Purchaser:

- (a) a duly executed bill of sale in the form attached as Exhibit A hereto (the “Bill of Sale”);
- (b) to the extent any Purchaser Assumed Contracts are designated by the Purchaser prior to or at Closing, a duly executed assignment and assumption agreement in the form attached as Exhibit B hereto (the “Assignment and Assumption Agreement”) and duly executed assignments reflecting the assumption of the Assumed Liabilities;
- (c) a duly executed assignment and assumption agreement in the form attached as Exhibit C hereto (the “IP Assignment Agreement”) and duly executed assignments transferring all of Sellers’ rights, titles and interests in and to the Intellectual Property included in the Purchased Intellectual Property, in a form suitable for recording in the U.S. Patent and Trademark Office and U.S. Copyright Office or in other foreign jurisdictions (if requested by Purchaser), and which will include a limited power of attorney that will allow the Purchaser or its designee to sign any additional documents to effectuate the transfers contemplated in the IP Assignment Agreement;
- (d) for each Seller, a certificate of non-foreign status pursuant to Section 1445 of the Code and Treasury Regulation Section 1.1445-2(b) or a properly completed IRS Form W-9;
- (e) a certified copy of the Sale Order, if requested by Purchaser;
- (f) a certified copy of the Bid Procedures Order, if requested by Purchaser;
- (g) if requested by Purchaser, written terminations of any Intercompany Licenses; and
- (h) a certificate signed by an authorized officer of each Seller (in form and substance reasonably satisfactory to Purchaser) pursuant to Sections 9.1(a) and Section 10.1(b).

Section 4.3 Deliveries by Purchaser. At the Closing, Purchaser shall deliver to Sellers:

- (a) the Closing Date Payment;
- (b) a duly executed copy of the Assignment and Assumption Agreement;
- (c) a duly executed copy of the IP Assignment Agreement; and
- (d) a certificate signed by an authorized officer of Purchaser (in form and substance reasonably satisfactory to Sellers) pursuant to Section 9.2(a) and Section 10.2(b).

Section 4.4 Termination of Agreement. This Agreement may be terminated only in accordance with this Section 4.4. This Agreement may be terminated prior to the Closing Date as follows:

(a) At any time prior to or at the Closing by the mutual written consent of Sellers and Purchaser;

(b) By either Sellers or Purchaser if the Closing has not occurred on or before June 7, 2024 (as may be extended by mutual written consent of the Parties, the “Outside Date”); *provided, however*, that a Party may not terminate this Agreement pursuant to this Section 4.4(b) if such Party is in breach of its obligations hereunder in any material respect and such breach is the sole reason that the Closing has not occurred by such date;

(c) By Purchaser or Sellers, if (i) Sellers enter into a definitive agreement with respect to a Competing Bid for some or all of the Purchased Assets in accordance with the Bid Procedures Order, (ii) the Bankruptcy Court enters an Order approving a Competing Bid for some or all of the Purchased Assets, or (iii) the Bankruptcy Court enters an Order that otherwise precludes the consummation of the Transactions by the Outside Date on the terms and conditions set forth in this Agreement; *provided, however*, Sellers may not terminate this Agreement pursuant to this Section 4.4(c) if Sellers are in breach in material respect of its obligations under Section 7.1; *provided, further*, that, if Purchaser is chosen to serve as the Backup Bidder, termination of this Agreement shall not be effective until the earlier of (a) the first Business Day after the closing of a sale transaction with the Successful Bidder, (b) sixty (60) days after entry of the Sale Order and (c) the Backup Bid Expiration Date;

(d) By either Sellers or Purchaser, if an Order is entered by a Governmental Authority of competent jurisdiction having valid enforcement authority permanently restraining, prohibiting or enjoining either Party from consummating the Transactions and such Order shall have become final and non-appealable or shall not have been vacated prior to the Outside Date; *provided, however*, that no termination may be made by a Party under this Section 4.4(d) if the issuance of such Order was caused by the breach or action or inaction of such Party;

(e) By either Sellers or Purchaser, if (i) the Bankruptcy Case is dismissed or converted to a case or cases under Chapter 7 of the Bankruptcy Code, (ii) a trustee or examiner with expanded powers to operate or manage the financial affairs or reorganization of Sellers is appointed in the Bankruptcy Case, or (iii) the Bankruptcy Court shall have stated unconditionally that that the Bankruptcy Court will not enter the Sale Order approving the sale to Purchaser;

(f) By Purchaser, so long as Purchaser is not in breach of its obligations under this Agreement in any material respect, (i) upon a breach of any covenant or agreement of Sellers set forth in this Agreement, or if any representation or warranty of Sellers shall have been or becomes untrue, in each case, such that the conditions set forth in Section 9.1(a) or Section 10.1(b), as the case may be, would not be satisfied and such breach or untruth cannot be cured by the Outside Date, or (ii) if all of the conditions set forth in Sections 9.1 and 9.3 have been satisfied (other than conditions that by their nature are to be satisfied at the Closing) or waived and Sellers fail to complete the Closing at the time required by Section 4.1; and

(g) By Sellers, so long as Sellers are not in breach of their obligations under this Agreement in any material respect, (i) upon a breach of any covenant or agreement of Purchaser set forth in this Agreement, or if any representation or warranty of Purchaser shall have been or becomes untrue, in each case, such that the conditions set forth in Section 9.2(a) or Section 9.2(b), as the case may be, would not be satisfied and such breach or untruth cannot be cured by the Outside Date, or (ii) (i) all of the conditions set forth in Sections 9.1 and 9.3 have been satisfied (other than conditions that by their nature are to be satisfied at the Closing) or waived and Purchaser fails to complete the Closing at the time required by Section 4.1.

(h) By Sellers, if Sellers or the board of directors, board of managers, or similar governing body of any Seller determines in good faith, on advice in the opinion of outside legal counsel, that proceeding with the transactions contemplated by this Agreement or failing to terminate this Agreement would violate applicable Law or breach its or such Person's or body's fiduciary obligations under applicable Law, *provided, however*, Sellers shall give Purchaser three (3) calendar days' written notice of any determination to terminate this agreement under this subsection (h) and an opportunity to seek appropriate relief from the Bankruptcy Court.

Section 4.5 Effect of Termination.

(a) No termination of this Agreement pursuant to Section 4.4 shall be effective until notice thereof is given to the non-terminating Party specifying the provision hereof pursuant to which such termination is made. In the event that this Agreement is validly terminated as provided herein, this Agreement shall become wholly void and of no further force and effect without liability to Purchaser or Sellers, or any of their respective Representatives, and each shall be fully released and discharged from any Liability or obligation after the date of such termination and such termination shall be without liability to Purchaser or Sellers; *provided, however*, that the obligations of the Parties under the Sale Deposit Account Agent Agreement and Section 4.5 and Section 8.5 and Article XI of this Agreement shall survive any such termination and shall be enforceable hereunder; *provided further* that no termination will relieve any Party from any Liability for damages (including damages based on the loss of the economic benefits of the transactions contemplated by this Agreement or any Transaction Document, including the Cash Payment, to Sellers), losses, costs or expenses (including reasonable legal fees and expenses) to any non-breaching Party resulting from any material breach of this Agreement by such first Party prior to the date of such termination (which, for the avoidance of doubt, will be deemed to include any failure by the Sellers or Purchaser to consummate the Closing if and when it is obligated to do so hereunder) or Fraud.

(b) In the event this Agreement is properly terminated by Sellers pursuant to (i) Section 4.4(b) in the event that Closing does not occur on or before the Outside Date solely as a result of Purchaser's material breach of its obligations under this Agreement, or (ii) Section 4.4(g), Sellers shall be entitled to retain the Deposit.

(c) In the event this Agreement is terminated by Purchaser pursuant to Section 4.4(c), or Section 4.4(f), Purchaser shall be entitled to the return of the Deposit.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the Schedules that correspond to the representations and warranties set forth in this Article V (each of which exceptions, in order to be effective, shall indicate the Section and, if applicable, the subsection of this Article V to which it corresponds, unless the relevance of such disclosure to other representations and warranties set forth in this Article V is reasonably apparent from the text of the disclosed exception, in which case such disclosed exception shall be deemed so applicable to such other representations and warranties set forth in this Article V), Sellers, severally and not jointly, represent and warrant to Purchaser as follows as of the Execution Date and as of the Closing Date:

Section 5.1 Organization and Good Standing. Each Seller is duly organized, validly existing, in good standing and duly qualified to transact business under the laws of the jurisdiction of its formation, and is duly qualified or licensed to do business in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification or licensing necessary, except where the failure to be so qualified would not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect, and, subject to the limitations imposed on Sellers as a result of having filed petitions for relief under the Bankruptcy Code, or pursuant to any Order entered by the Bankruptcy Court, each Seller has the requisite power and authority to own, lease and operate the Purchased Assets.

Section 5.2 Authorization of Agreement. Subject to the entry of the Sale Order, Sellers have all requisite power, authority and legal capacity to execute and deliver this Agreement and each other Transaction Document, agreement, document, or instrument or certificate contemplated by this Agreement or to be executed by any such Seller in connection with the consummation of the transactions contemplated by this Agreement (the “Seller Documents”), to perform their respective obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Seller Documents and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate or limited liability company action, as applicable, on the part of each Seller. This Agreement has been, and each of the Seller Documents will be at or prior to the Closing, duly and validly executed and delivered by each Seller which is a party hereto and thereto and (assuming the due authorization, execution and delivery by the other parties hereto and thereto, the entry of the Sale Order) this Agreement constitutes, and each of the Seller Documents when so executed and delivered will constitute, legal, valid and binding obligations of such Seller enforceable against such Seller in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors’ rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 5.3 No Violation; Consents.

(a) Except as set forth on Schedule 5.3(a), none of the execution and delivery by Sellers of this Agreement or any of the Seller Documents, the consummation of the transactions

contemplated hereby or thereby, or compliance by Sellers with any of the provisions hereof or thereof will conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, (i) subject to entry of the Sale Order, any Order of any Governmental Authority; or (ii) subject to entry of the Sale Order, any Applicable Law, to the extent, in the case of each of clauses (i) and (ii), such conflicts, violations, defaults, terminations or cancellations that would reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect.

(b) Except as set forth on Schedule 5.3(b) and other than the entry of the Sale Order, no consent, Permit or authorization of, or declaration or filing with, or notification to, any Person or Governmental Authority is required on the part of any Seller in connection with the execution and delivery of this Agreement or the Seller Documents, the compliance by any Seller with any of the provisions hereof or thereof, the consummation of the transactions contemplated hereby or thereby, the assignment and assumption of the Purchaser Assumed Contracts, or the taking by any Seller of any other action contemplated hereby or thereby, except for other immaterial consents, Permits, authorizations, declarations, filings and notifications in the Ordinary Course of Business.

Section 5.4 Intentionally Omitted.

Section 5.5 Intellectual Property.

(a) Schedule 5.5(a) sets forth a true and complete list of all material issuances and registrations and material applications for issuance or registration included in the Purchased Intellectual Property including, as applicable:

(i) registered and applied for Trademarks owned or purported to be owned by Sellers and used or held for use in the Business, including for each the applicable trademark or service mark, jurisdiction, application numbers, filing dates, trademark registration numbers and registration dates, as applicable;

(ii) registered Copyrights owned or purported to be owned by Sellers and used or held for use in the Business, including title, jurisdiction, registration number and registration date;

(iii) issued Patents owned or purported to be owned by Sellers and used or held for use in the Business, including name, jurisdiction, patent number and issuance date; and

(iv) internet domain name registrations and social media accounts owned or purported to be owned by Sellers and used or held for use in the Business.

(b) Except as set forth in Schedule 5.5(b), no Seller is a party to any (i) Intellectual Property In-License that is material to the conduct of the Business, (ii) Intellectual Property Out-License that is material to the conduct of the Business, in each case of (i) and (ii), other than Incidental Licenses or (iii) Intercompany License, which in the case of clauses (i) – (iii), is not terminable at will by any Seller.

(c) Except as set forth on Schedule 5.5(c):

(i) Sellers own all Intellectual Property listed on Schedule 5.5(a) and have rights to use, publish, and perform, as applicable, all other Intellectual Property included in the Purchased Assets as such Intellectual Property is used in the Ordinary Course of Business, in each case, free and clear of all Liens other than Permitted Liens and Intellectual Property Licenses, except, in each case, as would not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect.

(ii) The Purchased Intellectual Property is not the subject of any ownership, validity, use, or enforceability challenge or claim received by Sellers in writing or, to Sellers' Knowledge, any outstanding Order restricting the use by Sellers or any of their Subsidiaries thereof or adversely affecting any of the rights of Sellers or any of their Subsidiaries thereto, except, in each case, as would not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect.

(iii) No Seller has received any written notice of any default or any event that with notice or lapse of time, or both, would constitute a default under any Intellectual Property License that is a Purchaser Assumed Contract and to which any Seller or any of its Subsidiaries is a party or by which it is bound, except for defaults that would not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect. To Sellers' Knowledge, no Person is violating any Intellectual Property exclusively licensed to any Seller or any of its Subsidiaries under an Intellectual Property License that is a Purchaser Assumed Contract, except for violations that would not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect.

(iv) To Sellers' Knowledge, (A) no Seller nor any of its Subsidiaries is violating, and since January 1, 2021, has violated, any Intellectual Property rights of any other Person in the operation of the Business, (B) there are no Actions or Legal Proceedings, pending or threatened, concerning any claim that Sellers or any of their Subsidiaries have infringed, diluted, misappropriated, or otherwise violated any Intellectual Property rights of any other Person in the operation of the Business, in each case of (A) and (B), except as would not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect, and (C) no Person is violating, or since January 1, 2021 has violated, the rights of any Seller or any of its Subsidiaries in any Purchased Intellectual Property.

(v) Sellers and their Subsidiaries have used commercially reasonable efforts to protect the confidentiality of any material Trade Secrets and other material confidential and proprietary information included in the Purchased Assets.

(d) Except as described in Schedule 5.5(d), no material breach or violation of any data security policies that have been adopted and maintained with respect to any database maintained by the Sellers containing (in whole or in part) Customer Data has occurred in the past three (3) years or is occurring, or to Sellers' Knowledge, is threatened, and in the past three (3) years there has not been, nor is there currently, any unauthorized or illegal use of or access to any database maintained by the Sellers containing (in whole or in part) Customer Data. Except as set forth on Schedule 5.5(d), to Sellers' Knowledge, Seller has complied, in all material respects, with

all of Seller's privacy policies and with all applicable Laws pertaining to privacy or Customer Data.

Section 5.6 Litigation. Except (a) as set forth on Schedule 5.6, (b) for matters before the Bankruptcy Court involving any Seller or any of its Affiliates, and (c) any matters that will otherwise be resolved by the Sale Order without any Liability or restriction applicable to Purchaser or the Purchased Assets, there are no Legal Proceedings pending or, to Sellers' Knowledge, threatened against any Seller or any of its Subsidiaries, relating to the Purchased Assets or Assumed Liabilities, before any Governmental Authority, which, if adversely determined, would reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect.

Section 5.7 Financial Advisors. If any Person has acted, directly or indirectly, as a broker, finder or financial advisor for any Seller or any of its Subsidiaries in connection with the Transactions contemplated by this Agreement and is entitled to any fee or commission or like payment in respect thereof, Sellers shall be solely liable for payment of any of such Person's fees, commissions, expenses or other compensation.

Section 5.8 No Other Representations or Warranties; Schedules. Except for the representations and warranties contained in this Article V (as modified by the Schedules hereto), no Seller nor any other Person makes any express or implied representation or warranty with respect to Sellers, their Subsidiaries, the Business, the Purchased Assets, the Assumed Liabilities or the transactions contemplated by this Agreement, and Sellers disclaim any other representations or warranties, whether made by Sellers, any Affiliate of Sellers or any of their respective officers, directors, employees, agents or representatives. Except for the representations and warranties contained in this Article V (as modified by the Schedules hereto), Sellers expressly disclaim and negate any representation or warranty, expressed or implied, at common law, by statute, or otherwise, relating to the condition of the Purchased Assets (including any implied or express warranty of merchantability or fitness for a particular purpose). Sellers make no representations or warranties to Purchaser regarding the probable success or profitability of the Business. Seller acknowledges and agrees that neither Purchaser nor any other Person makes any express or implied representation or warranty with respect to Purchaser, the transactions contemplated by this Agreement, or otherwise, except for those representations or warranties set forth in Article VI.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to the Sellers as follows as of the Execution Date and as of the Closing Date:

Section 6.1 Organization and Good Standing. Purchaser is a corporation duly organized, validly existing, in good standing and duly qualified to transact business under the laws of Canada and has the requisite power and authority to own, lease and operate its properties and to carry on its business as now conducted.

Section 6.2 Authorization of Agreement. Purchaser has all requisite power, authority and legal capacity to execute and deliver this Agreement, the other Transaction

Documents and each other agreement, document, instrument or certificate contemplated by this Agreement or to be executed by such party in connection with the consummation of the transactions contemplated hereby and thereby (the “Purchaser Documents”), to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Purchaser of this Agreement and each Purchaser Document have been duly authorized by all necessary entity action on behalf of Purchaser. This Agreement has been, and each Purchaser Document will be at or prior to the Closing, duly executed and delivered by Purchaser and (assuming the due authorization, execution and delivery by the other parties hereto and thereto) this Agreement constitutes, and each Purchaser Document when so executed and delivered will constitute, the legal, valid and binding obligations of Purchaser, enforceable against Purchaser in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors’ rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 6.3 No Violation; Consents.

(a) None of the execution and delivery by Purchaser of this Agreement or the Purchaser Documents, the consummation of the transactions contemplated hereby or thereby, or the compliance by Purchaser with any of the provisions hereof or thereof will conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination or cancellation under any provision of (i) the organizational documents of a Purchaser, (ii) any Contract or Permit to which a Purchaser is a party or by which Purchaser or its properties or assets are bound, (iii) any Order of any Governmental Authority applicable to a Purchaser or by which any of the properties or assets of a Purchaser are bound or (iv) any Applicable Law, except in the case of clauses (ii), and (iii) and (iv) as would not reasonably be expected to have a material adverse effect on the ability of Purchaser to consummate the transactions contemplated by this Agreement.

(b) No consent, waiver, approval, Order, Permit or authorization of, or declaration or filing with, or notification to, any Person or Governmental Authority is required on the part of Purchaser in connection with the execution and delivery of this Agreement or the Purchaser Documents, the compliance by Purchaser with any of the provisions hereof or thereof, the consummation of the transactions contemplated hereby or thereby or the taking by Purchaser of any other action contemplated hereby or thereby, except for compliance with the applicable requirements of the HSR Act, or that would not reasonably be expected to have a material adverse effect on the ability of Purchaser to consummate the transactions contemplated by this Agreement.

Section 6.4 Litigation. There are no Legal Proceedings pending or, to the knowledge of Purchaser, threatened against Purchaser, or to which Purchaser is otherwise a party before any Governmental Authority, which, if adversely determined, would reasonably be expected to have a material adverse effect on the ability of Purchaser to consummate the transactions contemplated by this Agreement.

Section 6.5 Financial Capability. Purchaser (a) has and will have at the Closing sufficient funds available to pay the Purchase Price and any expenses incurred by Purchaser in

connection with the transactions contemplated by this Agreement, and (b) has and will have at the Closing the resources and capabilities (financial or otherwise) to perform its obligations hereunder.

Section 6.6 Bankruptcy. There are no bankruptcy, reorganization or arrangement proceedings pending against, being contemplated by, or to the knowledge of Purchaser, threatened against, Purchaser.

Section 6.7 Financial Advisors. If any Person has acted, directly or indirectly, as a broker, finder or financial advisor for Purchaser in connection with the Transactions contemplated by this Agreement and is entitled to any fee or commission or like payment in respect thereof, Purchaser shall be solely liable for payment of any of such Person's fees, commissions, expenses or other compensation.

Section 6.8 Condition of the Business. Notwithstanding anything contained in this Agreement to the contrary, Purchaser acknowledges and agrees that no Seller is making any representations or warranties whatsoever, express or implied, beyond those expressly given by Sellers in Article V hereof (as modified by the Schedules hereto as supplemented or amended in accordance with Section 8.8), and Purchaser acknowledges and agrees that, except for the representations and warranties contained therein, the Purchased Assets are being transferred on a "where is" and, as to condition, "as is" basis. Purchaser further represents that no Seller or any of its Affiliates or any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any information regarding Sellers or any of their Subsidiaries, the Business or the transactions contemplated by this Agreement not expressly set forth in this Agreement, and no Seller, any of their Affiliates or any other Person will have or be subject to any liability to Purchaser or any other Person resulting from the distribution to Purchaser or its Representatives or Purchaser's use of, any such information, including any confidential memoranda distributed on behalf of Sellers relating to the Business or other publications or data room information provided to Purchaser or its representatives, in connection with the sale of the Business and the Transactions, except in case of Fraud. Purchaser acknowledges that it has conducted to its satisfaction its own independent investigation of the Business and, in making the determination to proceed with the Transactions, Purchaser has relied on the results of its own independent investigation.

Section 6.9 No Other Representations or Warranties. Except for the representations and warranties contained in this Article VI (as modified by the Schedules hereto), neither Purchaser nor any other Person makes any express or implied representation or warranty with respect to Purchaser, the transactions contemplated by this Agreement, or otherwise, and Purchaser disclaims any other representations or warranties, whether made by Purchaser, any Affiliate of Purchaser or any of their respective officers, directors, employees, agents or representatives. Purchaser acknowledges and agrees that none of the Sellers or any other Person makes any express or implied representation or warranty with respect to the Sellers, the Business, the Purchased Assets, the Assumed Liabilities, the transactions contemplated by this Agreement, or otherwise, except for those representations or warranties set forth in Article V. Purchaser further acknowledges that as of the Rejection Date, Sellers will not have any title, right, or interest in any of the Abandoned FF&E.

ARTICLE VII

BANKRUPTCY COURT MATTERS

Section 7.1 Competing Transaction.

(a) This Agreement is subject to approval by the Bankruptcy Court, the fiduciary duties of the Sellers and the consideration by Sellers of higher or better competing bids, including, in consideration of any sale, transfer, liquidation or disposition of the Business or assets of Sellers or their Subsidiaries, or a plan of reorganization or liquidation with respect to the Business or the Purchased Assets (each a “Competing Bid”). Purchaser acknowledges and agrees that subject to the limitations set forth in this Section 7.1, Sellers shall have the responsibility and obligation to respond to any inquiries or offers to purchase all or any part of the Purchased Assets or the Business and perform any and all other acts related thereto which are required under the Bankruptcy Code, the Bid Procedures Order or other Applicable Law, including supplying information relating to the Business and the assets of Sellers and its Subsidiaries to such prospective purchasers. Subject to the foregoing, Sellers shall use commercially reasonable efforts to seek and obtain entry of the Sale Order by no later than June 6, 2024.

(b) Sellers shall not and shall not permit any of their Subsidiaries to furnish information concerning Sellers, the Business, or the Purchased Assets to any third party, except (i) in the Ordinary Course of Business, (ii) to any Governmental Authority, or (iii) pursuant to a confidentiality agreement entered into between any Seller and such third party. Sellers shall use commercially reasonable efforts to promptly provide, or identify and make available to Purchaser any non-public information concerning Sellers, the Purchased Assets or the Business provided to any other Person after the Execution Date which was not previously provided to Purchaser. Notwithstanding anything to the contrary contained here, nothing shall prohibit Gordon Brothers Retail Partners, LLC from responding to inquiries about the Retained FF&E.

(c) Following the date of the entry of the Sale Order approving this Agreement and until such time as this Agreement has been terminated in accordance with its express terms, Sellers shall not, nor shall any of their Subsidiaries authorize or permit any Representative of any Seller to (i) directly or indirectly solicit, initiate or encourage the submission of any offer or proposal concerning any Competing Bid, or (ii) directly or indirectly participate in any discussions or negotiations regarding, or furnish to any Person any information with respect to, or take any other action to facilitate the making of, any proposal or expression of interest that constitutes or is reasonably likely to lead to a Competing Bid.

Section 7.2 Bid Protections.

(a) Sellers shall use commercially reasonable efforts to seek and obtain Bankruptcy Court approval of the motion filed on May 7, 2024 [Docket No. 94] (as may be amended, modified, or supplemented from time to time) by entry of the Bid Procedures Order in form and substance reasonably acceptable to Sellers and Purchaser; *provided, however*, that the foregoing shall apply solely to the Bid Procedures Order and not any exhibits attached thereto.

(b) If this Agreement is terminated for any reason other than pursuant to Section 4.4(g), in consideration for Purchaser having expended considerable time and expense in connection with this Agreement, the negotiation thereof and the diligence of the Purchased Assets of Seller, and the Purchaser agreeing to this Agreement being subject to an auction, the Seller shall pay Purchaser by wire transfer in immediately available funds, at the closing of, or in the case of a plan, on the effective date of, a Competing Bid, an amount equal to (i) \$90,000 (the “Break-Up Fee”), *plus* (ii) the actual, reasonable, and documented expenses of Purchaser or its Affiliates including reasonable fees, costs and expenses of any professionals (including outside legal counsel, experts and consultants) incurred in connection with the negotiation, execution, and preparation for the consummation of the Transactions contemplated by this Agreement up to an amount equal to \$75,000 in the aggregate (the “Expense Reimbursement”).

(c) The Parties acknowledge and agree that (A) the Parties have expressly negotiated the provisions of this Section 7.2(c) and the payment of the Break-Up Fee and the Expense Reimbursement are an integral part of this Agreement, (B) in the absence of Sellers’ obligations to make these payments, Purchaser would not have entered into this Agreement, and (C) the Expense Reimbursement shall constitute an allowed superpriority Administrative Expense Claims pursuant to sections 105(a), 503(b), and 507(a)(2) of the Bankruptcy Code with priority over all other administrative expenses of the kind specified in section 503(b) of the Bankruptcy Code, and Seller shall obtain the consent, and the Bid Procedures Order shall ratify the consent, of all parties with an interest in the Purchased Assets to payment to Purchaser of the Break-Up Fee and Expense Reimbursement, including from proceeds of the sale of any or all of the Purchased Assets to a Person other than Purchaser. Purchaser’s rights to the Break-Up Fee and the Expense Reimbursement pursuant to this Section 7.2(c) shall be the sole and exclusive remedy of Purchaser against Seller and any of its respective Affiliates for any Liability, damage or other loss resulting from, the termination of this Agreement, breach of any representation, warranty covenant or agreement contained herein or the failure of the Contemplated Transactions to be consummated, and none of Purchaser nor any of its Affiliates shall have any other remedy or cause of action under or relating to this Agreement or any applicable Law.

(d) The obligations of Seller to pay the Break-Up Fee or the Expense Reimbursement shall survive the termination of this Agreement in accordance with Section 8.3. The Break-Up Fee and the Expense Reimbursement shall be deemed earned upon entry of the Bid Procedures Order. Seller shall not offer or provide a break-up fee, expense reimbursement or similar bid protection to any other Person with respect to any or all of the Purchased Assets.

(e) Purchaser shall take all commercially reasonable actions as may be reasonably necessary to cause the Bid Procedures Order and Sale Order to be issued, entered and become final orders, including, to the extent reasonably practicable, furnishing affidavits, declarations or other documents or information for filing with the Bankruptcy Court. Purchaser agrees that it will promptly take such commercially reasonable actions as are reasonably requested by Seller to assist in obtaining entry of the Bid Procedures Order and Sale Order, a finding of adequate assurance of future performance by Purchaser within the meaning of Section 365 of the Bankruptcy Code, and demonstrating that Purchaser is a “good faith” purchaser under Section 363(m) of the Bankruptcy Code, and (y) establishing adequate assurance of future performance.

Section 7.3 Back-Up Bidder.

(a) In accordance with the Bidding Procedures Order, if an Auction is conducted and Purchaser is not the prevailing party at the conclusion of such Auction, but is the next highest or otherwise best bidder, as determined by Seller, Purchaser shall be required to serve as the Back-Up Bidder and keep its bid to consummate the transactions contemplated by this Agreement (as the same may be revised in the Auction with the consent of Seller) open and irrevocable in accordance with the Bidding Procedures Order until the earliest of (a) the first Business Day after the closing of a sale transaction with the Successful Bidder, (b) sixty (60) days after entry of the Sale Order and (c) seventy (70) days after the Auction (such date, the “Backup Bid Expiration Date”), *provided, that* Purchaser shall be entitled to the immediate return of the amount of its Deposit in excess of 10% of its bid at the conclusion of the Auction. In accordance with and subject to the Bidding Procedures, if the closing of the sale transaction with the Successful Bidder is terminated prior to the Backup Bid Expiration Date, the Backup Bidder will be deemed the new Successful Bidder and shall be obligated to consummate the sale as if it were the Successful Bidder at the Auction (in which case it will pay at Closing the balance owed of the Cash Purchase Price, less the Deposit then held by the Escrow Agent).

ARTICLE VIII

COVENANTS

Section 8.1 Access to Information.

(a) Sellers agree that, prior to the first to occur of the Closing and the termination of this Agreement in accordance with its terms, Purchaser shall be entitled, through its officers, employees and Representatives, to make such reasonable examination of the books and records of the Business, the Purchased Assets and the Assumed Liabilities as Purchaser reasonably requests in writing. Any such investigation and examination shall be conducted during regular business hours upon reasonable advance notice (at Purchaser’s expense) and under reasonable circumstances and Sellers and their Subsidiaries shall cooperate fully therein. Purchaser and its Representatives shall reasonably cooperate with Sellers and their Representatives and shall use their reasonable efforts to minimize any disruption to the Business in connection with such investigation and examination. Notwithstanding anything herein to the contrary, no such investigation or examination shall be permitted to the extent that it would require Sellers or any of their Subsidiaries to disclose information subject to attorney-client privilege or conflict with any confidentiality obligations to which such Seller or any of its Subsidiaries is bound.

(b) So long as the Bankruptcy Cases are pending, Purchaser shall provide Sellers and Sellers’ counsel and other professionals employed in the Bankruptcy Cases with reasonable access, on reasonable prior notice, to all documents relating to the Purchased Assets for the purpose of the continuing administration of the Bankruptcy Cases (including the pursuit of any avoidance, preference or similar actions), which access shall include (i) the right of Sellers’ professionals to copy, at Sellers’ expense, such documents and records as Sellers or Sellers’ may request in furtherance of the purposes described above, and (ii) Purchaser’s copying and delivering to Sellers or Sellers’ professionals such documents or records as Sellers or Sellers’ professionals may request, but only to the extent Sellers or Sellers’ professionals furnish Purchaser with

reasonably detailed written descriptions of the materials to be so copied and Sellers reimburse Purchaser for the reasonable and documented out-of-pocket costs and expenses in providing such information.

Section 8.2 Conduct of the Business Pending the Closing.

(a) During the period following the Execution Date and until the first to occur of the Closing and the termination of this Agreement in accordance with its terms, Sellers shall comply in all material respects with all Laws applicable to the ownership and use of the Purchased Assets.

(b) During the period following the Execution Date and until the first to occur of the Closing and the termination of this Agreement in accordance with its terms, except (1) as set forth on Schedule 8.2(b), (2) as required by Applicable Law or Order(s) of the Bankruptcy Court, (3) as otherwise contemplated by this Agreement, or (4) with the prior written consent of Purchaser (which consent shall not be unreasonably withheld or delayed), Sellers shall not, and shall not permit their Subsidiaries to:

(i) subject any of the Purchased Assets to any Lien, except for Permitted Liens and except for Incidental Licenses pursuant to clause (iv) of the definition thereof;

(ii) terminate, amend, restate, supplement or waive any rights, terms or conditions under any Purchaser Assumed Contracts; and

(iii) agree to do anything prohibited by this Section 8.2.

Section 8.3 Appropriate Action; Filings. Through the Closing Date, Sellers and Purchaser shall cooperate with each other and use (and shall cause their respective Affiliates to use) commercially reasonable efforts: (i) to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary, proper or advisable on its part under this Agreement, Applicable Law or otherwise to consummate and make effective the Transactions, (ii) to obtain promptly from any Governmental Authority any Orders or Permits required to be obtained by Sellers or Purchaser or any of their respective Affiliates in connection with the authorization, execution, delivery and performance of this Agreement and the consummation of the Transactions, (iii) to promptly make all necessary filings and thereafter make any other required submissions with respect to this Agreement and prompt consummation of the Transactions required under Applicable Law, and (iv) to provide prompt notification to the other Party if such Party becomes aware of any event enumerated in clauses (i) – (iii) of this Section 8.3; *provided, however*, that nothing in this Section 8.3 shall be construed as altering the rights or obligations of Sellers under Section 7.1; *provided further*, that neither Purchaser nor any Seller shall be obligated to pay any consideration or incur any costs to obtain any approvals or consents from third parties (except for the Bankruptcy Court), whether or not they may be necessary, proper or advisable to consummate the Transactions.

Section 8.4 Confidentiality. Purchaser acknowledges that Confidential Information (as defined in the Confidentiality Agreement) has been, and in the future will be, provided to it in connection with this Agreement, including under Section 8.1, and may be subject to the terms of that certain Confidentiality Agreement, dated as of April 29, 2024, by and between Seller Parent

and Purchaser (the “Confidentiality Agreement”), the terms of which are incorporated herein by reference. Purchaser acknowledges and understands that this Agreement may be made available by Sellers to prospective bidders and that such disclosure shall not be deemed to violate any confidentiality obligations owing to Purchaser, whether pursuant to this Agreement, the Confidentiality Agreement or otherwise. Effective upon, and only upon, the Closing, the Confidentiality Agreement shall terminate. Sellers agree that, from and after the Closing, no Seller will and Sellers will cause their Subsidiaries not to disclose to any Person any non-public information relating to the Purchaser and its Affiliates, the Purchased Assets and the Assumed Liabilities, except as required by Law or as otherwise becomes available in the public domain other than through any action by any Seller in violation of its obligations under this Agreement. The provisions of this Section 8.4 shall survive the Closing.

Section 8.5 Preservation of Records; Cooperation. Unless otherwise mutually agreed in writing, Sellers and Purchaser shall (and shall cause their Affiliates to) preserve and keep in their possession all records held by them on and after the Execution Date relating to the Purchased Assets for a period of three (3) years or such longer period as may be required by Applicable Law (*provided, however*, that in no event shall Sellers be required to preserve such records after the Bankruptcy Cases are dismissed and/or closed) and, on reasonable prior notice, such Party shall make such records and personnel available to the other Party as may reasonably be required by the requesting Party, including in connection with any insurance claims or Legal Proceedings involving the Purchased Assets, or any governmental investigations of Sellers or Purchaser or any of their respective Affiliates related to the Purchased Assets or in order to enable Sellers or Purchaser or any of their respective Affiliates to comply with their respective obligations hereunder and each other agreement, document or instrument contemplated hereby or thereby or otherwise; *provided, however*, that in no event shall either Party be obligated to provide any information the disclosure of which would jeopardize any privilege available to such Party or any of its Affiliates relating to such information or which would cause such Party or any of its Affiliates to breach a confidentiality obligation to which it is bound. Purchaser further acknowledges that Sellers shall be entitled to copy any such records, at Sellers’ sole cost and expense, and to retain copies of such records, but subject to the terms of this Agreement. After the expiration of any applicable retention period, but only so long as the Bankruptcy Cases remain open, before Purchaser shall dispose of any of such records, at least ninety (90) days’ prior written notice to such effect shall be given by Purchaser to Sellers or their successors (or a Person designated by Sellers) and Sellers or their successors (or a Person designated by Sellers) shall have the opportunity (but not the obligation), at their sole cost and expense, to remove and retain all or any part of such records as they may in their sole discretion select.

Section 8.6 Publicity. Prior to the Closing and without limiting or restricting any Party from making any filing with the Bankruptcy Court with respect to this Agreement or the Transactions, no Party shall issue any press release or public announcement concerning this Agreement or the Transactions without obtaining the prior written approval of the other Party, which approval will not be unreasonably withheld or delayed, unless, in the reasonable judgment of Purchaser or Sellers, disclosure is otherwise required by Applicable Law or by the Bankruptcy Court with respect to filings to be made with the Bankruptcy Court in connection with this Agreement or by the applicable rules of the Securities Exchange Commission or any stock exchange on which Purchaser or such Seller lists securities; *provided* that the Party intending to make such release shall use its best efforts consistent with such Applicable Law or Bankruptcy

Court requirement to consult with the other Party with respect to the text thereof. Notwithstanding the foregoing, Purchaser may make disclosures related to this Agreement or the Transactions in connection with Purchaser's negotiations or discussions with counterparties to Contracts and Real Property Leases, prospective employees, advisors, insurers and other persons with whom Purchaser may conduct business after the Closing. After the Closing, the Parties may issue public announcements regarding the Transactions so long as such announcements, in the case of announcements made by Sellers, do not disclose the specific terms or conditions of this Agreement or any Transaction Document except where such terms and conditions have already been disclosed as required by Law, applicable stock exchange regulation or in filings that any Seller is required to make in the Bankruptcy Court or office of the United States Trustee; *provided, however*, that the issuing Party shall use its best efforts to consult with the other Party with respect to the text thereof.

Section 8.7 Supplements to Schedules. Upon two (2) Business Days written notice to Purchaser, Sellers may supplement or amend the Schedules provided pursuant to Sections 5.4 and 5.5 solely to cure and correct non-material errors or omissions in any representation or warranty which would have existed if Sellers had not made such supplements or amendments. Any such supplements or amendments shall be effective upon delivery to Purchaser of such supplements or amendments. All references to Schedules that are supplemented or amended pursuant to this Section 8.7 shall be deemed to be a reference to such Schedule as supplemented or amended. In the event any supplement or amendment to a Schedule or Schedules results in any representation or warranty of Purchaser existing immediately prior to the delivery of such supplement or amendment to have been or become untrue in any material respect, then Purchaser may exercise its right to terminate this Agreement under Section 4.4(f).

Section 8.8 Further Assurances.

(a) Each Seller and Purchaser shall use its commercially reasonable efforts to (i) take all actions necessary or appropriate to consummate the Transactions and (ii) cause the fulfillment at the earliest practicable date of all of the conditions to their respective obligations to consummate the Transactions.

(b) Effective upon the Closing and subject to the terms and conditions set forth in the Sales Order and the Store Closing Order, the Purchaser shall grant, and does hereby grant to the Sellers and any agents engaged by or on behalf of the Sellers with respect to the Store Closing Sales Order, up and until June 30, 2024, a royalty free, non-exclusive license of the Purchased Intellectual Property for the sole purpose of conducting the Store Closing Sales in accordance with the Store Closing Sales Order and the Agency Agreement, *provided that*, any goodwill generated by the Sellers in connection with such license of the Purchased Intellectual Property shall inure to the benefit of Purchaser.

(c) Intentionally omitted.

(d) Within ten (10) Business Days following the Closing Date Seller Parent shall, and shall cause each of the Sellers to, file such amendments to its formation or organizational documents with the relevant Governmental Authority in its jurisdiction of formation or organization and, where appropriate, those jurisdictions in which it is qualified to do business, as

are necessary in order that the names (including trade names and d/b/a's) of each Seller no longer include the words "rue21" and cause the caption of the Bankruptcy Cases to reflect such change of name.

Section 8.9 Tax Matters.

(a) All sales, transfer, filing, recordation, registration, documentary, stamp and similar Taxes and fees arising from the Transactions (collectively, "Transfer Taxes"), whether levied on Purchaser or Sellers, shall be paid by Purchaser.

(b) Purchaser shall prepare at Purchaser's expense, with Sellers' cooperation, any necessary Tax Returns and other documentation with respect to any Transfer Taxes, and the party required by law to file such Tax Return shall timely do so. Purchaser shall pay or reimburse Seller for the costs charged by a Governmental Authority for such Transfer Tax filings required to be filed hereunder.

ARTICLE IX

CONDITIONS TO CLOSING

Section 9.1 Conditions Precedent to Obligations of Purchaser. The obligation of Purchaser to consummate the transactions contemplated by this Agreement is subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by Purchaser, in its sole discretion, in whole or in part to the extent permitted by Applicable Law): the representations and warranties made by Sellers in Article V shall be true and correct (disregarding all qualifications or limitations as to "materiality" or "Material Adverse Effect" and words of similar import set forth therein) as of the Closing Date (as though such representations and warranties had been made on and as of the Closing Date) (other than representations and warranties that by their terms address matters only as of another specified date, which shall be so true and correct only as of such other specified date), except where the failure of such representations and warranties to be true and correct has not had, and would not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect, and Purchaser shall have received a certificate signed by an authorized officer of each Seller (in form and substance reasonably satisfactory to Purchaser), dated the Closing Date, to such effect; and

(b) Sellers shall have performed and complied in all material respects with all obligations and agreements required in this Agreement to be performed or complied with by them at or prior to the Closing Date, and Purchaser shall have received a certificate signed by an authorized officer of each Seller, dated the Closing Date, to the foregoing effect.

Section 9.2 Conditions Precedent to Obligations of Sellers. The obligations of Sellers to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or on the Closing Date, of each of the following conditions (any or all of which may be waived by Sellers, in their sole discretion, in whole or in part to the extent permitted by Applicable Law):

(a) the representations and warranties of Purchaser set forth in Article VI shall be true and correct at and as of the Closing Date (as though such representations and warranties

had been made on and as of the Closing Date), except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct on and as of such earlier date); *provided, however*, that in the event of a breach of a representation or warranty other than a representation or warranty qualified by materiality or material adverse effect, the condition set forth in this Section 9.2(a) shall be deemed satisfied unless the effect of all such breaches of representations and warranties taken together results in a material adverse effect on the ability of Purchaser to consummate the transactions contemplated by this Agreement, and Sellers shall have received a certificate signed by an authorized officer of Purchaser (in form and substance reasonably satisfactory to Sellers), dated the Closing Date, to such effect;

(b) Purchaser shall have performed and complied in all material respects with all obligations and agreements required by this Agreement to be performed or complied with by Purchaser on or prior to the Closing Date, and Sellers shall have received a certificate signed by an authorized officer of Purchaser, dated the Closing Date, to the foregoing effect; and

(c) Purchaser shall have paid in full or otherwise satisfied all Assumed Cure Costs, if any, with respect to the Purchaser Assumed Contracts, if any, set forth on Schedule 1.1(b) prior to or on the Closing Date.

Section 9.3 Conditions Precedent to Obligations of Purchaser and Sellers. The respective obligations of Purchaser and Sellers to consummate the transactions contemplated by this Agreement are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by Purchaser and Sellers in whole or in part to the extent permitted by Applicable Law):

(a) there shall not be in effect any Law or Order by a Governmental Authority of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the Transactions;

(b) the Bankruptcy Court shall have entered the Bid Procedures Order by no later than May 27, 2024 and such Order shall be in full force and effect and shall not have been reversed, modified, amended or stayed; and

(c) the Bankruptcy Court shall have entered the Sale Order by no later than June 6, 2024 and such Order shall be in full force and effect and shall not have been reversed, modified, amended or stayed.

Section 9.4 Frustration of Closing Conditions. Neither Sellers nor Purchaser may rely on the failure of any condition set forth in Section 9.1, Section 9.2 or Section 9.3, as the case may be, if such failure was caused by such Party's failure to comply with any provision of this Agreement.

ARTICLE X

LIMITATIONS

Section 10.1 Purchaser's Review.

(a) No Reliance. Purchaser has had the opportunity to ask questions, and has received sufficient answers, in connection with its decision to enter into this Agreement, and to consummate the Transactions. In connection with the execution and delivery of this Agreement and the consummation of the Transactions, Purchaser has not relied upon, and Purchaser expressly waives and releases Sellers from any Liability for any claims relating to or arising from, any representation, warranty, statement, advice, document, projection, or other information of any type provided by Sellers or their Affiliates or any of their respective Representatives, except for those representations and warranties expressly set forth in Article V or any Transaction Document executed and delivered by the Sellers pursuant to Section 4.2. In deciding to enter into this Agreement, and to consummate the Transactions, Purchaser has relied solely upon its own knowledge, investigation, judgment and analysis (and that of its Representatives) and not on any disclosure or representation made by, or any duty to disclose on the part of, Sellers or their Affiliates or any of their respective Representatives, other than the express representations and warranties of Seller set forth in Article V.

(b) Limited Duties. Any and all duties and obligations which any Party may have to any other Party with respect to or in connection with the Purchased Assets, this Agreement or the Transactions are limited to those specifically set forth in this Agreement. Neither the duties nor obligations of any Party, nor the rights of any Party, shall be expanded beyond the terms of this Agreement on the basis of any legal or equitable principle or on any other basis whatsoever.

Section 10.2 No Exemplary or Punitive Damages. NO PARTY (OR ITS AFFILIATES OR REPRESENTATIVES) SHALL, UNDER ANY CIRCUMSTANCE, BE LIABLE TO THE OTHER PARTY (OR ITS AFFILIATES OR REPRESENTATIVES) FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES CLAIMED BY SUCH OTHER PARTY UNDER THE TERMS OF OR DUE TO ANY BREACH OF THIS AGREEMENT, INCLUDING LOSS OF REVENUE OR INCOME, DAMAGES BASED ON ANY MULTIPLIER OF PROFITS OR OTHER VALUATION METRIC, COST OF CAPITAL, DIMINUTION OF VALUE OR LOSS OF BUSINESS REPUTATION OR OPPORTUNITY.

ARTICLE XI

MISCELLANEOUS

Section 11.1 Survival of Representations, Warranties, Covenants and Agreements. The representations and warranties of any Party made herein, in any Transaction Document or in any other instrument delivered pursuant to this Agreement shall terminate at the Closing, or upon termination of this Agreement pursuant to Section 4.4, and, following the Closing or the termination of this Agreement, as the case may be, there shall be no Liability in respect thereof on the part of any Party or any of its Representatives. Except with respect to covenants or agreements

which are to be performed on or prior to the Closing, all covenants and agreements contained in this Agreement shall survive the Closing in accordance with their respective terms; *provided* that any covenant or agreement contained herein whose survival is not limited by its terms shall survive until fully performed in accordance with its terms.

Section 11.2 Specific Performance. Notwithstanding anything to the contrary, the Parties agree that irreparable damage, for which monetary relief, even if available, may not be an adequate remedy, may occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached, including if any Party fails to take any action required of it hereunder to consummate the transactions contemplated by this Agreement. It is accordingly agreed that (a) the Parties will be entitled to an injunction or injunctions, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the courts described in Section 11.5 without proof of damages or otherwise, this being in addition to any other remedy to which they are entitled under this Agreement, and (b) the right of specific performance and other equitable relief is an integral part of the transactions contemplated by this Agreement and without that right, neither Sellers nor Purchaser would have entered into this Agreement. The Parties acknowledge and agree that any Party pursuing an injunction or injunctions or other Order to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Section 11.2 will not be required to provide any bond or other security in connection with any such Order. The remedies available to a non-breaching Party pursuant to this Section 11.2 will be in addition to any other remedy to which such Party were entitled at law or in equity, and the election to pursue an injunction or specific performance will not restrict, impair or otherwise limit such non-breaching Party from seeking to collect or collecting damages.

Section 11.3 Expenses. Except as otherwise set forth in this Agreement and with respect to the Expense Reimbursement and Break-Up Fee, each Party shall bear its own expenses (including attorneys' fees) incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated hereby and the consummation of the Transactions contemplated hereby and thereby; *provided, however*, Purchaser shall bear sole responsibility for any, UCC-3 filing fees, real estate, title recording or filing fees and other amounts payable in respect of transfer filings in connection with the Transactions contemplated by this Agreement.

Section 11.4 Non-Recourse. The Parties acknowledge and agree that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, agent, attorney, Representative or Affiliate of the Parties to this Agreement, in such capacity, shall have any liability for any obligations or liabilities of Purchaser or Sellers, as applicable, under this Agreement or for any claim based on, in respect of, or by reason of, the Transactions.

Section 11.5 Submission to Jurisdiction.

(a) Without limiting any Party's right to appeal any Order of the Bankruptcy Court, (i) the Bankruptcy Court shall retain exclusive jurisdiction to enforce the terms of this Agreement and to decide any claims or disputes among the Parties which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, or the Transactions, and (ii) any and all Actions related to the foregoing shall be filed and maintained only in the

Bankruptcy Court, and the Parties hereby consent to and submit to the jurisdiction and venue of the Bankruptcy Court for such purposes and shall receive notices at such locations as indicated in Section 11.11; *provided, however*, that if the Bankruptcy Cases have been fully and finally dismissed and the Bankruptcy Court declines jurisdiction, the Parties agree to and hereby unconditionally and irrevocably submit to the exclusive jurisdiction of the United States District Court for the District of Delaware sitting in New Castle County.

(b) The Parties hereby unconditionally and irrevocably waive, to the fullest extent permitted by Applicable Law, any objection which they may now or hereafter have to the laying of venue of any dispute arising out of or relating to this Agreement or any of the Transactions brought in any court specified in subsection (a) above, or any defense of inconvenient forum for the maintenance of such dispute. Each of the Parties agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

(c) Each of the Parties hereby consents to process being served by any Party in any suit, Action or proceeding by the mailing of a copy thereof in accordance with the provisions of Section 11.11; *provided, however*, that such service shall not be effective until the actual receipt thereof by the Party being served.

Section 11.6 Waiver of Jury Trial. THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT THAT THEY MAY HAVE TO TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION, OR IN ANY PROCEEDING, DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY). EACH PARTY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT, OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.5.

Section 11.7 Authorization of Seller Parent as Representative of Sellers.

(a) By entering into and executing this Agreement, Sellers irrevocably make, constitute and appoint Seller Parent as their agent, effective as of the Execution Date, and authorize and empower Seller Parent to fulfill the role of Sellers' representative hereunder, and each Seller appoints Seller Parent as such Person's true and lawful attorney in fact and agent, for such Person and in such Person's name, place and stead for all purposes necessary or desirable in order for Seller Parent to take all actions contemplated by this Agreement, with the ability to execute and deliver all instruments, certificates and other documents of every kind incident to the foregoing to all intents and purposes and with the same effect as such Seller could do personally, including to give and receive notices and communications; to object to such deliveries, to agree to, negotiate, enter into settlements and compromises of, and comply with orders of courts with respect to such claims; and to take all actions necessary or appropriate in the judgment of Seller Parent for the

accomplishment of the foregoing. The dissolution, liquidation, insolvency or bankruptcy of any Seller shall not terminate the authority and agency of Seller Parent as each Seller's representative pursuant to this Section 11.7. The power of attorney granted in this Section 11.7 is coupled with an interest and is irrevocable.

(b) Purchaser shall be entitled to rely exclusively upon any communication given or other action taken by Seller Parent pursuant to this Agreement, and shall not be liable for any action taken or not taken in good faith reliance on a communication or other instruction from Seller Parent.

Section 11.8 Time of Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

Section 11.9 Entire Agreement; Amendments and Waivers. This Agreement (including the Schedules and Exhibits hereto) and the other Transaction Documents represent the entire understanding and agreement between the Parties with respect to the subject matter hereof and supersedes all prior discussions and agreements between the Parties with respect to the subject matter hereof. This Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by the Party against whom enforcement of any such amendment, supplement, modification or waiver is sought. No action taken pursuant to this Agreement, including any investigation by or on behalf of any Party, shall be deemed to constitute a waiver by the Party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such Party preclude any other or further exercise thereof or the exercise of any other right, power or remedy.

Section 11.10 Governing Law. THIS AGREEMENT, THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER, AND ANY CLAIM OR CONTROVERSY (WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY) DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE NEGOTIATION, EXECUTION OR PERFORMANCE OF THIS AGREEMENT (INCLUDING ANY CLAIM OR CAUSE OF ACTION BASED UPON, ARISING OUT OF OR RELATED TO ANY REPRESENTATION OR WARRANTY MADE IN OR IN CONNECTION WITH THIS AGREEMENT OR AS AN INDUCEMENT TO ENTER INTO THIS AGREEMENT), INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, SHALL IN ALL RESPECTS BE GOVERNED BY AND INTERPRETED, CONSTRUED, AND DETERMINED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF DELAWARE (WITHOUT REGARD TO ANY CONFLICT OF LAWS PROVISION THAT WOULD REQUIRE THE APPLICATION OF THE LAW OF ANY OTHER JURISDICTION) AND, TO THE EXTENT APPLICABLE, THE BANKRUPTCY CODE, THE BANKRUPTCY RULES, AND THE LOCAL RULES OF THE BANKRUPTCY COURT.

Section 11.11 Notices. All notices and other communications under this Agreement, bankruptcy rules and the local rules of the Bankruptcy Court shall be in writing and shall be deemed duly given (i) when delivered personally or by prepaid overnight courier, with a record of receipt, (ii) the fourth (4th) day after mailing if mailed by certified mail, return receipt requested, or (iii) the day of transmission, if sent by electronic mail during regular business hours or the Business Day after transmission, if sent after regular business hours (with a copy promptly sent by prepaid overnight courier with record of receipt or by certified mail, return receipt requested), to the Parties at the following addresses or facsimile numbers (or to such other address or facsimile number as a Party may have specified by notice given to the other Parties pursuant to this Section 11.11):

If to Sellers:

New rue21, LLC
800 Commonwealth Drive
Warrendale, PA 15086
E-mail: mpascoe@rue21.com
Attention: Michele Pascoe, Interim Chief Executive Officer

With a copy to:

Willkie Farr & Gallagher
787 Seventh Avenue, New York, NY 10019-6099
E-mail: rstrickland@willkie.com, amordkoff@willkie.com, cjames@willkie.com, gdorment@willkie.com
Attention: Rachel Strickland, Andrew S. Mordkoff, Claire James, Genevieve Dorment

If to Purchaser:

c/o YM Inc. (Sales)
50 Dufflaw Road
Toronto, ON M6A 2W1
E-mail: egrundy@yminc.ca
Attention: Eric Grundy, CEO

With a copy to:

Goulston & Storrs PC
One Post Office Square
25th Floor
Boston, MA 02109
E-mail: drosner@goulstonstorrs.com
Attention: Douglas B. Rosner

-and-

Lampert LawGiC Professional Corporation

Email: LL@lampertlawgic.com

Attention: Leigh A. Lampert

Section 11.12 Severability. If any term or provision of this Agreement is invalid, illegal or incapable of being enforced by Law or public policy, all other terms and provisions hereof shall nevertheless remain in full force and effect so long as the legal substance of the Transactions is not affected in any manner materially adverse to any Party. Upon such determination that any term or provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the Transactions are consummated as originally contemplated to the greatest extent possible.

Section 11.13 No Right of Set-Off. Purchaser for itself and for its Affiliates, successors and assigns hereby unconditionally and irrevocably waives any rights of set-off, netting, offset, recoupment, or similar rights that Purchaser or any of its Affiliates, successors and assigns has or may have with respect to the payment of the Purchase Price or any other payments to be made by Purchaser pursuant to this Agreement or any other document or instrument delivered by Purchaser in connection herewith.

Section 11.14 Binding Effect; Assignment. This Agreement shall be binding solely upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any Person not a Party to this Agreement except to the extent provided in Section 11.4. No assignment of this Agreement or of any rights or obligations hereunder may be made by any Party (by operation of law or otherwise) without the prior written consent of the other Party and any attempted assignment without the required consents shall be void; *provided, however*, that (i) prior to the Closing, Purchaser may assign this Agreement and any or all rights or obligations hereunder (including Purchaser's right to purchase the Purchased Assets and assume the Assumed Liabilities) to any Affiliate of Purchaser and (ii) after the Closing, Purchaser (or its permitted assignee) shall have the right to assign its rights and/or delegate its obligations hereunder (A) to any Affiliates, (B) to any financing sources for collateral purposes or (C) to any subsequent purchaser of all or any portion of the stock or assets of Purchaser or the Business; *provided* that such assignment shall not relieve Purchaser of any obligation set forth in this Agreement. Upon any such permitted assignment, the references in this Agreement to Purchaser shall also apply to any such assignee unless the context otherwise requires.

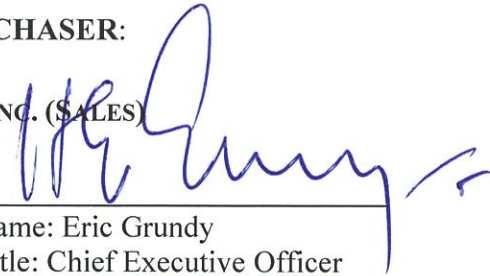
Section 11.15 Counterparts. This Agreement may be executed and delivered (including by electronic transmission) in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[The Remainder of This Page Is Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Execution Date by their respective officers thereunto duly authorized.

PURCHASER:

YM INC. (SALES)

By: 

Name: Eric Grundy

Title: Chief Executive Officer

[SIGNATURE PAGE TO ASSET PURCHASE AGREEMENT]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Execution Date by their respective officers thereunto duly authorized.

SELLERS:

NEW RUE21 HOLDCO, INC.

DocuSigned by:
By: Michele Pascoe
Name: Michele Pascoe
Title: Interim Chief Executive Officer

NEW RUE21 INTERMEDIATE, INC.

DocuSigned by:
By: Michele Pascoe
Name: Michele Pascoe
Title: Interim Chief Executive Officer

R21 HOLDINGS, INC.

DocuSigned by:
By: Michele Pascoe
Name: Michele Pascoe
Title: Interim Chief Executive Officer

NEW RUE21, LLC

DocuSigned by:
By: Michele Pascoe
Name: Michele Pascoe
Title: Interim Chief Executive Officer

R SERVICES, LLC

DocuSigned by:
By: Michele Pascoe
Name: Michele Pascoe
Title: Interim Chief Executive Officer

NEW RSC, LLC

DocuSigned by:
By: Michele Pascoe
Name: Michele Pascoe
Title: Interim Chief Executive Officer

**AMENDMENT TO
ASSET PURCHASE AND SALE AGREEMENT**

This Amendment (this “Amendment”) to that certain Asset Purchase and Sale Agreement, dated as of May 16, 2024 (the “Purchase Agreement”), by and among New rue21, LLC, a Delaware limited liability company (“Seller Parent”), each of the Subsidiaries of Seller Parent (together with Seller Parent, “Sellers” and individually, a “Seller”) and YM Inc. (Sales), a Canadian corporation (“Purchaser”), is entered into by the undersigned as of May 31, 2024. Each capitalized term used but not defined in this Amendment shall have the meaning given to such term in the Purchase Agreement.

WHEREAS, pursuant to Section 11.9 of the Purchase Agreement, the Purchase Agreement may be amended, supplemented or changed, and any provision thereof can be waived, by written instrument making specific reference to the Purchase Agreement signed by the Party against whom enforcement of any such amendment, supplement, modification or waiver is sought; and

WHEREAS, the parties desire to amend the Purchase Agreement as set forth herein.

NOW, THEREFORE:

In consideration of the mutual promises and covenants set forth herein, and other consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Amendments to Section 1.1. Section 1.1 of the Purchase Agreement is hereby amended to add the defined terms “Acquired Avoidance Actions” and “Avoidance Actions” (as defined below):

“Acquired Avoidance Actions” means all Avoidance Actions.

“Avoidance Actions” means any claim, right or cause of action of any Seller arising under Section 547 of the Bankruptcy Code or any analogous state law claims.

2. Amendments to Section 2.1.

(a) Section 2.1(f) of the Purchase Agreement is hereby deleted and replaced in its entirety with the following new Section 2.1(f):

“all Acquired Avoidance Actions; *provided however* that neither Purchaser nor any Person claiming by, through or on behalf of Purchaser (including but not limited to by operation of law, sale, assignment, conveyance or otherwise) shall (i) pursue, prosecute, litigate, institute or commence an action based on any Avoidance Actions; or (ii) assert, sell, convey, assign or file any claim that relates to any Avoidance Actions;”

(b) Section 2.1(g) of the Purchase Agreement is hereby deleted and replaced in its entirety with the following new Section 2.1(g):

“to the extent transferrable after giving effect to the Sale Order, all rights of Sellers under non-disclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of Seller or with third parties to the extent primarily relating to the Purchased Assets (or any portion thereof); and”

(c) The Purchase Agreement is hereby amended by inserting a new Section 2.1(h) as follows:

“all goodwill and other intangible assets primarily related to the Purchased Assets; *provided* that Sellers can continue to use such Purchased Intellectual Property throughout the period of the Store Closing Sales pursuant to Section 8.9(b).”

3. Amendment to Section 3.3. The Purchase Agreement is hereby amended by inserting a new Section 3.3(e) as follows:

“Within one (1) Business Day of the Closing Date, Purchaser shall deliver to, or cause to be delivered to, Popular Poison Graphics LLC (“Popular Poison”) the amount of \$30,000 to reimburse Popular Poison for its costs and expenses incurred in connection with Popular Poison’s composition and submission of a partial bid for certain Purchased Assets during the bidding process for such assets (the “Popular Poison Reimbursement”); *provided* that Purchaser’s obligation to deliver the Popular Poison Reimbursement to Popular Poison shall be conditioned on the Closing Date occurring by no later than May 31, 2024. For the avoidance of doubt, the Popular Poison Reimbursement shall be delivered by Purchaser directly to Popular Poison and shall be separate from, and in addition to, the Purchase Price described in Section 3.1 and any other consideration provided by Purchaser to Sellers pursuant to this Agreement.

4. Amendment to Section 8.1(b). Section 8.1(b) of the Purchase Agreement is hereby deleted and replaced in its entirety with the following new Section 8.1(b):

“So long as the Bankruptcy Cases are pending, Purchaser shall provide Sellers and Sellers’ counsel and other professionals employed in the Bankruptcy Cases with reasonable access, on reasonable prior notice, to all documents relating to the Purchased Assets for the purpose of the continuing administration of the Bankruptcy Cases, which access shall include (i) the right of Sellers’ professionals to copy, at Sellers’ expense, such documents and records as Sellers or Sellers’ may request in furtherance of the purposes described above, and (ii) Purchaser’s copying and delivering to Sellers or Sellers’ professionals such documents or records as Sellers or Sellers’ professionals may request, but only to the extent Sellers or Sellers’ professionals furnish Purchaser with reasonably detailed written descriptions of the materials to be so copied and Sellers reimburse Purchaser for the reasonable and documented out-of-pocket costs and expenses in providing such information.”

5. Miscellaneous. Section 11.9 (*Entire Agreement; Amendments and Waivers*), Section 11.10 (*Governing Law*), and Section 11.12 (*Severability*) are hereby incorporated herein by reference, *mutatis mutandis*.

6. Purchase Agreement. Wherever necessary, all other terms of the Purchase Agreement are hereby amended to be consistent with the terms of this Amendment. Except as specifically set forth herein, the Purchase Agreement shall remain in full force and effect.

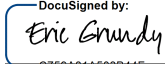
7. Integration. The provisions set forth in this Amendment shall be deemed to be and shall be construed as part of the Purchase Agreement to the same extent as if fully set forth verbatim therein. In the event of any variation or inconsistency between any provision contained in this Amendment and any provision contained in the Purchase Agreement, the provision contained herein shall govern. All references in the Purchase Agreement or any other agreements, instruments and documents executed in connection therewith to the “Agreement” shall be deemed to refer to the Purchase Agreement as amended hereby.

[Signatures Follow]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

PURCHASER:

YM INC. (SALES)

By: 
 DocuSigned by:
Eric Grundy
C759A81A503B44F...
Name: Eric Grundy
Title: Chief Executive Officer

SELLERS:

NEW RUE21 HOLDCO, INC.

DocuSigned by:
By: Michele Pascoe
8CE2550C96B240E
Name: Michele Pascoe
Title: Interim Chief Executive Officer

NEW RUE21 INTERMEDIATE, INC.

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R SERVICES, LLC

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