

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

In re:

JORDAN HEALTH PRODUCTS I, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12271 (TMH)

(Joint Administration Requested)

**DEBTORS' MOTION FOR ENTRY OF (I) AN ORDER (A) APPROVING BID
PROCEDURES IN CONNECTION WITH THE POTENTIAL SALE OF THE
DEBTORS' ASSETS, (B) SCHEDULING AN AUCTION AND A SALE HEARING,
(C) APPROVING THE FORM AND MANNER OF NOTICE THEREOF,
(D) AUTHORIZING THE DEBTORS TO ENTER INTO
STALKING HORSE AGREEMENT, (E) APPROVING BID PROTECTIONS,
(F) APPROVING PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT
OF CONTRACTS AND LEASES, AND (G) GRANTING RELATED RELIEF;
AND (II) ORDER (A) APPROVING THE SALE OF THE DEBTORS'
ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES,
AND INTERESTS, (B) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT
OF CONTRACTS AND LEASES, AND (C) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (the “**Debtors**”) hereby move this Court (this “**Motion**”), pursuant to sections 105(a), 363, and 365 of title 11 of the United States Code (the “**Bankruptcy Code**”); Rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure (as amended from time to time, the “**Bankruptcy Rules**”); and Rule 6004-1 of the Local Rules of Bankruptcy Practice and Procedures of the Bankruptcy Court for the District of Delaware (the “**Local Rules**”), for the entry of (i) an order, substantially in the form attached hereto as Exhibit B (the “**Bid Procedures Order**”), (a) approving procedures in connection with the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Jordan Health Products I, Inc. (9981); Global Medical Imaging, LLC (8828); D.R.E. Medical Group, Inc. (2356); Technical Options of Georgia, Inc. (5488); Jordan Health Products III, Inc. (9350); Transtate Equipment Company, Inc. (4201); Equipment Maintenance Solutions, Inc. (7216); Ultra Solutions Holdings, Inc. (2305); Ultra Solutions, LLC (3425); Pacific Medical Group, Inc. (4339); and Pacific Medical Holdings, Inc. (2135). The Debtors’ service address is 8700 W Bryn Mawr Ave., Suite 720S, Chicago, IL 60631. Debtor Jordan Health Products I, Inc. is doing business as Avante Health Solutions.

potential sale of all or substantially all of the Debtors' assets (the "**Assets**"), (b) scheduling the related auction and hearing to consider approval of the Sale (as defined below), (c) approving the form and manner of notice thereof, (d) authorizing the Debtors to enter into the Stalking Horse Agreement (as defined below), (e) approving certain bid protections for the Stalking Horse Bidder (as defined below), (f) approving procedures related to the assumption and assignment of certain of the Debtors' executory contracts and unexpired leases relating to the Sale, and (g) granting related relief; and (ii) an order, substantially in the form attached hereto as Exhibit C (the "**Sale Order**"), (a) approving the Sale of Assets free and clear of liens, claims, encumbrances, and other interests, (b) approving the assumption and assignment of certain of the Debtors' executory contracts and unexpired leases related thereto, and (c) granting related relief. In support of this Motion, the Debtors rely upon the *Declaration of Rob Hubbard in Support of the Debtors' Chapter 11 Petitions and First Day Relief* (the "**First Day Declaration**") and the *Declaration of Joseph Greenwood in Support of Debtors' Motion for Entry of (I) An Order (A) Approving Bid Procedures in Connection with the Potential Sale of the Debtors' Assets, (B) Scheduling an Auction and a Sale Hearing, (C) Approving the Form and Manner of Notice Thereof, (D) Authorizing the Debtors to Enter into Stalking Horse Agreement, (E) Approving Bid Protections, (F) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (B) Granting Related Relief; and (II) Orders (A) Approving the Sale of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Contracts and Leases, and (C) Granting Related Relief* (the "**Greenwood Declaration**"), filed contemporaneously herewith. In further support of this Motion, the Debtors, by and through their undersigned counsel, respectfully represent:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b). Under Local Rule 9013-1(f), the Debtors consent to entry of a final order under Article III of the United States Constitution. Venue of these cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested in this Motion are Bankruptcy Code sections 105, 363, 365, 503, and 507, Bankruptcy Rules 2002, 6004, 6006, 9007, 9014, and Local Rules 2002-1, 6004-1, and 9013-1(m).

BACKGROUND

3. On the date hereof (the “**Petition Date**”), each of the Debtors filed a voluntary petition in this Court commencing a case for relief under chapter 11 of the Bankruptcy Code (the “**Chapter 11 Cases**”). The factual background regarding the Debtors, including their business operations, their capital and debt structures, and the events leading to the filing of the Chapter 11 Cases, is set forth in detail in the First Day Declaration and fully incorporated herein by reference.²

4. The Debtors continue to manage and operate their business as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108. No trustee or examiner has been requested in the Chapter 11 Cases and no committee of unsecured creditors has yet been appointed.

5. The Debtors intend to sell or otherwise liquidate their Assets in the Chapter 11 Cases, and the DIP Lenders and the Prepetition Lenders have, subject to certain conditions, agreed to provide financing and to allow their cash collateral to be used to fund the Chapter 11 Cases and

² Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to such terms in the First Day Declaration.

the potential sale. Given the Debtors' lack of liquidity, the Debtors need to complete the sale process as expeditiously as possible.

RELIEF REQUESTED

6. By this Motion, *first* the Debtors seek entry of the Bid Procedures Order in substantially the form attached hereto as Exhibit B:

(a) authorizing and approving the Bid Procedures attached to the Bid Procedures Order as Exhibit 1 in connection with the sale of the Debtors' Assets (the "**Sale**");

(b) scheduling an auction (the "**Auction**") and sale hearing (the "**Sale Hearing**") with respect to the Sale;

(c) approving the form and manner of notice of the Auction and the Sale Hearing, a copy of which is attached to the Bid Procedures Order as Exhibit 2 (the "**Sale Notice**");

(d) authorizing the Debtors to enter into the Asset Purchase Agreement (the "**Stalking Horse Agreement**") with AHS Acquisition Holdings, LLC, a Delaware limited liability company (the "**Stalking Horse Bidder**"), a copy of which is attached hereto as Exhibit A, pursuant to which the Stalking Horse Bidder seeks to purchase the Assets (defined as the "Acquired Assets" in the Stalking Horse Agreement) and assume the Assumed Liabilities from the Debtors pursuant for the consideration as set forth therein;

(e) approving certain bid protections relating to the sale of the Assets, consisting of:

(i) reimbursement of the Stalking Horse Bidder's and its Affiliates' actual reasonable fees, costs and expenses (including reasonable attorneys' fees, fees of accountants, tax advisors, appraisals, surveys, insurance consultants, benefit consultants, lender fees (including fees of lenders' attorneys and other advisors)) and other professional fees, incurred in connection with the transactions contemplated by the Stalking Horse Agreement including negotiation, due diligence, financing, participation in the Auction and Bankruptcy Case, documentation and other activities, up to a maximum of \$750,000 (the "**Expense Reimbursement**"); and

(ii) an initial overbid (the "**Initial Overbid**" and, together with the Expense Reimbursement, the "**Bid Protections**"), consisting of the sum of the Expense Reimbursement and \$750,000.

(f) approving procedures for the assumption and assignment (as set forth in the Bid Procedures Order, the "**Assumption Procedures**") of certain executory contracts and unexpired leases in connection with the Sale (collectively, the "**Contracts**"); and

(g) granting related relief.

7. **Second**, the Debtors will seek entry of the Sale Order at the conclusion of the Sale Hearing in substantially the form attached hereto as Exhibit C:

(a) authorizing and approving the Sale to the applicable Successful Bidder (as defined in the Bid Procedures) on the terms substantially set forth in the applicable Successful Bid free and clear of liens, claims, encumbrances, and other interests other than Permitted Encumbrances and Assumed Liabilities (as such terms are defined in the Stalking Horse Agreement);

(b) authorizing the assumption and assignment of the Contracts in connection with the Sale; and

(c) granting any related relief.

8. The Debtors reserve the right to file and serve any supplemental pleading or declaration that the Debtors deem appropriate or necessary in their reasonable business judgment, including any pleading summarizing the competitive bidding and sale process and the results thereof, in support of their request for entry of the Sale Order before the Sale Hearing.

PREPETITION MARKETING AND SALE PROCESS

9. As set forth in detail in the First Day Declaration, the Debtors retained Livingstone Partners (“**Livingstone**”) as their investment banker on May 16, 2024, which began a comprehensive marketing process. Working in conjunction with the Debtors’ independent board and management team, including its CRO, Livingstone compiled a list of potentially interested parties (the “**Targets**”) to contact regarding a potential sale.

10. In the initial phase of the marketing process of the marketing process (“**Phase 1**”), Livingstone reached out to ten (10) strategic Targets. These Targets were considered by Livingstone—working collaboratively with the Debtors’ independent board, the Debtors’ advisors, and the Debtors’ management team—to be among the most likely potential buyers for the Debtors’ Assets. In early June, Livingstone expanded the buyer outreach to an additional nine

(9) strategic buyers that were similarly considered to be among the most likely potential buyers (“**Phase 2**”). Shortly thereafter, commencing around June 25, 2024, Livingstone expanded the outreach to not fewer than two hundred and sixty-five (265) additional Targets for a total of not fewer than two hundred and eighty-four (284) Targets that have been contacted to-date.

11. Prior to the Petition Date, one hundred and forty-seven (147) confidentiality agreements have been signed by Targets. All Targets that have executed confidentiality agreements (the “**Potential Buyers**”) received a comprehensive marketing presentation with detailed information describing the Debtors’ business, Assets, and financial condition and access to an online data room containing significant additional diligence data. Potential Buyers had an opportunity to submit requests for diligence information, which was made available for all buyers on a rolling basis through the data room. Additionally, Potential Buyers were given opportunities to request diligence calls with the Debtors’ management as well as request in-person site visits and management meetings. Diligence calls have been held with at least seventy-two (72) unique Potential Buyers and diligence request lists have been received from eighteen (18) Potential Buyers thus far, totaling more than five hundred (500) information requests and questions, a vast majority of which were addressed either through written responses or the provision of diligence data. Over one thousand (1,000) unique files have been uploaded to the online data room for review by Potential Buyers. At least three (3) unique parties have completed site visits at one (or more) of the Debtors’ facilities.

12. During the prepetition marketing process, the Debtors received nine (9) written or verbal indications of interest from Potential Buyers. Since the commencement of Phase 1, and continuing through the entirety of the prepetition marketing process, Livingstone and the Debtors’ management and other advisors solicited interest among Potential Buyers in serving as a stalking

horse and cultivated any such interest by facilitating the flow of diligence information, discussions with Debtors' management, and site visits.

13. Management, in conjunction with the Debtors' professionals, have spent hundreds of hours on diligence requests, calls, and in-person site visits. The Debtors worked extensively with two (2) different parties on a proposed stalking horse APA, which ultimately served as the form for the Stalking Horse Agreement. Despite Livingstone's exhaustive efforts, the only party willing to serve as a stalking horse bidder was the Stalking Horse Bidder.

STALKING HORSE AGREEMENT

14. The Stalking Horse Agreement is attached hereto as Exhibit A. The material terms of the Stalking Horse Agreement, including those provisions required to be highlighted pursuant to Local Rule 6004-1(b)(iv), are as follows:³

MATERIAL TERMS OF STALKING HORSE AGREEMENT⁴	
Purchase Price	The aggregate consideration for the purchase of the Acquired Assets (the " <u>Purchase Price</u> ") shall be: (a) Purchaser's assumption of the Assumed Liabilities <u>plus</u> (b) a credit bid pursuant to Section 363(k) of the Bankruptcy Code of the Prepetition Loan Obligations in the aggregate amount of \$72,500,000 outstanding as of the Closing. Stalking Horse Agreement, § 2.1.
Purchased Assets	Pursuant to sections 105, 363, and 365 of the Bankruptcy Code, on the terms and subject to the conditions set forth herein, and subject to the entry and terms of the Sale Order, at the Closing, Sellers shall sell, transfer, assign, convey, and deliver to Purchaser (or an Affiliate of Purchaser designated by Purchaser), and Purchaser (or an Affiliate of Purchaser designated by Purchaser) shall purchase, acquire, and accept from Sellers, free and clear of all Encumbrances (except Permitted Encumbrances), all of Sellers' right, title and interest in and to all of the

³ Capitalized terms used as defined terms herein but not otherwise defined shall have the meanings ascribed to them in the Stalking Horse Agreement.

⁴ All capitalized terms that are used in this summary but not otherwise defined herein shall have the meanings set forth in the Stalking Horse Agreement. To the extent there are any discrepancies between the Stalking Horse Agreement and this summary, the terms of the Stalking Horse Agreement shall prevail.

	assets, properties, interests, and rights owned or held by Sellers (collectively, the “<u>Acquired Assets</u>”), but excluding in all cases the Excluded Assets, including the following assets: a) all Cash and Cash Equivalents and all bank accounts of Sellers, including those bank accounts listed on Schedule 1.1(a); b) all Assigned Contracts; provided, that “Assigned Contract” shall not include any Contracts regarding any Seller Plan and any Insurance Policies that are otherwise Excluded Assets; c) all Accounts Receivable, Inventory, Equipment and Pre-Paid Expenses, including the Accounts Receivable, Inventory, Equipment and Pre-Paid Expenses set forth on Schedule 1.1(c); d) all Books and Records other than Excluded Books and Records; provided that Sellers shall have the right to retain copies of any portions of such Books and Records relating to any ongoing matters relating to Excluded Assets or Excluded Liabilities; e) all demands, allowances, refunds, rebates (including any vendor or supplier rebates), express or implied guarantees, warranties, representations, covenants, indemnities, rights, claims, counterclaims, defenses, credits, causes of action, rights of set off, rights of recovery or rights of recoupment (in each case, other than against any Seller), in each case, as they relate to the Acquired Assets or the Assumed Liabilities, including rights under vendors’ and manufacturers’ warranties, indemnities and guaranties, relating to or arising against suppliers, vendors, merchants, manufacturers, counterparties to leases, counterparties to licenses and counterparties to any Assigned Contract arising out of or relating to events occurring on or prior to the Closing Date or any of the Acquired Assets or Assumed Liabilities; f) claims, causes of action and rights relating to Tax credits and refunds or recovery of Taxes; g) all Avoidance Actions; h) to the extent transferable under applicable Law, all of the rights, interests and benefits accruing under all Permits, and all pending applications therefor, including those Permits set forth on Schedule 1.1(h); i) all Intellectual Property, including the name and marks “Avante Health Solutions,” “Avante,” “Jordan Health Products” or any name that is derivative or similar to such names or any names currently or formerly used by Sellers in the operation of their respective
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	businesses, all rights to collect royalties and proceeds in connection therewith, all rights to sue and recover for past, present and future infringements, dilutions, misappropriations of, or other conflicts with, such Intellectual Property and any and all corresponding rights that, now or hereafter, may be secured throughout the world, including any Intellectual Property licensed to any Seller, including those items set forth on Schedule 1.1(i) (collectively, the “Transferred Company Intellectual Property”); j) to the extent transferable, all current and prior Insurance Policies of Sellers relating to the Acquired Assets, the Assumed Liabilities, the Transferred Employees, or the Business, all prepaid assets as reflected on the Latest Balance Sheet with respect to such Insurance Policies, and all rights and benefits of Sellers of any nature with respect thereto, including all insurance recoveries thereunder and rights to assert claims with respect to any such insurance recoveries, in each case subject to the limitations set forth in Section 6.7 and to the extent they are related to the Acquired Assets, the Assumed Liabilities, or the operation of the Acquired Assets; provided, however, that the Acquired Assets shall not include Sellers’ officers and directors’ policies, including any tail policies, or any prepaid assets or other rights with regard thereto (a “D&O Policy Excluded Asset”); k) all information and data relating to the Business, including all customer information and mailing lists used or useful to the operation of the Business, in whatever media retained or stored; l) all goodwill associated with the Acquired Assets; m) all other causes of action of any Seller, including Commercial Tort Claims; and n) any and all other assets of Sellers that are used in, or useful to, the operation of the Business, other than those expressly listed as an Excluded Asset in Section 1.2. Stalking Horse Agreement, § 1.1.
Assumed Liabilities	On the terms and subject to the conditions set forth herein, and subject to the terms and entry of the Sale Order, effective as of the Closing, Purchaser shall assume from Sellers, and shall agree to pay, perform and discharge when due, only the following Liabilities of Sellers, in each case, solely to the extent relating to the Acquired Assets or the Business (collectively, the “<u>Assumed Liabilities</u>”): a) all Cure Amounts associated with the Assigned Contracts;

	b) all Liabilities under the Assigned Contracts and any Permits included in the Acquired Assets arising from and after the Closing Date; c) all DIP Obligations outstanding as of the Closing; d) accounts payable incurred by Sellers in the Ordinary Course from and after the commencement of the Bankruptcy Case; and e) all Liabilities relating to product liability Actions arising from actions, occurrences, events or circumstances that occur after the Closing. Stalking Horse Agreement, § 1.3.
Sale to Insider Local Rule 6004-1(b)(iv)(A)	N/A
Agreements with Management Local Rule 6004-1(b)(iv)(B)	The Stalking Horse Bidder intends to offer employment to the current management team.
Releases Local Rule 6004-1(b)(iv)(C)	N/A
Private Sale/No Competitive Bidding Local Rule 6004-1(b)(iv)(D)	N/A
Closing and Other Deadlines Local Rule 6004-1(b)(iv)(E)	The outside closing date is fifty (50) days from the Petition Date.
Good Faith Deposit Local Rule 6004-1(b)(iv)(F)	N/A
Interim Arrangements with Proposed Buyer Local Rule 6004-1(b)(iv)(G)	At or prior to the Closing, Sellers shall deliver to Purchaser: *** (c) a Transition Services Agreement, in form and substance reasonably acceptable to Purchaser and Sellers, that (among other things) requires any Seller designated by Purchaser to provide transition

	services to Purchaser with respect to information technology, human resources, accounting, finance and customer matters (including Contract and bank account maintenance) (the “<u>Transition Services Agreement</u>”) at Purchaser’s sole cost and expense and in accordance with the terms relating to the costs of the services set forth in the Transition Services Agreement; Stalking Horse Agreement, § 2.3(c).
Use of Proceeds Local Rule 6004-1(b)(iv)(H)	N/A
Tax Exemption Local Rule 6004-1(b)(iv)(I)	N/A
Record Retention Local Rule 6004-1(b)(iv)(J)	N/A
Sale of Avoidance Actions Local Rule 6004-1(b)(iv)(K)	The Acquired Assets include all Avoidance Actions and all commercial tort claims. Stalking Horse Agreement, § 1.1(g), (m).
Requested Findings as to Successor Liability Local Rule 6004-1(b)(iv)(L)	Paragraphs 13-16 of the Sale Order provide: 13. Neither the Purchaser, nor any Affiliate, successor, or assignee of the Purchaser, shall be deemed, as a result of any action taken in connection with the Purchase Agreement, the consummation of the Transaction contemplated by the Purchase Agreement, or the transfer or operation of the Acquired Assets, including the Assumed Contracts, to: (i) be a legal successor, or otherwise be deemed a successor to the Debtors; (ii) have, <i>de facto</i> or otherwise, merged with or into the Debtors; (iii) be an alter ego or a mere continuation or substantial continuation of the Debtors including, without limitation, 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”), the 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, <i>et seq.</i> (the “NLRA”); or (iv) be liable for any environmental liabilities, debts, claims, or obligations arising from conditions first existing on or prior to Closing (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, any liabilities, 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), any escheat liabilities arising prior to the Closing, or under any products liability or consumer protection law or doctrine with respect to the Debtors' liability under such law, rule, or regulation or doctrine. 14. Other than as expressly set forth in the Purchase Agreement solely with respect to Assumed Liabilities and Permitted Liens, if any, neither the Purchaser, nor any Affiliate, successor, or assignee of the Purchaser shall have any responsibility for (i) any liability or other obligation of the Debtors or related to the Acquired Assets or (ii) any Liens or Claims against the Debtors, any of their predecessors or Affiliates, or the Acquired Assets. Other than as expressly set forth in the Purchase Agreement solely with respect to Assumed Liabilities and Permitted Liens, if any, neither the Purchaser, nor any Affiliate, successor, or assignee of the Purchaser, shall have any liability whatsoever with respect to the Debtors' (or their predecessors' or Affiliates') 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 based upon any theory of antitrust, environmental, successor or transferee liability, <i>de facto</i> merger or substantial continuity, labor and employment or products liability, whether known or unknown as of the Closing, now existing or hereafter arising, asserted or unasserted, fixed or contingent, liquidated or unliquidated, including, without limitation, (i) liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to the ownership or operation of the Acquired Assets prior to the Closing; (ii) liabilities or obligations under WARN; (iii) escheat liabilities arising prior to Closing; or (iv) liabilities or obligations under CERCLA, or any foreign, federal, state, or local labor, employment, or environmental law whether of similar import or otherwise by virtue of the Purchaser's purchase of the Acquired Assets or assumption of the Assumed Liabilities by the Purchaser or an Affiliate of the Purchaser (all liabilities described in paragraph 13 and paragraph 14 of this Sale Order, "Successor or Transferee Liability"). 15. Effective upon the Closing, except with respect to Assumed Liabilities and Permitted Liens, if any, all persons and entities are forever prohibited from commencing or continuing in any matter any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral, or other proceeding against the Purchaser, any Affiliates of Purchaser or any their respective officers, directors, representatives, controlling persons, members, employees, agents,
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	representatives, shareholders, partners, successors and assigns or any of their respective assets (including the Acquired Assets), with respect to any (i) Lien or Claim or (ii) Successor or Transferee Liability, including, without limitation, the following actions with respect to clauses (i) and (ii): (a) commencing or continuing any action or other proceeding pending or threatened; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order; (c) creating, perfecting, or enforcing any Lien or Claim; (d) asserting any setoff (except with respect to setoffs that were effected prior to the Petition Date), right of subrogation, or recoupment of any kind; (e) commencing or continuing any action, in any manner or place, that does not comply with, or is inconsistent with, the provisions of this Sale Order or other orders of this Court, or the agreements or actions contemplated or taken in respect hereof; or (f) revoking, terminating, or failing or refusing to renew any license, permit, or authorization to operate any of the Acquired Assets or conduct any of the businesses operated with such Acquired Assets. 16. This Sale Order shall be effective as a determination that, as of Closing, all Liens and Claims (other than Permitted Liens and Assumed Liabilities) have been unconditionally released, discharged, and terminated as to the Purchaser and Acquired Assets.
Sale Free and Clear of Unexpired Leases Local Rule 6004-1(b)(iv)(M)	N/A
Credit Bid Local Rule 6004-1(b)(iv)(N)	Paragraph U of the Sale Order provides: Pursuant to the Final DIP Order, the Bid Procedures, and applicable law, including sections 363(b) and 363(k) of the Bankruptcy Code, the Purchaser was authorized to credit bid, in its discretion, all or a portion of (a) outstanding DIP Loan Obligations as of the Closing Date and (b) outstanding Prepetition Obligations as part of the Purchase Price offered for the Acquired Assets under the Purchase Agreement. The Purchaser exercised its discretion to submit a credit bid in satisfaction of the aggregate amount of \$72,500,000.00 of outstanding Prepetition Obligations. Such credit bid was deemed a Qualified Bid because the Prepetition Obligations represent an allowed claim against the Debtors that is secured by valid and perfected liens on and security interests in the Acquired Assets.
Relief from Bankruptcy Rule 6004(h) Local Rule 6004-1(b)(iv)(O)	Paragraph 29 of the Sale Order provides that the terms and conditions of the Sale Order shall be effective immediately and shall not be subject to the stay provisions contained in Bankruptcy Rules 6004(h) and 6006(d).

THE PROPOSED SALE

15. The Debtors believe that the prompt Sale of the Assets represents the best, and likely only, option available to maximize value for all stakeholders in these Chapter 11 Cases. Moreover, it is critical for the Debtors to execute on any sale transaction as expeditiously as possible, as the Debtors are utilizing the DIP Lenders' financing and the Prepetition Lenders' cash collateral in order to conduct this sale process. Therefore, time is of the essence.

16. By this Motion, the Debtors request the Court approve the following general timeline, with the assumption the Bankruptcy Court will enter an order granting this motion after conducting a hearing on shortened notice. These dates are subject to change in the event the Bankruptcy Court does not enter an order at that hearing:

Date and Time (prevailing Eastern Time)	Event	Description
October 24, 2024	Service of Sale Notice	The deadline for Debtors to serve the Sale Notice.
October 25, 2024	Deadline to serve Cure and Possible Assumption and Assignment Notices	The deadline for Debtors to serve Cure and Possible Assumption and Assignment Notices to all Contract Counterparties.
November 14, 2024 at 4:00 p.m.	Cure Objection Deadline and Sale Objection Deadline	The deadline to object to: (i) the Stalking Horse Agreement; (ii) the Sale; and (iii) the potential assumption and assignment of the Assumed Contracts and Cure Amounts; provided, however, that any (x) objections to the conduct of the Auction or designation of the Successful Bid(s) or Backup Bid(s) and (y) Adequate Assurance Objections not related to the Stalking Horse Bidder may be filed by the Auction Objection Deadline.
November 15, 2024 at 5:00 p.m.	Bid Deadline	The deadline by which Bids for the Assets must be actually received pursuant to the Bidding Procedures.
November 19, 2024 at 10:00 a.m.	Auction (if necessary)	The date and time of the Auction, if necessary, which will be held either remotely or in person at the offices of

		Polsinelli PC, 222 Delaware Ave., Suite 1101, Wilmington, Delaware, 19801 or at such later date and time as determined by the Debtors.
Within 24 Hours of the Auction	Deadline to File Notice of Successful Bidder	The deadline by which the Debtors must file and serve the Notice of Successful Bidder.
November 21, 2024	Auction Objection Deadline	The deadline to object to the Auction, the designation of Successful Bid or Backup Bid, or the proposed Adequate Assurance in respect to an Assumed Contract (other than with respect to the Stalking Horse Bidder).
November 22, 2024 at 10:00 a.m.	Sale Hearing	Subject to the Court's availability, the proposed date and time of the Sale Hearing.

17. The Debtors believe this timeline maximizes the prospect of receiving the highest and best offer without unduly prejudicing their estates. Given the Debtors' extensive prepetition marketing efforts, the proposed timeline is more than sufficient to complete a fair and open sale process that will maximize the value received for the Assets. To further ensure the Debtors' proposed Auction and Sale process maximizes value for the benefit of the Debtors' estates, the Debtors and their professionals will use the time following the Petition Date to continue to actively market the Assets to solicit the highest or otherwise best bids available. The Debtors believe the relief requested by this Motion is in the best interests of their creditors, their other stakeholders, and all other parties in interest, and should be approved.

18. The Debtors believe the proposed sale timeline will preserve the Debtors' cash, minimize any further deterioration of the Assets, and is in the best interests of all stakeholders. Thus, the Debtors have determined that pursuing the potential Sale in the manner and within the time periods prescribed in the Bid Procedures is in the best interest of the Debtors' estates and will provide interested parties with sufficient opportunity to participate.

THE BID PROCEDURES ORDER

A. The Bid Procedures

19. To optimally and expeditiously solicit, receive, and evaluate bids in a fair and accessible manner, the Debtors have developed and proposed the Bid Procedures, attached as Exhibit 1 to the Bid Procedures Order. The Bid Procedures were developed to permit an expedited sale process, to promote participation and active bidding, and to ensure the Debtors receive the highest or otherwise best offers for the Assets. As such, the Debtors believe the timeline for consummating the sale process established pursuant to the Bid Procedures is in the best interest of their estates and all parties in interest.

20. The Bid Procedures describe, among other things, the requirements for prospective purchasers to participate in the bidding process, the availability and conduct of due diligence, the deadline for submitting a competing bid, the method and factors for determining qualifying bids, and the criteria for selecting a successful bidder.

21. The following summary describes the salient points of the Bid Procedures and discloses certain information required pursuant to Local Rule 6004-1(c)(i):⁵

Provisions Governing Qualifications of Bidders (Local Bankr. R. 6004-1(c)(i)(A))	To be eligible to participate in the Auction, each offer, solicitation, or proposal (each, a “Bid”), and each party submitting such a Bid (each, a “Bidder”), must be determined by the Debtors, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, to satisfy each of the following conditions: Corporate Authority: Written evidence reasonably acceptable to the Debtors demonstrating appropriate corporate authorization to consummate the proposed transaction; <i>provided, however</i>, if the Bidder is an entity specially formed for the purpose of effectuating the transaction, then the Bidder must furnish written evidence reasonably
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⁵ This summary of the Bid Procedures is qualified in its entirety by the Bid Procedures attached as Exhibit 1 to the Bid Procedures Order. All capitalized terms that are used in this summary but not otherwise defined herein shall have the meanings set forth in the Bid Procedures. To the extent there are any conflicts between this summary and the Bid Procedures, the terms of the Bid Procedures shall govern.

	acceptable to the Debtors of the approval of the transaction by the equity holder(s) of such Bidder. Proof of Financial Ability to Perform: Written evidence the Debtors reasonably conclude demonstrates the Bidder has the necessary financial ability to close the transaction and provide adequate assurance of future performance under all contracts to be assumed and assigned in such transaction. Such information should include, <i>inter alia</i>, the following: • contact names and numbers for verification of financing sources, • written evidence of the Bidder’s internal resources and proof of any debt or equity funding commitments that are needed to close the transaction; • the Bidder’s current financial statements (audited if they exist); • a description of the Bidder’s pro forma capital structure; and • any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors demonstrating such Bidder has the ability to close the transaction; <i>provided, however</i>, the Debtors shall determine in their reasonable discretion, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, whether the written evidence of such financial wherewithal is reasonably acceptable, and shall not unreasonably withhold acceptance of a Bidder’s financial qualifications. Consent to Jurisdiction: Each Bidder must submit to the jurisdiction of the Bankruptcy Court to enter an order or orders, which shall be binding in all respects, in any way related to the Debtors, the Bid Procedures, and the Auction. Bid Procedures, Art. B.3.
Provisions Governing Qualified Bids (Local Bankr. R. 6004-1(c)(i)(B))	Each Bid must be determined by the Debtors, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, to satisfy each of the following conditions: Good Faith Offer; Partial Bids: Each Bid must constitute a good faith, bona fide offer to purchase all or a portion of the Assets (it being

	understood that partial bids may be permitted only if the combined consideration exceeds the Purchase Price of the Stalking Horse Agreement). Good Faith Deposit: Each Bid (other than the Bid made by the Stalking Horse Bidder) must be accompanied by a deposit in the amount of ten percent (10%) of the Bid's proposed cash purchase price to an interest bearing escrow account to be identified and established by the Debtors (the "Good Faith Deposit"). Terms: A Bid (or combination of bids) must be on terms that are substantially the same or better than the terms of the Stalking Horse Agreement, as determined by the Debtors in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets. Executed Agreement: Each Bid must include (i) executed transaction documents, signed by an authorized representative of such Bidder and (ii) a copy of such asset purchase agreement marked to show all changes requested by the Bidder as compared to the Stalking Horse Agreement (a "Modified Purchase Agreement"). A Bid will not be considered qualified for the Auction if (i) such Bid contains additional material representations and warranties, covenants, closing conditions, termination rights other than as may be included in the Stalking Horse Agreement (it being agreed and understood such Bid shall modify the Stalking Horse Agreement as needed to comply in all respects with the Bid Procedures Order and will remove provisions that apply only to the Stalking Horse Bidder such as the Bid Protections); (ii) such Bid is not received by the Debtors in writing on or prior to the Bid Deadline, and (iii) such Bid does not contain evidence that the Person submitting it has received unconditional debt and/or equity funding commitments (or has unrestricted and fully available cash) sufficient in the aggregate to finance the purchase contemplated thereby, including proof the Good Faith Deposit has been made. Each Modified Purchase Agreement must provide (1) a commitment to close within two (2) business days after all closing conditions are met and (2) a representation that the Bidder will (a) make all necessary filings under the Hart Scott Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and (b) submit all necessary filings under the HSR Act within five (5) calendar days following the effective date of the Modified Purchase Agreement. Designation of Contracts and Leases: A Bid must identify any and all executory contracts and unexpired leases of the Debtors that the Bidder wishes to be assumed pursuant to a Sale. A Bid must specify whether the Debtors or the Bidder will be responsible for any cure costs
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	associated with such assumption, and include a good faith estimate of such cure costs (which estimate shall be provided by the Debtors). Designation of Assumed Liabilities: A Bid must identify all liabilities which the Bidder proposes to assume. Amount of Bid: Each Bid or combination of Bids must be for all of the Assets or portion thereof and shall clearly show the amount of the purchase price. In addition, a Bid or combination of Bids (a) must propose a purchase price equal to or greater than the sum of (i) the value of the Stalking Horse Agreement, as determined by the Debtors in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets; and (ii) the applicable Overbid, (b) must obligate the Bidder(s) to pay, to the extent provided in the Stalking Horse Agreement, all amounts which the Stalking Horse Bidder has agreed to pay, including any assumed liabilities (as set forth in the Stalking Horse Agreement). Disclosure of Identity of Potential Bidder: A Bid must fully disclose the identity of each entity that will be bidding for or purchasing the Assets or otherwise participating in connection with such Bid (including the identity of any parent companies of such entity), and the complete terms of any such participation, including any connections, agreements, arrangements or understanding with the Debtors, the Stalking Horse Bidder, or any other known, potential, or prospective bidder, or Potential Bidder, or any officer, director, or equity holder of the Debtors. Under no circumstances shall any undisclosed principals, equity holders or financial backers be associated with any Bid. Each Bid must also include contact information for the specific person(s) and counsel whom the Debtors' advisors should contact regarding such Bid. Regulatory and Third-Party Approvals: A Bid must set forth each regulatory and third-party approval required for the Bidder to consummate the Sale, and the time period within which the Bidder expects to receive such regulatory and third-party approvals. Employees: A Bid must detail the treatment of the employees of the Debtors. Conditions/Contingencies: Except as provided in the Stalking Horse Agreement, a Bid may not be conditioned on obtaining financing or any internal approval, or on the outcome or review of due diligence, but may be subject to the accuracy at the closing of specified
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	representations and warranties in the manner set forth in the Stalking Horse Agreement. Irrevocable: A Bid must be irrevocable until two (2) business days after the closing of the Sale. Each Bidder (including the Stalking Horse Bidder) further agrees that its Bid, if not chosen as the Successful Bidder, shall serve, without modification, as a Backup Bidder (as defined below) as may be designated by the Debtors at the Sale Hearing, in the event the Successful Bidder fails to close as provided in the Successful Bidder's purchase agreement, as modified, if at all, and the Sale Order. Time Frame for Closing: A Bid by a Bidder must be reasonably likely (based on antitrust or other regulatory issues, experience, and other considerations) to be consummated, if selected as the Successful Bid, within a time frame acceptable to the Debtors, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, but in no event later than fifty (50) days after the Petition Date. Disclaimer of Fees: Each Bid (other than the Stalking Horse Agreement) must disclaim any right to receive a fee analogous to a break-up fee, expense reimbursement, termination fee, or any other similar form of compensation. For the avoidance of doubt, no Qualified Bidder (other than the Stalking Horse Bidder) will be permitted to request, nor be granted by the Debtors, at any time, whether as part of the Auction or otherwise, a break-up fee, expense reimbursement, termination fee, or any other similar form of compensation. By submitting its Bid, each Bidder (other than the Stalking Horse Bidder) is agreeing to refrain from and waive any assertion or request for reimbursement on any basis, including pursuant to Bankruptcy Code section 503(b). Bid Deadline: Regardless of when a party qualifies as a Preliminarily Interested Investor, the Debtors must receive a Bid in writing, on or before November 15, 2024, at 5:00 p.m. (prevailing Eastern Time) or such later date as may be agreed to by the Debtors (the "Bid Deadline"). Bids must be sent to the following by the Bid Deadline to be considered: (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), and (iii) counsel for the Creditors' Committee.
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	Bid Procedures, Art. B.3.
Bid Protections (Local Bankr. R. 6004-1(c)(i)(C))	Expense Reimbursement. The Stalking Horse Bidder is entitled to reimbursement of the Stalking Horse Bidder's and its Affiliates' actual reasonable fees, costs and expenses (including reasonable attorneys' fees, fees of accountants, tax advisors, appraisals, surveys, insurance consultants, benefit consultants, lender fees (including fees of lenders' attorneys and other advisors)) and other professional fees, incurred in connection with the transactions contemplated by the Stalking Horse Agreement including negotiation, due diligence, financing, participation in the Auction and Bankruptcy Case, documentation and other activities, up to a maximum of \$750,000 (the "Expense Reimbursement") on the terms set forth in the Stalking Horse Agreement. Bid Procedures Order, ¶ J. To the extent payable in accordance with the Stalking Horse Agreement, the Bid Procedures Order, and these Bid Procedures, the Expense Reimbursement shall be paid as provided in the Stalking Horse Agreement at the closing of the Sale to the Successful Bidder and shall constitute an allowed superpriority administrative expense claims against the Debtors' bankruptcy estates pursuant to Bankruptcy Code sections 363, 364(c)(1), 503(b), 507(a)(2), and 507(b). Bid Procedures, Art. M.8. Bidding Increments. Prior to the Auction, the Debtors and their advisors will evaluate Qualified Bids and identify the Qualified Bid (or combination of Qualified Bids) that is, in the Debtors' reasonable business judgment and in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, the highest or otherwise best bid (the "Starting Bid") with respect to the Sale. For the avoidance of doubt, the Starting Bid shall equal (or exceed) an amount equal to the value of the Stalking Horse Agreement plus the Initial Overbid, which shall consist of the sum of the Expense Reimbursement and \$750,000. In making such determination, the Debtors will take into account, among other things, the execution risk attendant to any submitted bids. Within twenty-four (24) hours of such determination, but in no event later than twenty-four (24) hours before the start of the Auction, the Debtors will (i) notify the Stalking Horse Bidder and the Creditors' Committee as to which Qualified Bid is the Starting Bid and (ii) distribute copies of the Starting Bid to each Qualified Bidder who has submitted a Qualified Bid and the Creditors' Committee. Bid Procedures, Art. B.3.

	Any Overbid after the Starting Bid shall be made in increments of at least \$250,000.00 (the “Minimum Overbid Increment”). Additional consideration in excess of the amount set forth in the Starting Bid may include cash and/or non-cash consideration; <i>provided, however</i> that the value for such non-cash consideration shall be determined by the Debtors in their reasonable business judgment and in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets. Bid Procedures, Art. C.2.(1). The Debtors shall announce at the Auction the material terms of each Overbid for each Sale, the basis for calculating the total consideration offered in each such Overbid and the resulting benefit to the Debtors’ estates based on, <i>inter alia</i>, the Bid Assessment Criteria. For any Overbid made by the Stalking Horse Bidder, the Stalking Horse Bidder shall receive a credit (the “Stalking Horse Credit”) in the amount of the Expense Reimbursement, so that the net effect of the Stalking Horse Bidder’s Overbid is an increase to the prior bid in an amount equal to the Minimum Overbid Increment (or such higher amount as added by the Stalking Horse Bidder to the prior Bid), and if the Stalking Horse Bidder is the Successful Bidder, it will not be required to fund that portion of its Successful Bid that is equal to the Stalking Horse Credit. Bid Procedures, Art. C.2.(3).
Modifications of Bidding and Auction Procedures (Local Bankr. R. 6004-1(c)(i)(D))	The Debtors reserve their rights to modify these Bid Procedures in their reasonable business judgment and with the consent of the Creditors’ Committee in any manner that will best promote the goals of the bidding process or impose, at or prior to the Auction, additional customary terms and conditions on the sale of the Assets, including, without limitation: (a) adjourning and continuing the Auction at the Auction and/or adjourning and continuing the Sale Hearing in open court without further notice; (b) adding procedural rules that are reasonably necessary or advisable under the circumstances for conducting the Auction (<i>e.g.</i>, the amount of time to make subsequent overbids, whether a non-conforming Bid constitutes a Qualified Bid); (c) canceling the Auction; (d) rejecting any or all Bids or Qualified Bids, in all cases, subject to the Stalking Horse Agreement, the Bid Procedures, and the Bid Procedures Order; and (e) modifying any of the deadlines set forth in the Bid Procedures Order or these Bid Procedures. Bid Procedures, Art. G.
Closing with Alternative Backup Bidders (Local Bankr. R. 6004-1(c)(i)(E))	Notwithstanding anything in the Bid Procedures to the contrary, if an Auction is conducted, the party(ies) with the next highest or otherwise best Qualified Bid (or combination of Qualified Bids) at the Auction for each Sale, as determined by the Debtors in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, in the

	exercise of their business judgment, shall be required to serve as backup bidder (the “Backup Bidder”). The Backup Bidder shall be required to keep its initial Bid(s) (or if the Backup Bidder submitted one or more Overbids at the Auction, its final Overbid) (the “Backup Bid”) open and irrevocable until the earlier of (i) 4:00 p.m. (prevailing Eastern Time) on the date that is twenty five (25) days after the date of the Sale Hearing (the “Outside Backup Date”) or (ii) the closing of the transaction with the Successful Bidder. Following entry of the Sale Order, if the Successful Bidder fails to consummate an approved transaction because of a breach or failure to perform on the part of such Successful Bidder, the Debtors may designate the Backup Bidder to be the new Successful Bidder for the Sale, and the Debtors will be authorized, but not required, to consummate the transaction with the Backup Bidder without further order of the Bankruptcy Court. In such case, the defaulting Successful Bidder’s Good Faith Deposit shall be forfeited to the Debtors’ estates, and the Debtors specifically reserve the right to seek all available damages from the defaulting Successful Bidder. The closing date to consummate the transaction with the Backup Bidder shall be no later than the later of (i) twenty five (25) days after the date the Debtors provide notice to the Backup Bidder the Successful Bidder failed to consummate a sale and the Debtors desire to consummate the transaction with the Backup Bidder or (ii) five (5) days after necessary regulatory approvals are completed by the Backup Bidder and/or the Debtors. The Good Faith Deposit of the Backup Bidder shall be held by the Debtors until the earlier of two (2) business days after (i) the closing of the Sale with the Successful Bidder and (ii) the Outside Backup Date; <i>provided, however</i>, in the event the Successful Bidder does not consummate the transaction as described above and the Debtors provide notice to the Backup Bidder, the Backup Bidder’s Good Faith Deposit shall be held until the closing of the transaction with the Backup Bidder. In the event the Debtors fail to consummate a transaction with the Backup Bidder as described above due to the default of Backup Bidder, the Backup Bidder’s Good Faith Deposit shall be forfeited to the Debtors’ estates, and the Debtors specifically reserve the right to seek all available damages from the defaulting Backup Bidder. In the event the Debtors fail to consummate a transaction with the Backup Bidder as described above due to the default of Debtors, the Backup Bidder’s Good Faith Deposit shall be returned to Backup Bidder. Bid Procedures, Art. C.4.
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22. Importantly, the Bid Procedures recognize the Debtors’ fiduciary obligations to maximize the value of their assets and, as such, do not impair the Debtors’ ability to consider all qualified bid proposals. Additionally, as noted above, the Bid Procedures preserve the Debtors’

rights to modify the Bid Procedures as necessary or appropriate to maximize value of the Debtors' estates; provided, that no such modifications shall alter or impair the Bid Protections granted to the Stalking Horse Bidders.

B. The Auction and Sale

23. If one or more Qualified Bids are received by the Bid Deadline with respect to the Sale (other than the Stalking Horse Agreement), the Debtors will conduct an Auction to determine the highest and best Qualified Bid. This determination shall take into account any factors the Debtors reasonably deem relevant to the value of the Qualified Bid to the Debtors' estates, including, without limitation, the following:

- (i) the amount and nature of the consideration;
- (ii) the proposed assumption of any liabilities and/or executory contracts or unexpired leases, if any, and the excluded assets and/or executory contracts or unexpired leases, if any;
- (iii) the ability of the Qualified Bidder to close the proposed transaction and the conditions related thereto, and the timing thereof;
- (iv) whether the bid is a bulk bid or a partial bid for only some of the Assets;
- (v) the proposed closing date and the likelihood, extent and impact of any potential delays in closing, including delays owing to regulatory uncertainty;
- (vi) any purchase price adjustments;
- (vii) the impact of the transaction on any actual or potential litigation;
- (viii) the net after-tax consideration to be received by the Debtors' estates; and
- (ix) the tax consequences of such bid (collectively, the "**Bid Assessment Criteria**").

24. If no Qualified Bid (other than the Stalking Horse Agreement) is received by the Bid Deadline with respect to the Sale, the Debtors may determine not to conduct the Auction and deem the Stalking Horse Agreement to be the Successful Bid without conducting the Auction. The

Debtors seek authority from the Court to schedule the Auction on a date as further described in the Bid Procedures.

C. Form and Manner of Sale Notice

25. On or within two (2) business days after entry of the Bid Procedures Order, the Debtors will cause the Sale Notice to be served on (a) the Office of the United States Trustee for the District of Delaware (the “**U.S. Trustee**”); (b) the holders of the thirty (30) largest unsecured claims against the Debtors; (c) counsel to the Prepetition Lender, DIP Lender, and Stalking Horse Bidder; (d) all other parties who have expressed a written interest in the Assets; (e) the United States Attorney’s Office for the District of Delaware; (f) the Internal Revenue Service; (g) all state and local taxing authorities with an interest in the Assets; (h) the Attorney General for the State of Delaware; (i) the Securities and Exchange Commission; (j) all other governmental agencies with an interest in the Sale and transactions proposed thereunder; (k) all parties known or reasonably believed to have asserted an Interest in the Assets; (l) the counterparties to the Contracts (the “**Contract Counterparties**”); (m) the Debtors’ insurance carriers; (n) all parties entitled to notice pursuant to Local Rule 9013-1(m); and (o) any party that has requested notice pursuant to Bankruptcy Rule 2002.

26. In addition, the Debtors propose to publish the notice attached hereto as Exhibit D (the “**Bid Procedures Notice**”) once in *The Wall Street Journal (National Edition)* as soon as practicable after entry of the Bid Procedures Order. Finally, the Debtors will post a copy of the Sale Notice at the website of their claims and noticing agent, available at: <https://omniagentsolutions.com/Avante>.

D. Summary of the Assumption Procedures

27. The Debtors are also seeking approval of certain procedures to facilitate the fair and orderly assumption and assignment of the Contracts in connection with the Sale (the

“Assumption Procedures”). Pursuant to the Bid Procedures Order, notice of the proposed assumption and assignment of the Contracts to the applicable Successful Bidder, the proposed cure amounts related thereto, and the rights, procedures, and deadlines for objecting thereto, will be provided in separate notices, attached to the Bid Procedures Order as Exhibit 3 (the **“Cure and Possible Assumption and Assignment Notice”**) and Exhibit 4 (the **“Assumption Notice”**) to be sent to the applicable Contract Counterparties. Because the Bid Procedures Order sets forth the Assumption Procedures in detail, they are not restated herein. Generally, however, the Assumption Procedures: (i) outline the process by which the Debtors will serve notice to all Contract Counterparties regarding the proposed assumption and assignment and related cure amounts, if any, informing such parties of their right, and the procedures, to object thereto, and (ii) establish objection and other relevant deadlines and the manner for resolving disputes relating to the assumption and assignment of the Contracts to the extent necessary.

BASIS FOR RELIEF

A. The Relief Sought in the Bid Procedures Order Is in the Best Interests of the Debtors’ Estates and Should Be Approved

1. The Proposed Notice of the Bid Procedures and the Sale Process Is Appropriate

28. The Debtors seek authority to sell the Assets through an Auction and related sale process, subject to the Debtors’ right to seek an alternative course of action to maximize the value of their estates. The Debtors and their advisors have conducted and will conduct an extensive marketing process. The Debtors have developed a list of “Contact Parties” who will receive a copy of the “Information Package” (both as defined in the Bid Procedures). The list of Contact Parties will encompass those parties whom the Debtors believe may be potentially interested in pursuing the Sale and whom the Debtors reasonably believe may have the financial resources to consummate such a transaction. The Bid Procedures are designed to elicit bids from one or more

parties and to encourage a robust auction of the Assets, thus maximizing the value of the Debtors' estates for the benefit of their creditors and other stakeholders.

29. Under Bankruptcy Rule 2002(a) and (c), the Debtors are required to notify creditors of the proposed sale of the Assets, including a disclosure of the time and place of any auction, the terms and conditions of the sale, and the deadline for filing any objections.

30. The Debtors respectfully submit the Sale Notice is reasonably calculated to provide all interested parties with timely and proper notice of the proposed Sale, including: (i) the date, time, and place of the Auction (if one will be held), (ii) the Bid Procedures, (iii) the deadline for filing objections to the Sale and entry of the Sale Order, and the date, time, and place of the Sale Hearing, (iv) a reasonably specific identification of the Assets, (v) a description of the Sale as being free and clear of liens, claims, encumbrances, and other interests other than Permitted Encumbrances and Assumed Liabilities (as such terms are defined or otherwise provided in the Stalking Horse Agreement), with all such liens, claims, encumbrances, and other interests attaching with the same validity and priority to the applicable Sale proceeds, and (vi) notice of the proposed assumption and assignment of the Contracts to the applicable Successful Bidder.

31. The Debtors further submit that notice of this Motion and the related hearing to consider entry of the Bid Procedures Order, coupled with service of the Sale Notice, the Cure and Possible Assumption and Assignment Notice, and the Assumption Notice, and publication of the Bid Procedures Notice, as provided for herein, constitutes good and adequate notice of the Sale and the proceedings with respect thereto in compliance with, and satisfaction of, the applicable requirements of Bankruptcy Rule 2002. The Debtors further submit the proposed notice procedures are designed to maximize the chance of obtaining the broadest possible participation in the Debtors' marketing process, while minimizing costs to the estates. Accordingly, the Debtors

respectfully request the Court find the proposed notice procedures set forth in this Motion are sufficient, and no other or further notice of the Bid Procedures, Auction, Sale, or Sale Hearing is required.

2. The Bid Procedures Are Appropriate and Will Maximize Value

32. “Bidding procedures should be approved when they provide a benefit to the estate by maximizing the value of the assets.” *In re Dura Automotive Sys., Inc.*, Case No. 06-11202 (KJC), 2007 WL 7728109, at *90 (Bankr. D. Del. Aug. 15, 2007). *See also In re Edwards*, 228 B.R. 552, 361 (Bankr. E.D. Pa. 1998) (“The purpose of procedural bidding orders is to facilitate an open and fair public sale designed to maximize value for the estate.”). Courts have made clear that a debtor’s business judgment is entitled to substantial deference with respect to the procedures to be used in selling an estate’s assets. *See, e.g., In re Schipper*, 933 F.2d 513, 515 (7th Cir. 1991) (“Under Section 363, the debtor in possession can sell property of the estate . . . if he has an ‘articulated business justification’”) (internal citations omitted); *In re Martin*, 91 F.3d 389, 395 (3d Cir. 1996) (quoting *Schipper*); *In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (D. Del. 1999) (same); *see also In re Integrated Resources, Inc.*, 147 B.R. 650, 656-57 (S.D.N.Y. 1992) (noting that bid procedures that have been negotiated by a trustee are to be reviewed in accordance with the deferential “business judgment” standard, under which such procedures and arrangements are “presumptively valid”).

33. The paramount goal in any proposed sale of property of the estate is to maximize the proceeds received by the estate. *See Mushroom Transp. Co., Inc.*, 382 F.3d 325, 339 (3d Cir. 2004); *Official Comm. of Unsecured Creditors of Cybergenics, Corp. v. Chinery*, 330 F.3d 548, 573 (3d Cir. 2003); *see also In re Food Barn Stores, Inc.*, 101 F.3d 558, 564-65 (8th Cir. 1997) (in bankruptcy sales, “a primary objective of the Code [is] to enhance the value of the estate at hand”); *Integrated Resources*, 147 B.R. at 659 (“[I]t is a well-established principle of bankruptcy law that

the objective of the bankruptcy rules and the trustee's duty with respect to such sales is to obtain the highest price or greatest overall benefit possible for the estate.") (internal citations omitted); *Edwards*, 228 B.R. at 561.

34. To that end, courts uniformly recognize that procedures intended to enhance competitive bidding are consistent with the goal of maximizing the value received by the estate and therefore appropriate in the context of bankruptcy transactions. *See, e.g., In re O'Brien Envtl. Energy, Inc.*, 181 F.3d 527, 537 (3d Cir. 1999); *Integrated Resources*, 147 B.R. at 659 (bid procedures "are important tools to encourage bidding and to maximize the value of the debtor's assets"); *In re Fin. News Network, Inc.*, 126 B.R. 152, 156 (Bankr. S.D.N.Y.1991) ("court-imposed rules for the disposition of assets . . . [should] provide an adequate basis for comparison of offers, and [should] provide for a fair and efficient resolution of bankrupt estates").

35. The Debtors believe the proposed Bid Procedures will establish the parameters under which the value of the Sale may be tested at the Auction. The Bid Procedures will increase the likelihood the Debtors will receive the greatest possible consideration because they will ensure a competitive and fair bidding process.

36. The Debtors believe the proposed Bid Procedures will promote active bidding from seriously interested parties and will elicit the highest or otherwise best offers available for the Assets. The proposed Bid Procedures will enable the Debtors to conduct the Sale in a controlled, fair, and open fashion that will encourage participation by financially capable bidders who will offer the best package for the Assets and who can demonstrate the ability to timely close the transaction.

37. Specifically, the proposed Bid Procedures contemplate an open auction process with minimum barriers to entry and provide potential bidding parties with sufficient time to

perform due diligence and acquire the information necessary to submit a timely and well-informed bid.

38. At the same time, the proposed Bid Procedures provide the Debtors with a robust opportunity to consider competing bids and select the highest or otherwise best offer for the completion of the Sale. As such, creditors of the Debtors' estates can be assured the consideration obtained will be fair and reasonable and at or above the market.

39. Thus, the Bid Procedures are reasonable, appropriate, and within the Debtors' sound business judgment under the circumstances because the Bid Procedures are designed to maximize the value to be received by the Debtors' estates.

2. The Minimum Overbid Increment Is Appropriate

40. One important component of the proposed Bid Procedures is the "Overbid" provision. Once the Debtors determine the Starting Bid, which shall equal or exceed the value of the Stalking Horse Agreement, as determined by the Debtors, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, plus the Initial Overbid, and hold the Auction, bidding on the Assets must be in Minimum Overbid Increments of at least \$250,000.00. The Debtors believe such Minimum Overbid Increment is reasonable under the circumstances, and will enable the Debtors to maximize the value received for the Assets while limiting any chilling effect in the marketing process.

41. The Minimum Overbid Increment is also well within the increment level previously approved by courts in this District. *See In re iSun, Inc.*, No. 24-11144 (TMH) (Bankr. D. Del. July 10, 2024) [Docket No. 183] (approving \$250,000 increment); *In re Project Sage Oldco, Inc. (f/k/a Sientra, Inc.)*, No. 24-10245 (JTD) (Bankr. D. Del. Mar. 5, 2024) [Docket No. 123] (approving \$250,000 increment); *In re VJGJ, Inc. (f/k/a Teligent, Inc.)*, No. 21-11332 (BLS) (Bankr. D. Del.

Dec. 15, 2021) [Docket No. 290] (approving \$250,000 increment); *In re Forever 21, Inc.*, No. 19-12122 (KG) (Bankr. D. Del. Feb. 4, 2020) [Docket No. 854] (approving \$300,000 increment).

3. The Bid Protections in the Stalking Horse Agreement Have a Sound Business Purpose and Should Be Approved

42. Pursuant to the Motion, the Debtors are seeking the approval of this Court of the Stalking Horse Bidder and to offer the Bid Protections. The Debtors believe that, in this case, such relief is warranted to ensure the Debtors' ability to take advantage of a potentially value-maximizing bid. The ability of the Debtors to offer the Stalking Horse Bidder the Bid Protections is beneficial to the Debtors' estates and creditors in that, by providing these incentives, the Debtors will have an opportunity to induce a Potential Bidder to submit or increase its bid prior to the Auction.

43. Specifically, bid protections "may be legitimately necessary to convince a 'white knight' bidder to enter the bidding by providing some form of compensation for the risks it is undertaking." 995 *Fifth Ave.*, 96 B.R. at 28 (quotation omitted); *see also Integrated Resources*, 147 B.R. at 660-61 (bid protections can prompt bidders to commence negotiations and "ensure that a bidder does not retract its bid"); *In re Hupp Int'l Indus., Inc.*, 140 B.R. 191, 194 (Bankr. N.D. Ohio 1992) ("[W]ithout such fees, bidders would be reluctant to make an initial bid for fear that their first bid will be shopped around for a higher bid from another bidder who would capitalize on the initial bidder's . . . due diligence.").

44. As a result, courts routinely approve bid protections similar to the Bid Protections in connection with proposed bankruptcy sales where a proposed fee or reimbursement provides a benefit to the estate. *See In re Bouchard Trans. Co., Inc.*, 74 4th 743, 755 (5th Cir. 2023) (finding expense reimbursement was a "'necessary' administrative expense[]" under § 503(b)); *In re O'Brien Envtl. Energy, Inc.*, 181 F.3d 527 (3d Cir. 1999). The Debtors believe the allowance of

the Bid Protections is in the best interests of the Debtors' estates and their creditors, as these protections will only be employed where a stalking horse bid will establish a floor for further bidding that may increase the consideration given in exchange for the Assets for the benefit of the Debtors' estates.

45. The Stalking Horse Purchaser has expended, and will continue to expend time and resources negotiating, drafting, and performing due diligence activities necessitated by the Sale transactions, and its bid will be subject not only to Court approval, but also to overbidding by third parties. The Bid Protections will be negotiated in good faith and at arm's length. The Debtors believe that approval of the Bid Protections will benefit the Debtors' estates because they ensure the Debtors will have the benefit of the option to accept the transaction with the Stalking Horse Purchaser offered through the Stalking Horse Agreement, without sacrificing the potential for interested parties to submit overbids at the Auction.

4. The Proposed Notice Procedures for the Assigned Contracts and the Identification of Related Cure Amounts Are Appropriate

46. As set forth above, the Sale contemplates the potential assumption and assignment of the Contracts to the Successful Bidder arising from the Auction, if any. In connection with this process, the Debtors believe it is necessary to establish a process by which: (i) the Debtors and the Contract Counterparties can reconcile cure obligations, if any, in accordance with Bankruptcy Code sections 105(a) and 365, and (ii) such counterparties can object to the potential assumption and assignment of the Contracts and/or related cure amounts in connection with the Sale (the "Assumption Procedures").

47. The Bid Procedures specify the process by which the Debtors will serve Cure and Possible Assumption and Assignment Notices and the procedures and deadline for Contract Counterparties to Assigned Contracts to file and serve Cure or Assignment Objections.

48. Except as may otherwise be agreed to in the Successful Bids or by the parties to an Assigned Contract, at the closings of the Sale, the Successful Bidder shall cure those defaults under the Assigned Contracts that need to be cured in accordance with Bankruptcy Code section 365(b), by (i) payment of the undisputed cure amount (the “**Cure Amount**”) and/or (ii) reserving amounts with respect to any disputed cure amounts.

49. As set forth in the Bid Procedures Order, the Debtors also request any party that fails to object to the proposed assumption and assignment of any Contract be deemed to consent to the assumption and assignment of the applicable Contract pursuant to Bankruptcy Code section 365 on the terms set forth in the Sale Order, along with the Cure Amounts identified in the Cure and Possible Assumption and Assignment Notice. *See, e.g., In re Mallinckrodt*, 639 B.R. 837, 879 (Bankr. D. Del. 2022) (observing that “[t]he notion that an individual or entity is in some instances deemed to consent to something by their failure to act is one that is utilized throughout the judicial system.”); *In re Tabone, Inc.*, 175 B.R. 855, 858 (Bankr. D.N.J. 1994) (by not objecting to the Motion, a creditor is deemed to consent); *Pelican Homestead v. Wooten (In re Gabel)*, 61 B.R. 661, 667 (Bankr. W.D. La. 1985) (same).

50. The Debtors believe the Assumption Procedures are fair and reasonable, provide sufficient notice to the Contract Counterparties of the potential assumption and assignment of its Contracts, and provide certainty to all parties in interest regarding their obligations and rights with respect thereof. Accordingly, the Debtors request the Court approve the Assumption Procedures set forth in the Bid Procedures Order.

B. Approval of the Sale Is Appropriate and in the Best Interests of the Estates

1. The Sale of the Assets Should Be Authorized Pursuant to Bankruptcy Code Section 363 as a Sound Exercise of the Debtors' Business Judgment

51. Bankruptcy Code section 363(b)(1) provides a debtor, “after notice and a hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). A sale of the debtor’s assets should be authorized pursuant to Bankruptcy Code section 363 if a sound business purpose exists for the proposed transaction. *See, e.g., Meyers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (“Under Section 363, the debtor-in-possession can sell property of the estate . . . if he has an ‘articulated business justification’”); *In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (Bankr. D. Del. 1999); *In re Del. & Hudson Ry. Co.*, 124 B.R. 169, 174 (Bankr. D. Del. 1991).

52. Courts typically consider the following factors in determining whether a proposed sale satisfies this standard: (i) whether a sound business justification exists for the sale, (ii) whether adequate and reasonable notice of the sale was given to interested parties, (iii) whether the sale will produce a fair and reasonable price for the property, and (iv) whether the parties have acted in good faith. *See Del. & Hudson*, 124 B.R. at 176; *In re Phoenix Steel Corp.*, 82 B.R. 334, 335-36 (Bankr. D. Del. 1987).

53. A sound business purpose for the sale of a debtor’s assets outside the ordinary course of business may be found where such a sale is necessary to preserve the value of assets for the estates, creditors, or interest holders. *See, e.g., In re Abbotts Dairies of Pa, Inc.*, 788 F.2d 143 (3d Cir. 1986); *In re Lionel Corp.*, 722 F.2d 1063 (2d Cir. 1983).

54. “Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.” *Comm. of Asbestos-Related Litigants and/or Creditors v.*

Johns-Manville Corp. (In re Johns-Manville Corp.), 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986). There is a presumption that “in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action was in the best interests of the company.” *In re Integrated Res.*, 147 B.R. at 656 (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)); see also *In re S.N.A. Nut Co.*, 186 B.R. 98, 102 (Bankr. N.D. Ill. 1995) (“The business judgment rule ‘is a presumption that in making the business decision the directors of a corporation acted on an informed basis, in good faith, and in the honest belief that the action was in the best interests of the company.’”) (citations omitted); *In re Filene’s Basement, LLC*, No. 11-13511 (KJC), 2014 WL 1713416, at *12 (Bankr. D. Del. Apr. 29, 2014) (“If a valid business justification exists, then a strong presumption follows that the agreement at issue was negotiated in good faith and is in the best interests of the estate.”) (citations omitted). Thus, if a debtor’s actions satisfy the business judgment rule, then the transaction in question should be approved under Bankruptcy Code section 363(b)(1). Indeed, when applying the business judgment standard, courts show great deference to a debtor’s business decisions. See *Pitt v. First Wellington Canyon Assocs. (In re First Wellington Canyon Assocs.)*, 1989 WL 106838, at *3 (N.D. Ill. 1989) (“Under this test, the debtor’s business judgment . . . must be accorded deference unless shown that the bankrupt’s decision was taken in bad faith or in gross abuse of the bankrupt’s retained discretion.”).

55. As set forth above, and in the First Day Declaration, the Debtors have a sound business justification for selling the Assets. **First**, the Debtors believe the Sale will maximize the value of the Assets by allowing a party to bid on all business assets, in whole or in part. Moreover, to the extent the Successful Bidder assumes certain of the Contracts, it will result in payment in full for a number of the Debtors’ creditors.

56. **Second**, the Sale will be subject to competing bids, enhancing the Debtors' ability to receive the highest or otherwise best values for the Assets. The values of the Assets will be market tested through the Auction conducted pursuant to and according to the Bid Procedures. Ultimately, the Successful Bid, after being subject to a "market check" in the form of the Auction and accepted by the Debtors in the exercise of their reasonable business judgment, will constitute the highest or otherwise best offers for the Assets and at this time the Debtors believe will provide a greater recovery for their estates than any known or practically available alternative. *See, e.g., In re Trans World Airlines, Inc.*, No. 01-00056, 2001 WL 1820326, at *4 (Bankr. D. Del. 2001) (while a "section 363(b) sale transaction does not require an auction procedure . . . the auction procedure has developed over the years as an effective means for producing an arm's-length fair value transaction"). Consequently, the fairness and reasonableness of the consideration to be paid by the Successful Bidder ultimately will be demonstrated by adequate "market exposure" and an open and fair auction process — the best means for establishing whether a fair and reasonable price is being paid.

57. Thus, the Debtors submit that the Successful Bidder's purchase agreement will constitute the highest or otherwise best offer for the Assets and will provide a greater recovery for the Debtors' estates than would be provided by any other available alternative. As such, the Debtors' determination to explore selling the Assets through an Auction process and subsequently to enter into the asset purchase agreements with the Successful Bidder (to the extent the Successful Bidder is someone other than the Stalking Horse Bidder) will be a valid and sound exercise of the Debtors' business judgment. The Debtors will submit evidence at the Sale Hearing to support these conclusions. Therefore, the Debtors request the Court make a finding the proposed Sale is a proper exercise of the Debtors' business judgment and is rightly authorized.

2. Adequate and Reasonable Notice of the Sale Will Be Provided

58. As described above, the Sale Notice will: (i) be served in a manner that provides at least 21-days' notice of the date, time, and location of the Sale Hearing, (ii) inform parties in interest of the deadlines for objecting to the Sale or the assumption and assignment of the Contracts, and (iii) otherwise include all information relevant to parties interested in or affected by the Sale. Significantly, the form and manner of the Sale Notice will have been approved by this Court pursuant to the Bid Procedures Order, after notice and a hearing, before it is served on parties in interest.

3. The Sale and Purchase Price Will Reflect a Fair-Value Transaction

59. It is well-settled that, where there is a court-approved auction process, a full and fair price is presumed to have been obtained for the assets sold, as the best way to determine value is exposure to the market. *See Bank of Am. Nat'l Trust & Sav. Ass'n v. 203 N. LaSalle St. P'ship*, 526 U.S. 434, 457 (1999). The Debtors will continue to market the Assets and solicit offers consistent with the Bid Procedures, including, without limitation, by providing acceptable Bidders with access to the Data Room and requested information. In this way, the number of Bidders that are eligible to participate in the competitive Auction process will be maximized. On the other hand, if the Debtors enter into the Stalking Horse Agreement and no Auction is held because no Auction is necessary, the purchase price in the Stalking Horse Agreement will have been demonstrated to be fair value.

5. The Sale Should Be Free and Clear of Interests Pursuant to Bankruptcy Code Section 363(f)

60. The Debtors further submit it is appropriate to sell the Assets free and clear of all liens, claims, encumbrances, and other interests (collectively, the "**Interests**") other than Permitted Liens and Assumed Liabilities (as such terms are defined or as otherwise provided in the Stalking

Horse Agreement) pursuant to section Bankruptcy Code 363(f), with any such Claims and Interests attaching to the applicable net sale proceeds of the Assets.

61. Bankruptcy Code section 363(f) permits a debtor to sell property free and clear of another party's interest in the property if (i) applicable nonbankruptcy law permits such a free and clear sale, (ii) the holder of the interest consents, (iii) the interest is a lien and the sale price of the property exceeds the value of all liens on the property, (iv) the interest is the subject of a *bona fide* dispute, (v) the holder of the interest could be compelled in a legal or equitable proceeding to accept a monetary satisfaction of its interest. *See* 11 U.S.C. § 363(f).

62. Section 363(f) is drafted in the disjunctive. Thus, satisfaction of any of the requirements enumerated therein will suffice to permit the Debtors' sale of the Assets free and clear of all interests (*i.e.*, all liens, claims, rights, interests, charges, or encumbrances), except with respect to any interests that may be assumed liabilities under the applicable purchase agreement. *See In re Kellstrom Indus., Inc.*, 282 B.R. 787, 793 (Bankr. D. Del. 2002) (“[I]f any of five conditions are met, the debtor has the authority to conduct the sale free and clear of all liens.”); *see also In re Dundee Equity Corp.*, 1992 Bankr. LEXIS 436, at *12 (Bankr. S.D.N.Y. March 6, 1992) (“[s]ection 363(f) is in the disjunctive, such that the sale free of the interest concerned may occur if any one of the conditions of § 363(f) have been met.”); *Citicorp Homeowners Servs., Inc. v. Eliot (In re Eliot)*, 94 B.R. 343, 345 (E.D. Pa. 1988) (same); *Michigan Employment Sec. Comm’n v. Wolverine Radio Co. (In re Wolverine Radio Co.)*, 930 F.2d 1132, 1147 n.24 (6th Cir. 1991) (stating section 363(f) of the Bankruptcy Code is written in the disjunctive; holding the court may approve the sale “free and clear” provided at least one of the subsections of Bankruptcy Code section 363(f) has been satisfied).

63. The Debtors submit, excluding assumed agreements, if any, the Assets may be sold free and clear of liens, claims, encumbrances, and other interests, all in accordance with at least one of the five conditions of Bankruptcy Code section 363(f). Consistent with Bankruptcy Code section 363(f)(2), each of the parties holding liens on the Assets, if any, will consent, or absent any objection to this Motion, will be deemed to have consented to, the Sale and transfers of the Assets. Furthermore, any party holding a valid lien against the Assets will be adequately protected by having its liens, if any, attach to the sale proceeds received by the Debtors from the Sale of the Assets to the Successful Bidder, in the same order of priority, with the same validity, force, and effect such creditor had prior to such sale, subject to any claims and defenses the Debtors and their estates may possess with respect thereto. Accordingly, Bankruptcy Code section 363(f) authorizes the sale and transfer of the Assets free and clear of any such Interests.

5. The Assets and the Assigned Contracts Should Be Sold Free and Clear of Successor Liability.

64. The Sale Order provides the Purchaser shall not have any successor liability related to Seller or the Assets to the maximum extent permitted by law. *See* Sale Order, ¶ 24. Extensive case law establishes that claims against a winning bidder may be directed to the proceeds of a free and clear sale of property, and may not subsequently be asserted against that buyer.

65. Although Bankruptcy Code section 363(f) provides for the sale of assets “free and clear of any interests,” the term “any interest” is not defined anywhere in the Bankruptcy Code. *Folger Adam Security v. DeMatteis/MacGregor JV*, 209 F.3d 252, 257 (3d Cir. 2000). In the case of *In re Trans World Airlines. Inc.*, 322 F.3d 283, 288-89 (3d Cir. 2003), the Third Circuit specifically addressed the scope of the term “any interest.” The Third Circuit observed that while some courts have “narrowly interpreted that phrase to mean only in rem interests in property,” the trend in modern cases is towards “a more expansive reading of ‘interests in property’ which

‘encompasses other obligations that may flow from ownership of the property.’” *Id.* at 289 (citing 3 Collier on Bankruptcy 363.06[1]). As determined by the Fourth Circuit in *In re Leckie Smokeless Coal Co.*, 99 F.3d 573, 581-82 (4th Cir. 1996), a case cited approvingly and extensively by the Third Circuit in *Folger*, the scope of section 363(f) is not limited to *in rem* interests. Thus, the Third Circuit in *Folger* cited *Leckie* for the proposition that the debtors “could sell their assets under § 363(f) free and clear of successor liability that otherwise would have arisen under federal statute.” *Folger*, 209 F.3d at 258.

66. Courts have consistently held a buyer of a debtor’s assets pursuant to a section 363 sale takes free from successor liability resulting from pre-existing claims. *See The Ninth Avenue Remedial Group v. Allis-Chalmers Corp.*, 195 B.R. 716, 732 (Bankr. N.D. Ind. 1996) (stating a bankruptcy court has the power to sell assets free and clear of any interest that could be brought against the bankruptcy estate during the bankruptcy); *MacArthur Co. v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 837 F.2d 89, 93-94 (2d Cir. 1988) (channeling of claims to proceeds consistent with intent of sale free and clear under Bankruptcy Code section 363(f)); *In re New England Fish Co.*, 19 B.R. 323, 329 (Bankr. W.D. Wash. 1982) (transfer of property in free and clear sale was free and clear of Title VII employment discrimination and civil rights claims of debtor’s employees); *In re Hoffman*, 53 B.R. 874, 876 (Bankr. D.R.I. 1985) (transfer of liquor license free and clear of any interest permissible even though the estate had unpaid taxes); *American Living Systems v. Bonapfel (In re All Am. of Ashburn, Inc.)*, 56 B.R. 186, 190 (Bankr. N.D. Ga. 1986) (product liability claims precluded from being asserted against his successor in a sale of assets free and clear); *WBQ P’ship v. Virginia Dept. of Medical Assistance Services (In re WBQ P’ship)*, 189 B.R. 97, 104-05 (Bankr E D. Va. 1995) (Commonwealth of Virginia’s right to recapture depreciation is an “interest” as used in section 363(f)).

67. The purpose and value of an order authorizing the transfer of the Assets would be frustrated if claimants thereafter could use the transfer as a basis to assert claims against the Purchaser. Under Bankruptcy Code section 363(f), the Purchaser is entitled to know the Assets are not tainted by latent claims that could be asserted against the Purchaser after the proposed transactions are completed. Absent that ruling, the value of the Assets could be severely compromised.

68. Accordingly, consistent with the above-cited case law, the order approving the Sale of the Assets should state the Purchaser is not liable as a successor under any theory of successor liability, for Interests that encumber or relate to the Assets.

6. The Sale Has Been Proposed in Good Faith and Without Collusion, and the Successful Bidder Will Be a “Good-Faith Purchaser” Entitled to the Full Protection of Bankruptcy Code Section 363(m); and the Sale of the Assets Does Not Violate Bankruptcy Code Section 363(n)

69. The Debtors request the Court find the Successful Bidder is entitled to the benefits and protections provided by Bankruptcy Code section 363(m) in connection with the Sale.

70. Bankruptcy Code section 363(m) provides, in pertinent part:

[t]he reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

11 U.S.C. § 363(m).

71. Bankruptcy Code section 363(m) thus protects the purchaser of assets sold pursuant to Bankruptcy Code section 363 from the risk it will lose its interest in the purchased assets if the order allowing the sale is reversed on appeal, as long as such purchaser purchased or leased the assets in “good faith.” While the Bankruptcy Code does not define “good faith,” courts have held a purchaser shows its good faith through the integrity of its conduct during the course of the sale

proceedings, finding that, where there is a lack of such integrity, a good-faith finding may not be made. *See, e.g., Abbotts Dairies of Pa.*, 788 F.2d at 147 (“Typically, the misconduct that would destroy a [buyer’s] good faith status at a judicial sale involves fraud, collusion between the [proposed buyer] and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.”); *In the Matter of Andy Frain Servs., Inc.*, 798 F.2d 1113 (7th Cir. 1986) (same); *In re Sasson Jeans, Inc.*, 90 B.R. 608, 610 (S.D.N.Y. 1988) (same).

72. The Debtors submit the Stalking Horse Bidder, or any other Successful Bidder arising from the Auction, would be a “good faith purchaser” within the meaning of Bankruptcy Code section 363(m), and the resulting purchase agreement would be a good-faith agreement on arm’s-length terms entitled to the protections of Bankruptcy Code section 363(m).⁶ **First**, as set forth in more detail above, the consideration to be received by the Debtors pursuant to the Sale will be subject to a market process by virtue of Debtors’ marketing efforts and the Auction and will be substantial, fair, and reasonable. **Second**, the asset purchase agreement entered into by the Debtors and the Successful Bidder (to the extent the Successful Bidder is someone other than the Stalking Horse Bidder) will be the result of extensive arm’s-length negotiations, during which all parties will have the opportunity to be, and the Debtors will be, represented by competent counsel, and any purchase agreement with the Successful Bidder will be the culmination of the Debtors’ competitive market process and, if necessary, the Auction, in which all negotiations will be conducted on an arm’s-length, good-faith basis. **Third**, where—as the Debtors anticipate will be the case here—there is no indication of any “fraud or collusion between the purchaser and other

⁶ The Debtors believe a finding of good faith within the meaning of Bankruptcy Code section 363(m) will be appropriate for the Successful Bidder arising from the Auction and the Bid Procedures. Pursuant to the Bid Procedures, any Successful Bidder will have had to present a proposal in accordance with the Bid Procedures. In addition, the Debtors will not choose as the Successful Bidder or the Backup Bidder any entity whose good faith under Bankruptcy Code section 363(m) can reasonably be doubted, and will be prepared to present the Court with sufficient evidence to allow the Court to find that the “good faith” standard of Bankruptcy Code section 363(m) has been satisfied.

bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders” or similar conduct, there is no cause that would permit the Sale to be avoided pursuant to Bankruptcy Code section 363(n). Moreover, with respect to potential bidders, the Bid Procedures are designed to ensure no party is able to exert undue influence over the process. **Finally**, the Successful Bidder’s offer will be evaluated and approved by the Debtors in consultation with their advisors. Accordingly, the Debtors believe that the Successful Bidder and the resulting purchase agreement should be entitled to the full protections of Bankruptcy Code section 363(m).

73. Moreover, because there will be absolutely no fraud or improper insider dealing of any kind, the Sale does not constitute an avoidable transaction pursuant to Bankruptcy Code section 363(n), and, as a result, the Purchaser should receive the protections afforded good faith purchasers by Bankruptcy Code section 363(m). Accordingly, the Debtors request the Court make a finding at the Sale Hearing that the agreement reached with the Successful Bidder was at arm’s length and is entitled to the full protections of Bankruptcy Code section 363(m). The Debtors will submit evidence at the Sale Hearing to support these conclusions.

7. Credit Bidding Should be Authorized Pursuant to Bankruptcy Code Section 363(k).

74. A secured creditor is allowed to “credit bid” the amount of its claims in a sale of assets in which it has a security interest. Bankruptcy Code section 363(k) provides, in relevant part, that unless the court for cause orders otherwise, the holder of a claim secured by property that is the subject of the sale “may bid at such sale, and, if the holder of such claim purchases such property, such holder may offset such claim against the purchase price of such property.” 11 U.S.C. § 363(k). Even if a secured creditor is undersecured as determined in accordance with Bankruptcy Code section 506(a), section 363(k) allows such secured creditor to bid the total face value of its claim and does not limit the credit bid to the creditor’s economic value. *See In re Submicron Sys.*

Corp., 432 F.3d 448, 459-60 (3d Cir. 2006) (explaining “[i]t is well settled . . . that creditors can bid the full face value of their secured claims under section 363(k)”).

75. In this District, absent cause for restriction on credit bidding, courts have consistently ruled in favor of reserving a secured creditor’s right to credit bid its claim. *See In re Alpha Latam Management, LLC, et al.*, Case No. 21-11109 (JKS) (Bankr. D. Del. Sept. 15, 2021) (order approving bid procedures authorizing secured creditors to exercise right under Bankruptcy Code § 363(k) to credit bid); *In re Avadim Health, Inc., et al.*, Case No. 21-10883 (CTG) (Bankr. D. Del. June 23, 2021) (order authorizing secured creditors to credit bid); *In re RTI Holding Company, LLC*, Case No. 20-12456 (JTD) (Bankr. D. Del. Nov. 20, 2020) (order authorizing secured creditors to exercise right under Bankruptcy Code § 363(k) to credit bid).

76. Thus, subject to the Bid Procedures, the Stalking Horse Bidder should be allowed to submit a credit bid.

C. The Assumption and Assignment of the Contracts Should Be Approved

1. The Assumption and Assignment of the Contracts Reflects the Debtors’ Reasonable Business Judgment

77. To facilitate and effectuate the Sale, the Debtors are seeking authority to assign the Assigned Contracts to the Successful Bidder to the extent required by such Successful Bidder.

78. Bankruptcy Code section 365 authorizes a debtor to assume and/or assign its executory contracts and unexpired leases, subject to the approval of the court, provided the defaults under such contracts and leases are cured and adequate assurance of future performance is provided. *See* 11 U.S.C. § 365(b)(1).

79. The standard applied by the Third Circuit in determining whether an executory contract or unexpired lease should be assumed is the “business judgment” test, which requires a debtor to determine that the requested assumption or rejection would be beneficial to its estate. *See*

Sharon Steel Corp. v. Nat'l Fuel Gas Distrib. Corp., 872 F.2d 36, 40 (3d Cir. 1989); *see also NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 523 (1984) (describing business judgment test as “traditional”) (superseded in part by 11 U.S.C. § 1113).

80. Courts generally will not second-guess a debtor’s business judgment concerning the assumption of an executory contract. *See In re Decora Indus., Inc.*, 2002 WL 32332749, at *8 (D. Del. 2002); *Official Comm. for Unsecured Creditors v. Aust (In re Network Access Solutions, Corp)*, 330 B.R. 67, 75 (Bankr. D. Del. 2005) (“The standard for approving the assumption of an executory contract is the business judgment rule”); *In re Exide Techs.*, 340 B.R. 222, 239 (Bankr. D. Del. 2006) (“The propriety of a decision to reject an executory contract is governed by the business judgment standard”); *see also Phar Mor, Inc. v. Strouss Bldg. Assocs.*, 204 B.R. 948, 952 (N.D. Ohio 1997) (“Courts should generally defer to a debtor’s decision whether to reject an executory contract.”) (citation omitted). A debtor’s decision to assume or reject an executory contract or expired lease will not be subject to review unless such decision is clearly an unreasonable exercise of such judgment. *See, e.g., Group of Institutional Investors v. Chicago, Milwaukee, St. Paul & Pac. Ry. Co.*, 318 U.S. 523 (1943) (applying Bankruptcy Act section 77(b), predecessor to Bankruptcy Code section 365, and rejecting a test of whether an executory contract was burdensome in favor of determining whether rejection is within the debtor’s business judgment); *see also Sharon Steel*, 872 F.2d at 40 (describing deference to a debtor’s business judgment as “breathing space afforded [to] the debtor to consider whether to reject or assume executory contracts under the Code”); *Network Access Solutions*, 330 B.R. at 75; *Exide Techs.*, 340 B.R. at 239.

81. Here, the Court should approve the decision to assume and assign the applicable Assigned Contracts in connection with the Sale as a sound exercise of the Debtors’ business

judgment. **First**, the Assigned Contracts are necessary to operate the Assets, and, as such, they are essential to inducing the best offer for the Assets. **Second**, it is unlikely any purchaser would want to acquire the Assets unless a significant number of the contracts and leases needed to manage the day-to-day operations were included in the transaction. **Third**, the Assigned Contracts will be assumed and assigned as part of a process approved by the Court pursuant to the Bid Procedures Order and, thus, will be reviewed by key constituents in these Chapter 11 Cases. Accordingly, the Debtors submit the assumption and assignment of the Assigned Contracts, if required by the Successful Bidder, should be approved as a sound exercise of the Debtors' business judgment.

82. A debtor in possession may assign an executory contract or an unexpired lease of the debtor if it assumes the agreement in accordance with Bankruptcy Code section 365(a), and provides adequate assurance of future performance by the assignee, whether or not there has been a default under the agreement. *See* 11 U.S.C. § 365(f)(2). Significantly, among other things, adequate assurance may be provided by demonstrating the assignee's financial health and experience in managing the type of enterprise or property assigned. *See, e.g., In re Bygaph, Inc.*, 56 B.R. 596, 605-06 (Bankr. S.D.N.Y. 1986) (stating adequate assurance of future performance is present when the prospective assignee of a lease from the debtor has financial resources and has expressed willingness to devote sufficient funding to the business in order to give it a strong likelihood of succeeding).

83. The meaning of "adequate assurance of future performance" depends on the facts and circumstances of each case, but should be given "practical, pragmatic construction." *EBG Midtown South Corp. v. McLaren/Hart Envtl. Eng'g Corp. (In re Sanshoe Worldwide Corp.)*, 139 B.R. 585, 592 (S.D.N.Y. 1992) (citations omitted), *aff'd*, 993 F.2d 300 (2d Cir. 1993); *Carlisle Homes, Inc. v. Azzari (In re Carlisle Homes, Inc.)*, 103 B.R. 524, 538 (Bankr. D.N.J. 1988).

84. Counterparties to Assigned Contracts will have the opportunity to object to adequate assurance of future performance by any of the Bidders. Accordingly, the Debtors submit the assumption and assignment of the Assigned Contracts as set forth herein should be approved.

85. To assist in the assumption, assignment, and sale of the Assigned Contracts, the Debtors also request the Sale Order provide that anti-assignment provisions in the Assigned Contracts shall not restrict, limit, or prohibit the assumption, assignment, and sale of the Assigned Contracts and are deemed and found to be unenforceable anti-assignment provisions within the meaning of Bankruptcy Code section 365(f).

86. Bankruptcy Code section 365(f)(1) permits a debtor to assign unexpired leases and contracts free from such anti-assignment restrictions, providing, in pertinent part, that:

[N]otwithstanding a provision in an executory contract or unexpired lease of the debtor, or in applicable law, that prohibits, restricts, or conditions the assignment of such contract or lease, the trustee may assign such contract or lease under paragraph (2) of this subsection

11 U.S.C. § 365(f)(1).

87. Bankruptcy Code section 365(f)(1), by operation of law, invalidates provisions that prohibit, restrict, or condition assignment of an executory contract or unexpired lease. *See, e.g., Coleman Oil Co., Inc. v. The Circle K Corp. (In re The Circle K Corp.)*, 127 F. 3d 904, 910-11 (9th Cir. 1997) (“no principle of bankruptcy or contract law precludes us from permitting the Debtors here to extend their leases in a manner contrary to the leases’ terms, when to do so will effectuate the purposes of section 365”), *cert. denied*, 522 U.S. 1148 (1998). Bankruptcy Code section 365(f)(3) goes beyond the scope of Bankruptcy Code section 365(f)(1) by prohibiting enforcement of any clause creating a right to modify or terminate the contract or lease upon a proposed assumption or assignment thereof. *See, e.g., In re Jamesway Corp.*, 201 B.R. 73 (Bankr. S.D.N.Y. 1996) (Bankruptcy Code section 365(f)(3) prohibits enforcement of any lease clause

creating right to terminate lease because it is being assumed or assigned, thereby indirectly barring assignment by debtor; all lease provisions, not merely those entitled anti-assignment clauses, are subject to court's scrutiny regarding anti-assignment effect).

88. Other courts have recognized provisions that have the effect of restricting assignments cannot be enforced. *See In re Rickel Home Ctrs., Inc.*, 240 B.R. 826, 831 (D. Del. 1998) ("In interpreting Section 365(f) [sic], courts and commentators alike have construed the terms to not only render unenforceable lease provisions which prohibit assignment outright, but also lease provisions that are so restrictive that they constitute de facto anti-assignment provisions."). Similarly, in *In re Mr. Grocer., Inc.*, the court noted that:

[the] case law interpreting § 365(f)(1) of the Bankruptcy Code establishes that the court does retain some discretion in determining that lease provisions, which are not themselves ipso facto anti-assignment clauses, may still be refused enforcement in a bankruptcy context in which there is no substantial economic detriment to the landlord shown, and in which enforcement would preclude the bankruptcy estate from realizing the intrinsic value of its assets.

77 B.R. 349, 354 (Bankr. D.N.H. 1987). Thus, the Debtors request any anti-assignment provisions be deemed not to restrict, limit, or prohibit the assumption, assignment, and sale of the Assigned Contracts, and be deemed and found to be unenforceable anti-assignment provisions within the meaning of Bankruptcy Code section 365(f).

89. Orders granting motions to sell property and for the assumption and assignment of executory contracts frequently contain language explicitly stating the counterparty to the assumed contracts are barred from asserting against the debtor any default by reason of the closing, including any breach or right of termination relating to a change in control of the debtor. *See, e.g., In re Irish Bank Resolution Corp. Ltd.*, No. 13-12159 (CSS), 2014 WL 1759609, at *8 (Bankr. D. Del. Feb. 14, 2014) ("[n]o sections or provisions of the Contracts that purport to....declare a breach or default as a result of a change in control in respect of the Debtor...shall have any force and

effect, and such provisions constitute unenforceable anti-assignment provisions under 11 U.S.C. § 365(f) and/or are otherwise unenforceable under 11 U.S.C. § 365(e).”); *see also In re McPhillips Motors, Inc.*, No. 6:09-BK-37488-RN, 2010 WL 3157062, at *7 (Bankr. C.D. Cal. Feb. 9, 2010) (“any breach related to or arising out of change-in-control or other assignment in such Assumed Contracts, or any purported written or oral modification to the Assumed Contracts” was unenforceable); *In re Bethel Healthcare, Inc.*, No. 1:13-BK-12220-GM, 2014 WL 12758523, at *4 (Bankr. C.D. Cal. May 1, 2014) (“[a]ny provision in the Lease that purports to declare a breach or default as a result of a change in control of the Debtor’s business or requires the consent of a non-seller party is hereby determined unenforceable under section 365(f) of the Bankruptcy Code...”).

D. Relief Pursuant to Bankruptcy Rules 6004(h) and 6006(d) Is Appropriate

90. Bankruptcy Rule 6004(h) provides an “order authorizing the use, sale, or lease of property . . . is stayed until the expiration of 14 days after the entry of the order, unless the court orders otherwise.” Additionally, Bankruptcy Rule 6006(d) provides an “order authorizing the trustee to assign an executory contract or unexpired lease . . . is stayed until the expiration of 14 days after the entry of the order, unless the court orders otherwise.” The Debtors request the Sale Order be effective immediately upon its entry by providing the 14-day stay under Bankruptcy Rules 6004(h) and 6006(d) be waived.

91. The purpose of Bankruptcy Rules 6004(h) and 6006(d) is to provide sufficient time for objecting party to appeal before an order can be implemented. *See* Advisory Committee Notes to Fed. R. Bankr. P. 6004(h) and 6006(d). Although Bankruptcy Rules 6004(h) and 6006(d) and the Advisory Committee Notes are silent as to when a court should “order otherwise” and eliminate or reduce the 14-day stay periods, the leading treatise on bankruptcy suggests the 14-day stay

periods should be eliminated to allow a sale or other transaction to close immediately “where there has been no objection to procedure.” 10 *Collier on Bankruptcy* ¶ 6004.10 (15th rev. ed. 2006). Furthermore, if an objection is filed and overruled, and the objecting party informs the court of its intent to appeal, the stay may be reduced to the amount of time actually necessary to file such appeal. *Id.*

92. To maximize the values received from the Assets, and to ensure they are in compliance with the requirements of the DIP Order, the Debtors seek to close the Sale as soon as possible after the Sale Hearing, but in no event later than fifty (50) days after the Petition Date. Accordingly, the Debtors hereby request the Court waive the 14-day stay periods under Bankruptcy Rules 6004(h) and 6006(d).

CONSENT TO JURISDICTION

93. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final judgment or order with respect to this Motion if it is determined the Court would lack Article III jurisdiction to enter such final order or judgment absent consent of the parties.

NOTICE

94. Notice of this Motion will be given to: (a) the U.S. Trustee; (b) the holders of the thirty (30) largest unsecured claims against the Debtors; (c) counsel to the Prepetition Lender, DIP Lender, and Stalking Horse Bidder; (d) the United States Attorney’s Office for the District of Delaware; (e) the Internal Revenue Service; (f) all state and local taxing authorities with an interest in the Assets; (g) the Attorney General for the State of Delaware; (h) the Securities and Exchange Commission; (i) all other governmental agencies with an interest in the Sale and transactions proposed thereunder; (j) all parties known or reasonably believed to have asserted an Interest in the Assets; (k) the Contract Counterparties; (l) the Debtors’ insurance carriers; (m) all parties

entitled to notice pursuant to Local Rule 9013-1(m); and (n) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, under the circumstances, no other or further notice is required.

95. In addition, copies of the Sale Notice, the Bid Procedures, and the Bid Procedures Order will be served on the applicable parties no later than two (2) business days after entry of the Bid Procedures Order by this Court. In light of the nature of the relief requested herein, the Debtors submit no other or further notice is required. A copy of the Motion is also available on the website of the Debtors' notice and claims agent, available at <https://omniagentsolutions.com/Avante>.

NO PRIOR REQUEST

96. No previous request for the relief sought herein has been made to this Court or any other court.

WHEREFORE, the Debtors respectfully request this Court: (i) enter the Bid Procedures Order, the form of which is attached as Exhibit B hereto, (ii) enter the Sale Order, in substantially the form of which is attached as Exhibit C hereto, and (iii) grant such other and further relief as is just and proper.

Dated: October 8, 2024
Wilmington, Delaware

Respectfully submitted,

POLSINELLI PC

/s/ Christopher A. Ward

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*Proposed Counsel to the Debtors and
Debtors in Possession*

Exhibit A to Motion

Stalking Horse Agreement

Execution Version
Confidential
Subject to FRE 408 and Equivalents

ASSET PURCHASE AGREEMENT

DATED AS OF OCTOBER 8, 2024

BY AND AMONG

**JORDAN HEALTH PRODUCTS I, INC. AND ITS AFFILIATES NAMED HEREIN, AS
SELLERS,**

AND

AHS ACQUISITION HOLDINGS, LLC AS PURCHASER

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ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “Agreement”), dated as of October 8, 2024, by and among AHS Acquisition Holdings, LLC, a Delaware limited liability company (“Purchaser”), Jordan Health Products I, Inc., a Delaware corporation (“Parent”), and the Affiliates of Parent that have executed signature pages attached hereto (each a “Seller” and collectively, the “Sellers”). Purchaser and Sellers are referred to herein individually as a “Party” and collectively as the “Parties.” Capitalized terms used in this Agreement shall have the meanings set forth herein, including without limitation in Article XI.

RECITALS

WHEREAS, Sellers are collectively engaged in the business of providing aftermarket repair, refurbishment, maintenance, service, parts supply, and distribution and sale of medical equipment, including, but not limited to, diagnostic imaging machines, ultrasound machines, and patient monitoring machines, through depot and field-based operations, serving hospitals, acute care facilities and other customers across the United States and internationally (the “Business”);

WHEREAS, on or before October 8, 2024, Sellers and certain of their Affiliates (collectively, the “Debtors”) shall file (the date of such filing is the “Petition Date”) voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) (such cases, collectively and/or as jointly administered, the “Bankruptcy Case”), and shall thereafter operate their business as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code;

WHEREAS, Sellers have determined, in the exercise of their business judgment, that a sale of Acquired Assets is in the best interests of Sellers and their stakeholders, including their creditors and other parties in interest;

WHEREAS, Sellers desire to sell, transfer and assign to Purchaser, and Purchaser desires to acquire and assume from Sellers, all of the Acquired Assets and all of the Assumed Liabilities, in a sale authorized by the Bankruptcy Court pursuant to, *inter alia*, sections 105, 363, and 365 of the Bankruptcy Code, all on the terms and subject to the conditions set forth in this Agreement and subject to entry of an order of the Bankruptcy Court approving the transactions contemplated herein (the “Sale Order”); and

WHEREAS, the Acquired Assets and Assumed Liabilities shall be purchased and assumed by Purchaser pursuant to the Sale Order, free and clear of all Encumbrances (other than Permitted Encumbrances), all in the manner and subject to the terms and conditions set forth in this Agreement and subject to entry of the Sale Order, and in accordance with other applicable provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure and the local rules for the Bankruptcy Court (together, the “Bankruptcy Rules”).

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties, covenants, and agreements set forth herein, and intending to be legally bound hereby, Purchaser and Sellers hereby agree as set forth herein.

ARTICLE I

PURCHASE AND SALE OF THE ACQUIRED ASSETS; ASSUMPTION OF ASSUMED LIABILITIES

1.1 Purchase and Sale of the Acquired Assets. Pursuant to sections 105, 363, and 365 of the Bankruptcy Code, on the terms and subject to the conditions set forth herein, and subject to the entry and terms of the Sale Order, at the Closing, Sellers shall sell, transfer, assign, convey, and deliver to Purchaser (or an Affiliate of Purchaser designated by Purchaser), and Purchaser (or an Affiliate of Purchaser designated by Purchaser) shall purchase, acquire, and accept from Sellers, free and clear of all Encumbrances (except Permitted Encumbrances), all of Sellers' right, title and interest in and to all of the assets, properties, interests, and rights owned or held by Sellers (collectively, the "Acquired Assets"), but excluding in all cases the Excluded Assets, including the following assets:

(a) all Cash and Cash Equivalents and all bank accounts of Sellers, including those bank accounts listed on Schedule 1.1(a);

(b) all Assigned Contracts; provided, that "Assigned Contract" shall not include any Contracts regarding any Seller Plan and any Insurance Policies that are otherwise Excluded Assets;

(c) all Accounts Receivable, Inventory, Equipment and Pre-Paid Expenses, including the Accounts Receivable, Inventory, Equipment and Pre-Paid Expenses set forth on Schedule 1.1(c);

(d) all Books and Records other than Excluded Books and Records; provided that Sellers shall have the right to retain copies of any portions of such Books and Records relating to any ongoing matters relating to Excluded Assets or Excluded Liabilities;

(e) all demands, allowances, refunds, rebates (including any vendor or supplier rebates), express or implied guarantees, warranties, representations, covenants, indemnities, rights, claims, counterclaims, defenses, credits, causes of action, rights of set off, rights of recovery or rights of recoupment (in each case, other than against any Seller), in each case, as they relate to the Acquired Assets or the Assumed Liabilities, including rights under vendors' and manufacturers' warranties, indemnities and guaranties, relating to or arising against suppliers, vendors, merchants, manufacturers, counterparties to leases, counterparties to licenses and counterparties to any Assigned Contract arising out of or relating to events occurring on or prior to the Closing Date or any of the Acquired Assets or Assumed Liabilities;

(f) claims, causes of action and rights relating to Tax credits and refunds or recovery of Taxes;

(g) all Avoidance Actions;

(h) to the extent transferable under applicable Law, all of the rights, interests and benefits accruing under all Permits, and all pending applications therefor, including those Permits set forth on Schedule 1.1(h);

(i) all Intellectual Property, including the name and marks "Avante Health Solutions," "Avante," "Jordan Health Products" or any name that is derivative or similar to such names or any names currently or formerly used by Sellers in the operation of their respective businesses, all rights to collect royalties and proceeds in connection therewith, all rights to sue and recover for past, present and future infringements, dilutions, misappropriations of, or other conflicts with, such Intellectual Property and any and all corresponding rights that, now or hereafter, may be secured throughout the world, including any

Intellectual Property licensed to any Seller, including those items set forth on Schedule 1.1(i) (collectively, the “Transferred Company Intellectual Property”);

(j) to the extent transferable, all current and prior Insurance Policies of Sellers relating to the Acquired Assets, the Assumed Liabilities, the Transferred Employees, or the Business, all prepaid assets as reflected on the Latest Balance Sheet with respect to such Insurance Policies, and all rights and benefits of Sellers of any nature with respect thereto, including all insurance recoveries thereunder and rights to assert claims with respect to any such insurance recoveries, in each case subject to the limitations set forth in Section 6.7 and to the extent they are related to the Acquired Assets, the Assumed Liabilities, or the operation of the Acquired Assets; provided, however, that the Acquired Assets shall not include Sellers’ officers and directors’ policies, including any tail policies, or any prepaid assets or other rights with regard thereto (a “D&O Policy Excluded Asset”);

(k) all information and data relating to the Business, including all customer information and mailing lists used or useful to the operation of the Business, in whatever media retained or stored;

(l) all goodwill associated with the Acquired Assets;

(m) all other causes of action of any Seller, including Commercial Tort Claims; and

(n) any and all other assets of Sellers that are used in, or useful to, the operation of the Business, other than those expressly listed as an Excluded Asset in Section 1.2.

1.2 Excluded Assets. Notwithstanding anything to the contrary in this Agreement, the Acquired Assets should exclude all of the following assets, properties, interests and rights owned or held by Sellers to the extent not used in, or not useful to, the operation of the Business (collectively, the “Excluded Assets”):

(a) all Books and Records to the extent they relate to any of the Excluded Assets or Excluded Liabilities or the corporate governance of Sellers (the “Excluded Books and Records”); provided that Purchaser shall have the right to retain copies of any Books and Records transferred to Purchaser pursuant to Section 1.1(d) needed to comply with any regulations, investigations, audits or inquiries or for ongoing matters relating to the Excluded Assets or Excluded Liabilities.

(b) all demands, allowances, refunds, rebates (including any vendor or supplier rebates), express or implied guarantees, warranties, representations, covenants, indemnities, rights, claims, counterclaims, defenses, credits, causes of action, rights of set off, rights of recovery, or rights of recoupment (in each case, other than against any Seller), in each case, solely with respect to the Excluded Assets or Excluded Liabilities, including rights under vendors’ and manufacturers’ warranties, indemnities, and guaranties, or rights arising against suppliers, vendors, merchants, manufacturers, counterparties to leases, counterparties to licenses, and counterparties to any Excluded Contract or any of the other Excluded Assets or Excluded Liabilities;

(c) to the extent not transferable under applicable Law, all of the rights, interests, and benefits accruing under all Permits, and all pending applications therefor;

(d) (i) all insurance policies and rights to proceeds thereof that are non-transferable or to the extent they are related solely to the Excluded Assets, Excluded Liabilities, or the operation of the Excluded Assets, and (ii) any D&O Policy Excluded Asset;

(e) all Seller Plans, and any right, title or interest in any of the assets thereof or relating thereto;

(f) Sellers' rights under this Agreement or any agreement, certificate, instrument, or other document executed and delivered between any Seller and Purchaser in connection with the transactions contemplated hereby, or any other agreement between any Seller and Purchaser entered into on or after the date hereof;

(g) all Excluded Contracts;

(h) all shares of capital stock or other equity interests of Sellers or any of their Affiliates;

(i) all equipment and tangible personal property located at the Business but not owned by Sellers, or subject to an equipment lease or vehicle lease that is not an Assigned Contract, each as listed on Schedule 1.2(i);

(j) all corporate or other entity-level records of any Seller, including corporate charters, qualifications to conduct business as a foreign corporation, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, seals, minute books, stock transfer books, Tax records (other than any Tax records that relate to the Business or any of the Acquired Assets), blank stock certificates and other documents relating to the organization, maintenance and existence of Sellers;

(k) any intercompany accounts receivable; and

(l) Sellers' attorney-client and work-product privileges.

1.3 Assumed Liabilities. On the terms and subject to the conditions set forth herein, and subject to the terms and entry of the Sale Order, effective as of the Closing, Purchaser shall assume from Sellers, and shall agree to pay, perform and discharge when due, only the following Liabilities of Sellers, in each case, solely to the extent relating to the Acquired Assets or the Business (collectively, the "Assumed Liabilities"):

(a) all Cure Amounts associated with the Assigned Contracts;

(b) all Liabilities under the Assigned Contracts and any Permits included in the Acquired Assets arising from and after the Closing Date;

(c) all DIP Obligations outstanding as of the Closing;

(d) accounts payable incurred by Sellers in the Ordinary Course from and after the commencement of the Bankruptcy Case; and

(e) all Liabilities relating to product liability Actions arising from actions, occurrences, events or circumstances that occur after the Closing.

1.4 Excluded Liabilities. Notwithstanding any provision in this Agreement to the contrary, the Parties expressly acknowledge and agree that Purchaser shall not assume, be obligated to pay, perform or otherwise discharge or in any other manner be liable or responsible for any Liability of or Action against Sellers or relating to the Acquired Assets, of any kind or nature whatsoever, whether absolute, accrued,

contingent or otherwise, liquidated or unliquidated, due or to become due, known or unknown, currently existing or hereafter arising, matured or unmatured, direct or indirect, and however arising, whether existing on the Closing Date or arising thereafter as a result of any act, omission, or circumstances taking place prior to the Closing, other than the Assumed Liabilities (all such Liabilities that are not Assumed Liabilities being referred to collectively herein as the “Excluded Liabilities”). Without limiting the generality of the foregoing, all Liabilities arising from or related to (a) the Excluded Assets, (b) any product liability Actions with respect to Products manufactured, distributed or sold by Sellers prior to Closing or any other action, event or circumstance occurring prior to Closing, (c) Excluded Employee Liabilities, (d) Jordan Health Products III, Inc. Oncology Services International, Inc. and Technical Options of Georgia, Inc. and (e) income Taxes of Sellers or Affiliates of Sellers (whether direct or as a result of successor liability, transferee liability, joint and several liability or contractual liability), and, except as otherwise expressly provided in this Agreement, including Section 7.1, any Liability for any other Taxes of Sellers or any Affiliates of Sellers (whether direct or as a result of successor liability, transferee liability, joint and several liability or contractual liability) including (i) any Taxes relating to the Business or the Acquired Assets with respect to a Pre-Closing Tax Period, or (ii) any Taxes of Sellers or their Affiliates that arise as a result of the sale of the Acquired Assets pursuant to this Agreement or otherwise on account of this Agreement or the transactions contemplated by this Agreement including by reason of Purchaser not withholding an amount that was otherwise required to be withheld under applicable Law, shall, in the case of each of the foregoing clauses (a), (b), (c), (d) and (e), be deemed Excluded Liabilities hereunder.

1.5 Assumption/Rejection of Certain Contracts.

(a) Schedule 1.5(a) sets forth a list of all Contracts that Purchaser desires to assume from Sellers at Closing (such Contracts, the “Assigned Contracts”). At the Sale Hearing (notice of which shall be properly and timely served on all non-Seller counterparties to the Assigned Contracts by Sellers), Sellers shall seek authority to assign to Purchaser the Assigned Contracts (pursuant to the procedures set forth in Section 1.5(f) below).

(b) Subject to Section 1.5(g), the Assigned Contracts shall be assigned by Sellers to Purchaser, and assumed by Purchaser, at the Closing pursuant to one or more Orders of the Bankruptcy Court in accordance with Section 365 of the Bankruptcy Code.

(c) Schedule 1.5(c) sets forth a list of Contracts that Purchaser has determined that it shall not assume at Closing, which, together with all other Contracts that are not Assigned Contracts hereunder, shall be designated as “Excluded Contracts”.

(d) At the Closing (subject to Section 1.5(g)), unless otherwise agreed by the applicable counterparty, Purchaser shall pay any Cure Amounts due in connection with the assumption and assignment of the Assigned Contracts as set forth in the Sale Order or any other Order of the Bankruptcy Court for which all necessary consents required by the Bankruptcy Code to transfer have been obtained, and Purchaser will assume and agree to perform and discharge the Assumed Liabilities under the Assigned Contracts arising or that are otherwise payable from the time of and after the Closing.

(e) Notwithstanding the foregoing, a Contract shall not be an Assigned Contract hereunder and shall not be assigned to, or assumed by, Purchaser to the extent that such Contract (i) is rejected by a Seller or terminated by a Seller (with the prior written consent of Purchaser) in accordance with the terms hereof or by the other party thereto, or terminates or expires by its terms, on or prior to the Closing and is not continued or otherwise extended upon assumption, or (ii) constitutes a Seller Plan or an Insurance Policy (solely to the extent not assignable, as set forth in Section 1.1(j), or to the extent such Contract relates to a D&O Policy Excluded Asset). Notwithstanding anything to the contrary in this Agreement or any of the Transaction Documents, as the case may be, Sellers shall not assign to Purchaser

any Contract or Permit for which a necessary consent or payment is required (other than, and in addition to, that of the Bankruptcy Court) and not obtained prior to the Closing (each such Contract or Permit, a “Non-Assignable Contract”). The Parties will, during the remaining term of each Non-Assignable Contract, use commercially reasonable efforts to (A) obtain the consent of the third parties required thereunder, (B) to the maximum extent permitted by Law and the applicable Non-Assignable Contract, at Purchaser’s sole cost and expense, and for a period not to exceed the Contract Designation Period, design an arrangement pursuant to which Purchaser will receive all rights and benefits under such Non-Assignable Contract and perform all of the obligations under such Non-Assignable Contract that are necessary for Purchaser to be entitled to receive such rights and benefits and (C) enforce, at the request of Purchaser and at the sole expense and for the account of Purchaser, any right of Sellers arising from such Non-Assignable Contract against the other party or parties thereto (including the right to elect or terminate any such Non-Assignable Contract in accordance with the terms thereof). With respect to any such Non-Assignable Contract as to which the necessary approval or consent for the assignment or transfer to Purchaser is obtained following the Closing, the applicable Seller will assign and transfer such Non-Assignable Contract to Purchaser by execution and delivery of an instrument of conveyance, in a form satisfactory to Purchaser, within five (5) Business Days following receipt of such approval or consent; provided, that Purchaser shall be responsible for any and all Cure Amounts in connection with any such Contract or Permit. Nothing in this Section 1.5(e) requires either Purchaser or Sellers to pay any amount to any other Person in order to obtain any consent required under any Non-Assignable Contract not obtained by Sellers prior to the Closing, subject to the payment by Purchaser of any Cure Amount in accordance with this Agreement. Notwithstanding anything to the contrary herein, Purchaser has the right to designate any Non-Assignable Contract as an Excluded Contract at any time after the date hereof, and shall not owe any Cure Amounts with respect to any such Non-Assignable Contracts designated as an Excluded Contract. During the Contract Designation Period, Sellers shall not amend, terminate, assign, transfer or renew (or fail to renew) any Non-Assignable Contract without the prior written consent of Purchaser.

(f) From the date hereof until the expiration of the Contract Designation Period, Sellers shall not seek Bankruptcy Court approval to reject any Contract unless and until such Contract is designated by Purchaser as an Excluded Contract or unless otherwise agreed to in writing by Purchaser. Additionally, Sellers shall file with the Bankruptcy Court such motions or pleadings as may be appropriate or otherwise as may be reasonably requested by Purchaser to preserve Sellers’ right or ability to assume and assign any of the Contracts (including pursuant to Section 365(d)(4) of the Bankruptcy Code) until the expiration of the Contract Designation Period. Purchaser may designate any Contract as an Assigned Contract or Excluded Contract or change any designation as an Assigned Contract previously made to an Excluded Contract by delivering written notice to Sellers not less than three (3) days prior to the Closing Date, which designation shall be reflected in an amendment of such designation in Schedule 1.5(a).

(g) Any Contract not designated by Purchaser as either an Assigned Contract or an Excluded Contract as of Closing may be designated a “Designation Right Contract” by Purchaser upon written notice to Sellers. From and after the Closing Date until the date that is the earlier of (i) the entry of an order by the Bankruptcy Court dismissing the Bankruptcy Case, converting the Bankruptcy Case to case under Chapter 7 of the Bankruptcy Code, or confirming a Chapter 11 plan of Sellers, and (ii) one hundred twenty (120) days following the Closing Date (the “Contract Designation Period”), Purchaser shall have the right, by providing Sellers with written notice, to amend Schedule 1.5(a) to designate any Designation Right Contract as (i) an Assigned Contract, or (ii) an Excluded Contract. Upon receipt of notice of Purchaser’s designation of a Designation Right Contract as an Assigned Contract in accordance with this Section 1.5(g), Sellers shall promptly provide notice to the applicable non-Seller counterparty of such designation. Notwithstanding anything herein to the contrary, Purchaser shall pay and be solely responsible for all amounts that accrue and become due and owing under any Designation Right Contract from and after the Closing Date through the earlier to occur of (A) the expiration of the Contract Designation Period and (B) the date that is two (2) Business Days after written notice from the Purchaser designating such

Designation Right Contract as an Excluded Contract in accordance with this Section 1.5(g). Notwithstanding anything in this Agreement to the contrary, on the date any Designation Right Contract is designated an Assigned Contract pursuant to this Section 1.5(g), such Contract shall be deemed an Assigned Contract for all purposes under this Agreement and no further consideration shall be required to be paid by Purchaser for such Contract; provided however, Purchaser shall pay all Cure Amounts in connection with any such Assigned Contract.

(h) If any Assigned Contract requires the payment of Cure Amounts in order to be assumed pursuant to Section 365 of the Bankruptcy Code, and such Cure Amounts are undetermined on the Closing Date because a non-Seller counterparty to such Contract proposed Cure Amounts in an amount that is different than the amount of Cure Amounts proposed by Sellers and such difference will not be resolved prior to the Closing Date (each such Contract, a “Disputed Amount Contract”), then Sellers shall provide Purchaser, not less than three (3) days prior to the Closing Date, with a schedule that lists each such Disputed Amount Contract and the amount of Cure Amounts that has been proposed by each such non-Seller counterparty; provided that Sellers shall agree to any Cure Amounts for any Contract irrevocably designated by Purchaser in writing as an Assigned Contract if instructed to do so by Purchaser. If Sellers, with the written consent of Purchaser, and the non-Seller counterparty with respect to any Disputed Amount Contract, are unable to agree on Cure Amounts for such Disputed Amount Contract within five (5) Business Days following the Closing Date, solely upon Purchaser’s written request, Sellers shall, at the expense of Purchaser, seek to have the amount of Cure Amounts related to such Disputed Amount Contract determined by the Bankruptcy Court by the date that is no later than the end of the Contract Designation Period. Upon final determination of such Cure Amounts, Purchaser may elect to redesignate such Assigned Contract as an Excluded Contract. If such Assigned Contract is not so redesignated, (i) the applicable Sellers shall promptly take such steps as are reasonably necessary, including, if applicable, promptly on delivery of no less than five (5) Business Days’ notice to the non-Seller counterparty to such Contract, to cause such Contract to be assumed by the applicable Seller and assigned to Purchaser, including by executing and delivering to Purchaser an assignment and assumption agreement with respect to such Assigned Contract, and (ii) Purchaser shall pay the Cure Amounts with respect to such Assigned Contract either (A) concurrently with Sellers’ assumption and assignment thereof to Purchaser or (B) as agreed in writing by Purchaser and the applicable counterparty to such Assigned Contract, and execute and deliver to the applicable Seller an assignment and assumption agreement with respect to such Assigned Contract. Notwithstanding the foregoing, if, following the Closing, it is discovered that a Contract that should have been listed on Schedule 1.5(a) was not so listed, Sellers shall, to the extent Sellers are still debtors-in-possession in the Bankruptcy Case, promptly following the discovery thereof, notify Purchaser in writing of any such Contract and Sellers’ good faith estimate of the amount of Cure Amounts applicable to each such Contract (and if no Cure Amount is estimated to be applicable with respect to any such Contract, the amount of such Cure Amount shall be designated for such Contract as “\$0.00”), and upon Purchaser’s request, take all actions reasonably required to assume and assign to Purchaser such Contract, provided that Purchaser pay the applicable Cure Amount. For the avoidance of doubt, Purchaser shall pay and be solely responsible for all amounts that accrue and become due and owing under any Disputed Amount Contract from and after the Closing Date through the earlier to occur of (A) the expiration of the Contract Designation Period and (B) the date that is two (2) Business Days after written notice from the Purchaser designating such Disputed Amount Contract as an Excluded Contract in accordance with this Section 1.5(h).

(i) The Parties agree and acknowledge that the covenants set forth in this Section 1.5 shall survive the Closing.

ARTICLE II

CONSIDERATION; PAYMENT; CLOSING

2.1 Consideration; Payment. The aggregate consideration for the purchase of the Acquired Assets (the “Purchase Price”) shall be: (a) Purchaser’s assumption of the Assumed Liabilities plus (b) a credit bid pursuant to Section 363(k) of the Bankruptcy Code of the Prepetition Loan Obligations in the aggregate amount of \$72,500,000 outstanding as of the Closing (collectively, the “Credit Bid”)

2.2 Closing. The closing of the purchase and sale of the Acquired Assets, the assumption of the Assumed Liabilities and the consummation of the other transactions contemplated by this Agreement (the “Closing”) will take place by telephone conference and electronic exchange of documents, on the next Business Day after which all of the conditions or deliveries set forth in Section 8.2 and Section 8.3 have been satisfied, delivered, or waived, or at such other place and time as the Parties may agree in writing. The date the Closing actually occurs is referred to herein as the “Closing Date.” The Closing shall be deemed effective as of 12:01 AM Eastern Standard Time on the Closing Date.

2.3 Closing Deliveries by Sellers. At or prior to the Closing, Sellers shall deliver to Purchaser:

(a) a bill of sale and assignment and assumption agreement, in form and substance reasonably acceptable to Purchaser and Sellers (the “Bill of Sale and Assignment and Assumption Agreement”), duly executed by Sellers;

(b) all documents necessary to properly record the sale, transfer, conveyance and assignment to Purchaser of the Transferred Company Intellectual Property, in form and substance reasonably acceptable to Purchaser and Sellers (the “IP Assignment Agreements”), duly executed by the applicable Sellers;

(c) a Transition Services Agreement, in form and substance reasonably acceptable to Purchaser and Sellers, that (among other things) requires any Seller designated by Purchaser to provide transition services to Purchaser with respect to information technology, human resources, accounting, finance and customer matters (including Contract and bank account maintenance) (the “Transition Services Agreement”) at Purchaser’s sole cost and expense and in accordance with the terms relating to the costs of the services set forth in the Transition Services Agreement;

(d) a certificate of an officer of each Seller certifying that attached thereto are true and complete copies of resolutions adopted by the board of directors or similar managing body of such Seller authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, and certifying that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby;

(e) good standing certificates (or equivalent) of each Seller from its jurisdiction of incorporation or formation and each state where such Seller is qualified to do business, in each case dated not more than five (5) Business Days prior to the Closing Date;

(f) actual or constructive possession of the Acquired Assets;

(g) a copy of the Sale Order, as entered by the Bankruptcy Court;

(h) an officer's certificate, dated as of the Closing Date, executed by a duly authorized officer of each Seller, certifying that the conditions set forth in Sections 8.2(a) and 8.2(c) have been satisfied;

(i) an IRS Form W-9 duly executed by each Seller; and

(j) evidence of the obtainment of all consents, approvals or declarations or the making of any filings or notices set forth on Schedule 2.3(j).

2.4 Closing Deliveries by Purchaser. At the Closing, Purchaser shall deliver to (or at the direction of) Sellers:

(a) a writing acknowledging the satisfaction of the Credit Bid amount as consideration for the transfer of the Acquired Assets;

(b) the Bill of Sale and Assignment and Assumption Agreement, duly executed by Purchaser;

(c) the IP Assignment Agreements, duly executed by Purchaser;

(d) the Transition Services Agreement, duly executed by Purchaser; and

(e) an officer's certificate, dated as of the Closing Date, executed by a duly authorized officer of Purchaser certifying that the conditions set forth in Sections 8.3(a) and 8.3(b) have been satisfied.

2.5 Withholding. Purchaser shall be entitled to deduct and withhold from any amounts otherwise payable pursuant to this Agreement, to the extent required by applicable Law. Purchaser and each of Sellers shall cooperate in good faith to reduce or otherwise eliminate any such withholding obligation to the extent permitted by applicable Law. If any amount is withheld in accordance with this Section 2.5, such withheld amount shall be treated for all purposes of this Agreement as having been paid to Sellers.

ARTICLE III

REPRESENTATIONS AND WARRANTIES REGARDING SELLERS, THE ACQUIRED ASSETS AND/OR THE BUSINESS

Each Seller makes the following representations and warranties to Purchaser as of the date hereof and the Closing Date:

3.1 Organization and Qualification. Except as set forth in Schedule 3.1 of the Disclosure Schedules, each Seller (a) is an entity duly incorporated or organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization, as applicable, (b) has all requisite power and authority to own and operate its properties and to carry on its businesses as now conducted, subject to the provisions of the Bankruptcy Code, and (c) is qualified to do business and is in good standing (or its equivalent) in every jurisdiction in which its ownership of property or the conduct of its business as now conducted requires it to qualify, except where the failure to be so qualified would not reasonably be expected to have a material adverse effect.

3.2 Authorization of Agreement. The execution, delivery, and performance of this Agreement by each Seller, and the consummation by such Seller of the transactions contemplated hereby, subject to the provisions of the Bankruptcy Code, has been duly and validly authorized by all requisite corporate or

similar organizational action, and no other corporate or similar organizational proceedings on its part are necessary to authorize the execution, delivery or performance of this Agreement by such Seller. Subject to requisite Bankruptcy Court approvals, this Agreement has been duly and validly executed and delivered by such Seller, and, assuming this Agreement is a valid and binding obligation of Purchaser, this Agreement constitutes a valid and binding obligation of such Seller, enforceable against such Seller in accordance with its terms, except as limited by the application of bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, or other Laws relating to or affecting creditors' rights or general principles of equity (whether considered in a proceeding in equity or at law) (the "Enforceability Exceptions").

3.3 Conflicts; Consents. Except for any requisite Bankruptcy Court approvals, and subject to the entry of the Sale Order, the execution, delivery and performance by Sellers of this Agreement and the Transaction Documents to which any Seller is a party, the consummation by Sellers of the transactions contemplated hereby and thereby and the fulfillment by Sellers of the terms hereof and thereof, do not and will not, directly or indirectly (with or without notice or lapse of time, or both): (a) violate, breach, conflict with, constitute a default under, or accelerate or permit the acceleration of the performance required by any of the terms of Sellers' respective organizational documents; (b) except as set forth on Schedule 3.3 of the Disclosure Schedules, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under or result in the acceleration of any Contract or Permit included within the Acquired Assets, or give any Person the right to declare a default or exercise any remedy or accelerate performance or maturity under any such Contract or Permit or cancel, terminate, suspend or modify any such Material Contract or Permit; (c) result in a violation or breach of any provision of any Order, Law or other legal requirement of any Governmental Body applicable to the Acquired Assets; (d) give any Governmental Body or other Person the right to challenge any of the transactions contemplated by this Agreement; (e) give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify any Permit that is held by any Seller or that otherwise is used in, necessary for or relates to the Acquired Assets; or (f) result in, or could reasonably be expected to result in, the creation or imposition of any material Encumbrance upon any Acquired Assets.

3.4 Financial Statements.

(a) Attached to Schedule 3.4(a)(i) of the Disclosure Schedules are true, correct and complete copies of: (i) each Seller's unaudited balance sheet for the eight month period ending August 31, 2024 (the "Latest Balance Sheet") and the related statements of operations, changes in equity and cash flow, (ii) audited financial statements of each Seller consisting of the balance sheet of each Seller as at December 31 in the year 2021 and the related consolidated statements of operations, changes in equity, and cash flow for the year then ended and (iii) unaudited financial statements of each Seller consisting of the balance sheet of each Seller as at December 31 in each of the years 2022 and 2023 and the related consolidated statements of operations, changes in equity, and cash flow for the years then ended (collectively, the "Financial Statements"). Except as set forth on Schedule 3.4(a)(ii) of the Disclosure Schedules, to the knowledge of Sellers, the Financial Statements have been prepared, in each case, in conformity with GAAP consistently applied and present fairly in all material respects, in accordance with GAAP consistently applied, the financial condition and results of operations of each Seller as of the dates and for the periods referred to therein, except as may be indicated in the notes thereto and subject, in the case of the Latest Balance Sheet to (A) the absence of footnote disclosures and other presentation items and (B) changes resulting from normal year-end adjustments (which are expected to be consistent with past practice).

(b) Except as set forth on Schedule 3.4(b) of the Disclosure Schedules, Sellers do not have any Liabilities that would be required to be reflected on a balance sheet prepared in accordance with GAAP, except for (i) the Liabilities contemplated by the Financial Statements; (ii) Liabilities incurred in the Ordinary Course since date of the Latest Balance Sheet (none of which is a Liability for breach of

contract, breach of warranty, tort, or infringement claim or lawsuit); (iii) Liabilities incurred in connection with the transaction contemplated by this Agreement; or (iv) Liabilities incurred in connection with the commencement of the Bankruptcy Case, including without limitation the DIP Obligations.

(c) The Financial Statements (i) have been prepared from, and are in accordance with, the books and records of Sellers, which books and records are true, correct and complete, have been maintained in accordance with sound business practices, and have been made available to Purchaser for review and (ii) fairly present, in all material respects, the financial position of the Business as of the dates thereof and the operating results and cash flows of the Business for the periods then ended.

(d) Sellers have established and maintained a system of internal accounting controls which is intended to provide, in all material respects, reasonable assurance: (i) that transactions, receipts, and expenditures of Sellers are being executed and made only in accordance with appropriate authorizations of Sellers' management, (ii) that transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets, (iii) regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets of Sellers, (iv) that the amount recorded for assets on the books and records of Sellers is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any difference and (v) that accounts, notes and other receivables and inventory are recorded by Sellers completely and accurately in all material respects in conformity with GAAP, subject to appropriate reserves. Since December 31, 2023, there has been no material changes in Sellers' accounting methods or principles that would be required to be disclosed in Sellers' financial statements in accordance with GAAP, except as described in the notes thereto.

(e) All of Sellers' Inventory reflected on the Latest Balance Sheet consists of quantity and quality usable and saleable in all material respects in the Ordinary Course, subject only to the reserves for inventory for obsolete and slow-moving inventory to write cost down to net realizable value. Since the date of the Latest Balance Sheet, no Seller has sold, assigned, transferred, leased, licensed or otherwise encumbered any of its Inventory, except in the Ordinary Course or otherwise approved by Purchaser in writing.

3.5 Absence of Certain Developments.

(a) Except as set forth on Schedule 3.5(a) of the Disclosure Schedules and any actions in connection with the Bankruptcy Case, to the knowledge of Sellers, since June 30, 2024, there have been no material changes to the operation of the Business.

(b) Except (A) as expressly contemplated by this Agreement, (B) as set forth on Schedule 3.5(b) of the Disclosure Schedules, and (C) for any actions in connection with the Bankruptcy Case, during the period beginning on June 30, 2024 and ending on the date of this Agreement, Sellers have conducted Business only in the Ordinary Course and Sellers have not:

(i) created, incurred, assumed or guaranteed any indebtedness for borrowed money;

(ii) mortgaged, pledged or subjected any material portion of Sellers' assets to any Encumbrance, except for Permitted Encumbrances;

(iii) (A) increased (or promised to increase) the salary or wages or other compensation or benefits of any current or former employee, officer, director or other service provider of Sellers, other than in the Ordinary Course with respect to current employees of Sellers or the Business, (B) adopted, amended, or terminated any Seller Plan, including any plan, policy

or other arrangement that would be a Seller Plan if it were in existence as of the date of this Agreement, (C) granted any rights to severance or termination pay to any current or former employee, officer, director or other service provider of Sellers or the Business, (D) granted, paid or promised any bonus, equity or equity-based awards, retention, change in control or other similar arrangement, (E) accelerated the vesting or payment of, or provide for the funding of, any amount payable to any current or former employee, officer, director or other service provider of Sellers or the Business or (F) forgive any loans or other amounts payable to the Sellers by any current or former employee, officer, director or other service provider of Sellers or the Business, in each case, except (1) as expressly required under the terms of any Seller Plan in effect as of the date of this Agreement or (2) as required by applicable Law;

(iv) made any material change to Sellers' accounting practices, policies or principles, except as required by Law or GAAP;

(v) failed to use commercially reasonable efforts to maintain in full force and effect all Permits; or

(vi) made any capital expenditure for which the aggregate consideration paid or payable in any individual transaction or in a series of related transactions in the aggregate exceeds \$100,000.

3.6 Title to Property; Condition/Sufficiency of Assets.

(a) Sellers have good and marketable title to, or a valid leasehold interest in, or a valid license to use, all of the tangible personal property included in the Acquired Assets, free and clear of all Encumbrances, except (i) for Permitted Encumbrances; (ii) to the extent that such Encumbrances will not be enforceable against the Acquired Assets following the Closing in accordance with the Sale Order; or (iii) as set forth on Schedule 3.6(a) of the Disclosure Schedules. At the Closing, upon the consummation of the transactions contemplated hereby, Sellers shall convey to Purchaser good and marketable title to or a valid leasehold interest in or a valid license to use, the Acquired Assts, free and clear of all Encumbrances (except for Permitted Encumbrances).

(b) The Acquired Assets constitute all of the tangible and intangible assets, properties and services of any nature whatsoever and wherever located used to conduct the Business in the manner that the Business is currently being conducted and has been conducted during the period covered by the Financial Statements and the Acquired Assets will be, immediately after the Closing, sufficient and adequate for the continued conduct of the Business in substantially the same manner as conducted prior to the Closing. To the knowledge of Sellers, no Affiliate of any Seller (other than any other Seller) owns, used or holds for use any assets, properties, interests or rights, including any Acquired Assets, primarily used in the Business or necessary to operate the Business as historically conducted prior to the date hereof.

3.7 Contracts.

(a) Schedule 3.7(a) of the Disclosure Schedules sets forth a complete and accurate list of the following Contracts pertaining to the Business or the Acquired Assets (each, a "Material Contract"):

(i) any Contract to which any Seller is a party (A) for which such Seller's annual spend is greater than Fifty Thousand Dollars (\$50,000.00) or (b) for which annual revenue generated by such Seller thereunder is greater than One Hundred Thousand Dollars (\$100,000.00); and

(ii) any Contract that (i) materially prohibits a Seller from freely engaging in the Business anywhere in the world or (ii) contains a so called “most favored nation”, “take or pay”, “meets competition” or most favored customer clause.

(b) Subject to requisite Bankruptcy Court approvals and except as a result of the commencement of the Bankruptcy Case, each Material Contract is in full force and effect and is a valid, binding and enforceable obligation of a Seller and, to the knowledge of Sellers, each of the other parties thereto, except as may be limited by the Enforceability Exceptions. Except as a result of the commencement of the Bankruptcy Case or as set forth on Schedule 3.7(b) of the Disclosure Schedules, no Seller is in material default, or is alleged in writing by the counterparty thereto to have materially breached or to be in material default, under any Material Contract, and, to the knowledge of Sellers, the other party to each Material Contract is not in material default thereunder. No event or circumstance has occurred that, with notice or lapse of time or both, could constitute an event of default under any Material Contract or result in a termination thereof or could cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Except as set forth on Schedule 3.7(b)(ii) of the Disclosure Schedules, in the previous twelve (12) months, no party to a Material Contract (including any Top Customer or Top Supplier) has notified the applicable Seller that is party to such Material Contract in writing or, to the knowledge of Sellers, orally, that it intends to terminate, seek to modify, or otherwise take action that could be materially adverse to such Seller. No Seller has, in the previous twelve (12) months, received any written or, to the knowledge of Sellers, oral notice that any counterparty to any Material Contract intends to materially increase the cost to such Seller for the goods, services or rights delivered or provided to such Seller pursuant to such Material Contracts or otherwise materially modify its business relationship with such Seller. Sellers have made available to Purchaser complete and correct copies of all Material Contracts, each as amended to the date hereof.

3.8 Litigation. Except as set forth on Schedule 3.8 of the Disclosure Schedules, (a) there are no Actions pending or, to the knowledge of Sellers, threatened against Sellers or their Affiliates relating to the Acquired Assets or the Business, at Law or in equity, by or before any federal, state or local court or regulatory agency or other Governmental Body, (b) there are no existing Orders, judgments or decrees of any Governmental Body affecting any of the Acquired Assets or the Business and (c) there are no Actions pending or, to the knowledge of Sellers, threatened, against Seller or its Affiliates that could result in an Encumbrance on the Acquired Assets or otherwise adversely affect the Acquired Assets. Also listed on Schedule 3.8 of the Disclosure Schedules are all Actions where any Seller is the plaintiff, or complaining or moving party, in any way related to the Acquired Assets or the Business.

3.9 Permits; Compliance with Laws.

(a) To the knowledge of Sellers, each Seller is in compliance in all material respects, with all permits, certificates, licenses, approvals, registrations and authorizations held by such Seller and required in connection with the conduct of its business under Laws (the “Permits”). To the knowledge of Sellers, all of the Permits are valid and in full force and effect. All permits required by applicable Law for Sellers to conduct the Business as currently conducted or for the ownership, occupation and use of the Acquired Assets have been obtained by Sellers and are valid and in full force and effect. Schedule 3.9(a) of the Disclosure Schedules lists all current Permits issued to Sellers which are related to the conduct of the Business as currently conducted or the ownership or use of the Acquired Assets. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Permit. With respect to each Permit, Sellers have undertaken, or will use commercially reasonable efforts to undertake prior to the Closing Date, all measures reasonably necessary to facilitate the transferability of the same, and Sellers are not aware of any condition, event, or circumstance that might prevent or impede the transferability of the same or adversely affect the terms or conditions of the same.

(b) Except as set forth on Schedule 3.9(b) of the Disclosure Schedules, each Seller has complied, and is now complying in all material respects, with all applicable Laws, and no Seller has received any written notice of any Action or proceeding against it alleging any failure to comply in any material respect with any such Laws. No investigation by any Governmental Body with respect to Sellers is pending or, to Sellers' knowledge, threatened, and no Seller has received any written notice of any such investigation.

3.10 Intellectual Property.

(a) Schedule 3.10(a) of the Disclosure Schedules sets forth a correct and complete list of all Transferred Company Intellectual Property that is registered, filed or issued under the authority of any Governmental Body, and all applications for such Transferred Company Intellectual Property, and all registered domain names, in each case that is owned by Sellers (collectively, "Registered Company Intellectual Property"). Sellers own, and have the valid licensed rights to use, all of the Transferred Company Intellectual Property, free and clear of all Encumbrances, except (i) for Permitted Encumbrances; (ii) to the extent that such Encumbrances will not be enforceable against the Acquired Assets following the Closing in accordance with the Sale Order; or (iii) as set forth on Schedule 3.10(a) of the Disclosure Schedules. Upon and after the Closing, subject to obtaining relevant consents (if required) with regard to any applicable licensed Transferred Company Intellectual Property, Purchaser will own, be licensed or otherwise have the valid right to exploit all Transferred Company Intellectual Property in the possession or under the control of Sellers or used or held for use by Sellers as of the Closing Date upon the same terms and subject to the same scope and conditions as exploited by Sellers prior to the Closing.

(b) To the knowledge of Sellers, and except as set forth on Schedule 3.10(b) of the Disclosure Schedules, Sellers' respective businesses, the operation thereof and the use of the Transferred Company Intellectual Property do not infringe, misappropriate or otherwise violate any Intellectual Property of any other Person. To the knowledge of Sellers, no third party infringes, misappropriates or otherwise violates any Transferred Company Intellectual Property.

(c) All Transferred Company Intellectual Property are valid, subsisting and enforceable. Except for office actions issued in the ordinary course of prosecution by the United States Patent and Trademark Office or analogous foreign Governmental Body, no claim by any third party contesting the validity or enforceability of any of the Registered Company Intellectual Property currently exists or has been threatened, in each case, in writing.

(d) Schedule 3.10(d) of the Disclosure Schedules contains a complete and correct list of all Contracts under which (i) any Transferred Company Intellectual Property is licensed to a third party, and (ii) any Intellectual Property used in the business with respect to the Acquired Assets is licensed to any Seller (other than license agreements for commercially available, off-the-shelf software programs).

(e) Except as set forth on Schedule 3.10(e) of the Disclosure Schedules, there are no claims or Actions pending (i) against the Sellers or the Business contesting the use, validity, enforceability or ownership of any Intellectual Property owned by any of them, or alleging that any of them has infringed, misappropriated or otherwise violated any Intellectual Property rights of any other Person and (ii) that have been brought by Sellers against any Person alleging infringement, misappropriation or any other violation of any Intellectual Property owned by Sellers or the Business.

3.11 Tax Matters. Except as set forth on Schedule 3.11 of the Disclosure Schedules:

(a) All Tax Returns filed or required to be filed by Sellers with respect to the Acquired Assets or the Business have been timely filed and such Tax Returns are true, complete and correct in all material respects.

(b) All Taxes due and owing by Sellers with respect to the Acquired Assets or the Business (whether or not shown on any Tax Return) have been timely paid or appropriate reserves have been set aside.

(c) Sellers have properly collected and remitted sales and similar Taxes with respect to the Acquired Assets or the Business required to be collected or has properly received and retained any appropriate Tax exemption certificates and other documentation for all material sales made without charging or remitting sales or similar Taxes that qualify such sales as exempt from sales and similar Taxes.

(d) Sellers have withheld and paid each Tax required to have been withheld and paid in connection with amounts paid or owing to any employee, former employee, independent contractor, creditor, customer, shareholder, or other party, and Sellers have complied with all information reporting and backup withholding provisions of applicable Law.

(e) No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of Sellers, and there are no extensions of time within which to file any Tax Return.

(f) All Tax deficiencies asserted, or assessments made, against any of Sellers as a result of any examinations by a Governmental Body have been fully paid, and, to the knowledge of Sellers, there are no Tax deficiencies or assessments threatened with respect to any of Sellers.

(g) No claim that Sellers are or may be subject to taxation has been made by any Governmental Body in a jurisdiction where Sellers do not file Tax Returns.

(h) There are no Tax administrative proceedings, Tax litigation or Tax Actions against Sellers.

(i) Sellers are not parties to any Tax allocation, Tax indemnity or Tax sharing agreements or similar arrangements (other than agreements or arrangements the primary subject matter of which is not Taxes).

(j) Sellers will not be required to include in a Post-Closing Tax Period taxable income attributable to income of Sellers that accrued in a Pre-Closing Tax Period but was not recognized in any such period for any reason, including (i) change in method of accounting for a taxable period ending on or prior to the Closing Date; (ii) use of any method of accounting (proper or improper) for a taxable period ending on or prior to the Closing Date; (iii) a “closing agreement” as described in Code Section 7121 (or any corresponding or similar provision of state, local, or non-U.S. income Tax Law) executed on or prior to the Closing Date; (iv) intercompany transaction or excess loss account described in Treasury Regulations Section 1502 (or any corresponding or similar provision of state, local, or non-U.S. income Tax Law); (v) any installment sale or open transaction disposition made on or prior to the Closing Date; (vi) any prepaid amount received on or prior to the Closing Date; or (vii) any election under Code Section 108(i).

(k) No Seller is liable, with respect to the Acquired Assets, for Taxes of any other Person (other than other members of an affiliated group of which such Seller is a member) as a result of

successor liability, transferee liability, joint or several liability (including pursuant to Treasury Regulation Section 1.1502-6 or any similar provision of state, local, or non-U.S. Laws).

(l) No Seller has constituted either a “distributing corporation” or a “controlled corporation” (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock qualifying for tax-free treatment under Section 355 of the Code.

(m) No Seller has been, or has ever had, any Affiliate or Subsidiary that would be treated as a “controlled foreign corporation” as defined in Section 957 of the Code or as a “deferred foreign income corporation” as defined in Section 965 of the Code. No Seller has any Tax liability pursuant to Section 965 of the Code.

(n) There are no Encumbrances for Taxes upon the Acquired Assets, except for Permitted Encumbrances or Encumbrances that will not be enforceable against the Acquired Assets following the Closing in accordance with the Sale Order.

(o) The transactions contemplated by this Agreement will not cause any reduction in, or elimination of, any Tax advantaged financing, Tax holiday or other Tax benefit (including credits) with respect to the Acquired Assets.

(p) Each Seller has complied in all material respects with the filing requirements, and any other legal requirements, regarding any Tax benefits (including credits) included in the Acquired Assets.

(q) Each Seller has complied in all material respects with intercompany transfer pricing provisions of each applicable Law related to Taxes.

3.12 Seller Plans.

(a) Except as set forth on Schedule 3.12(a) of the Disclosure Schedules, no Seller nor any of their ERISA Affiliates maintains or contributes to, or within the last five (5) years has maintained or contributed to, any (i) nonqualified deferred compensation or retirement plans, (ii) qualified “defined contribution plans” (as such term is defined under Section 3(34) of ERISA), (iii) qualified “defined benefit plans” (as such term is defined under Section 3(35) of ERISA), (iv) “multiemployer plans” (as such term is defined under Section 3(37) of ERISA) (the plans set forth in (ii) (iii), (iv) are collectively referred to herein as the “Pension Plans”), (v) “welfare benefit plans” (as such term is defined under Section 3(1) of ERISA) (the “Welfare Plans”) or (vi) severance, incentive or bonus, stock purchase, stock option or equity incentive or any other employee benefit plans, programs or arrangements, in each case whether or not written, regardless of whether such plan is subject to ERISA (collectively, the “Seller Plans”).

(b) Each Pension Plan that is intended to meet the requirements of a “qualified plan” under Section 401(a) of the Code, has either (i) received a favorable determination letter from the Internal Revenue Service that such Pension Plan is so qualified or has requested such a favorable determination letter within the remedial amendment period of Section 401(b) of the Code or (ii) may rely on a favorable opinion letter issued by the Internal Revenue Service.

(c) Except as set forth on Schedule 3.12(a) of the Disclosure Schedules, with respect to each Seller Plan, Sellers and each Affiliate of Sellers has complied, and is now in compliance in form and in operation in all material respects with its terms and applicable Laws, including the requirements of the Code and ERISA.

(d) With respect to each Seller Plan, (i) all material contributions required to be made by Sellers have been made or properly accrued, (ii) there are no material Actions, suits, audits or claims pending or, to the knowledge of Sellers, overtly threatened other than routine claims for benefits, (iii) to the knowledge of Sellers, there have been no “prohibited transactions” (as that term is defined in Section 406 of ERISA or Section 4975 of the Code) and (iv) all material reports, returns and similar documents required to be filed with any Governmental Body or distributed to any Seller Plan participant have been timely filed or distributed in all material respects.

(e) No Seller Plan obligates Sellers to provide a current or former employee (or any dependent thereof) any material life insurance or medical or health benefits after his or her termination of employment with such Seller, other than as required under Part **Error! Bookmark not defined.** of Subtitle B of Title I of ERISA, Section 4980B of the Code or any similar state or local Law.

(f) Except as set forth in Schedule 3.12(f) of the Disclosure Schedules, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will (either alone or in conjunction with any other event): (i) result in any payment becoming due to any current employee or former employee of Sellers, (ii) increase any benefits otherwise payable under any Seller Plan, (iii) result in any payment that will not be deductible under Section 280G of the Code or (iv) result in the acceleration of the time of payment or vesting of any benefits provided under any Seller Plan.

3.13 Employees.

(a) Schedule 3.13(a) of the Disclosure Schedules contains a complete and accurate list of all the Employees as of the date hereof, showing for each Employee the position held and aggregate annual compensation for Sellers’ last fiscal year, such Employee’s service recognized by Sellers or an Affiliate for purposes of the Seller Plans (including service with predecessor employers, if applicable, and any prior unbridged service with Sellers or an Affiliate of Sellers), all accrued vacation and paid time off, base salary or base wage rate, work location, current target incentive compensation, bonus or commission amounts, classification as exempt versus non-exempt under the Fair Labor Standards Act and similar state Law, and visa status. Except as set forth on Schedule 3.13(a) of the Disclosure Schedules, Sellers are in compliance in all material respects with all applicable Laws relating to employment and employment practices, including provisions thereof relating to wages and hours of work, equal opportunity, discrimination, collective bargaining, the National Labor Relations Act, layoffs, immigration compliance, occupational safety and health and the payment and withholding of social security and other Taxes. Except as set forth on Schedule 3.13(a) of the Disclosure Schedules, there are no administrative charges or court complaints pending or, to the knowledge of Sellers, threatened against Sellers before the U.S. Equal Employment Opportunity Commission or any other Governmental Body concerning alleged employment discrimination, harassment or any other matters relating to employment. Except as set forth on Schedule 3.13(a) of the Disclosure Schedules, Sellers are not delinquent in payments to any Employees for any wages, salaries, commissions, bonus or other compensation for services rendered. Except as set forth on Schedule 3.13(a) of the Disclosure Schedules, Sellers have received no notice of the intent of any Governmental Body responsible for the enforcement of labor or employment Laws to conduct an investigation with respect to or relating to their respective employees or employment practices, and no such investigation is in process.

(b) No Seller is a party to any Contract involving any labor organization, union, or association, including any collective bargaining agreement or other agreement with a union, works council, trade union or other agency or representative body that is or was certified or recognized for the purpose of bargaining collectively on behalf of, or representing, any current or former employee of Sellers. During the prior five (5) years, no Seller has experienced any union organizing or decertification activities, work stoppage, strikes, slowdowns, lockouts or other material labor disputes, and, to the knowledge of Sellers,

no such activities or disputes are underway or threatened. Except as set forth on Schedule 3.13(b) of the Disclosure Schedules, Sellers do not have written Employment Agreements with Employees and all such Employees are employed on an “at will” basis. Sellers have delivered to Purchaser a true, correct and complete copy of all Employment Agreements.

3.14 Inventory.

(a) Except as set forth on Schedule 3.14(a) of the Disclosure Schedules, to the knowledge of Sellers, all of the items of Inventory are (i) of good and merchantable quality, fit for the purpose for which they are intended, and saleable and useable in the Ordinary Course; (ii) free of defects and damage; and (iii) in quantities adequate in relation to the circumstances of Sellers’ historical business operations and in accordance with Sellers’ past inventory stocking practices. None of the Inventory is held on consignment, or otherwise, by third parties.

(b) The historical values at which the Inventory has been presented to Purchaser have been determined in accordance with the customary valuation policies of Sellers and in accordance with GAAP.

3.15 Accounts Receivable.

(a) Schedule 3.15(a) of the Disclosure Schedules provides an accurate and complete breakdown and aging of all accounts receivable constituting Acquired Assets as of September 17, 2024 (the “Accounts Receivable”). All Accounts Receivable represent, as of the respective dates thereof, valid obligations of the account debtors arising from bona fide sales actually made or services actually performed by the applicable Seller in the Ordinary Course.

(b) Except as set forth in Schedule 3.15(b) of the Disclosure Schedules, there is no defense, contest, claim or right of set-off under any Assigned Contract with any obligor or otherwise under any of the Accounts Receivable relating to the amount or validity of such Accounts Receivable.

(c) Each Account Receivable is collectible in full in accordance with its terms, except to the extent of any reserve for bad debts included in the Latest Balance Sheet.

3.16 Accounts Payable. All trade and vendor accounts payable represent, as of the respective dates thereof, valid obligations of Sellers arising in the Ordinary Course.

3.17 Product Liability. Each Product has been in conformity in all material respects with all applicable contractual commitments and all express and implied warranties of Sellers, and no Seller has any material liability for replacement or repair of any such Products or other damages or costs in connection therewith, other than Ordinary Course warranty obligations. There is no material defect in design, quality, manufacture, materials or workmanship, or relating to warnings or instructions with respect to any Product. All Products manufactured or sold by Sellers comply in all material respects with all federal and state statutory and regulatory requirements applicable thereto. No Seller has at any time designed, manufactured, marketed, distributed, offered for sale, sold or otherwise delivered any product that contained asbestos, benzene (other than, solely with respect to benzene, in trace amounts), lead, or any substance or chemical identified by any federal, state or other governmental agency as being toxic, hazardous, or harmful to health. There is no pending, or to the knowledge of Sellers, threatened Action alleging any liability or obligation

(whether or not covered by insurance) of any Seller as a result of any defect or other deficiency with respect to any Product.

3.18 Suppliers and Customers. Schedule 3.18(a) of the Disclosure Schedules contains a list of the 10 largest customers, including distributors, of the Business, taken as a whole, for the twelve (12) months ended on September 30, 2024 (determined on the basis of the total dollar amount of sales) ("Top Customer"), showing the total dollar amount of gross sales to each such Top Customer during such period. Schedule 3.18(b) of the Disclosure Schedules contains a list of the 10 largest suppliers of the Business, taken as a whole, for the twelve (12) months ended on September 30, 2024 (determined on the basis of the total dollar amount of purchases) ("Top Suppliers"), showing the total dollar amount of purchases by the Business from each such Top Supplier during such period.

3.19 Affiliate Transactions. Except as set forth on Schedule 3.19 of the Disclosure Schedules, to the knowledge of Sellers, no Affiliate of Sellers (other than any Seller), or any officer or director of a Seller: (a) is a party to any agreement or transaction with a Seller, other than (i) employment arrangements in the Ordinary Course and (ii) the Seller Plans, (b) has any material interest in any material property used by Sellers or (c) owns any material interest in, or is an officer, director, employee or consultant of, any Person which is, or is engaged in business as a material supplier or customer of Sellers.

3.20 Brokers. Other than Livingstone Partners LLC, there is no investment banker, broker, finder or other such intermediary that has been retained by, or has been authorized to act on behalf of, Sellers and is entitled to a fee or commission in connection with the transactions contemplated by this Agreement from Sellers.

3.21 Bid Protections. Upon execution of this Agreement, other than the approvals contemplated by the Bidding Procedures Order, Sellers shall have all approvals Sellers may require for the reservation for, and, at the appropriate time, payment of, the Bid Protections.

3.22 Insurance. Schedule 3.22 of the Disclosure Schedules sets forth an accurate and complete list of all insurance policies maintained by Sellers in connection with the Business or the Acquired Assets, including any bonds and surety arrangements (collectively, the "Insurance Policies"), including the name of each policy, policy number, insurance carrier, term, type and amount of coverage, deductible or self-insured retention. Sellers have made available to Purchaser true and correct copies of the Insurance Policies. The Insurance Policies are in full force and effect, the limits of the Insurance Policies have not been materially eroded or exhausted and all premiums due with respect to the Insurance Policies have been paid in full. Sellers are not in material breach or default under the Insurance Policies. Sellers have not received written notice of cancellation, termination or material premium increase with respect to any of the Insurance Policies. There are no material claims submitted in connection with the Insurance Policies as to which coverage has been denied, rejected or disputed by the applicable insurers in respect of any Acquired Asset. As of the date of this Agreement, to the knowledge of Sellers, all claims and circumstances likely to give rise to a material claim in respect of the Acquired Assets covered by any of the Insurance Policies have been properly reported to the applicable insurers. All such Insurance Policies shall remain in effect or shall be renewed in the ordinary course through the Closing.

3.23 Environmental Matters. Except as set forth on Schedule 3.23 of the Disclosure Schedules and to the knowledge of Sellers: (a) Sellers are, and have been since January 1, 2024, in material compliance with all applicable Environmental Laws, (b) since January 1, 2024, Sellers have not received any written notice alleging that any Seller is in violation of or liable under, any Environmental Law that is unresolved, (c) Sellers possesses and are in compliance with all Permits required under Environmental Laws for the operation of the Business as currently conducted ("Environmental Permits"), (d) there is no Action under or pursuant to any Environmental Law or Environmental Permit that is pending or, to the knowledge of

Sellers, threatened in writing against any Seller, (e) Sellers are not subject to any Order imposed by any Governmental Body pursuant to Environmental Laws under which there are uncompleted, outstanding or unresolved obligations on the part of any Seller, and (f) no Seller has released any Hazardous Materials at the Leased Real Property in quantities or concentrations that currently require Sellers to conduct remedial activities, or that have given rise to any Action against Sellers under Environmental Laws. Sellers have made available or provided Purchaser copies of all material environmental assessments, audits (including compliance audits), evaluations, studies, and tests conducted by Sellers or any their Affiliates and unrelated third parties on behalf of Sellers relating to the Business and the Leased Real Property which are in the possession or control of Sellers or their Affiliates.

3.24 Real Estate Matters.

(a) Neither Sellers nor any of their Affiliates own any interest in any real property. Schedule 3.24 of the Disclosure Schedules sets forth a complete and accurate list of all leases, occupancy agreements, licenses or similar agreements and amendments thereto for the Leased Real Property (collectively, the “Real Estate Leases”), together with the street address, current rent payable thereunder, the date of expiration of the term thereof, and any options or rights to renew or extend the term. True, correct and complete copies of the Real Estate Leases have been made available to Purchaser (including all amendments, modifications, extensions, renewals, guaranties, material correspondence, estoppel certificates, and subordination, non-disturbance and attornment agreements with respect thereto). Sellers and, to the knowledge of Sellers, each of the other parties thereto, have performed all material obligations required to be performed by them under, and have not received any written notice of a breach or default under, any such Real Estate Leases which has not been cured within any applicable notice and cure period provided in such Real Estate Lease, and no event has occurred or state of facts exists which, with notice or lapse of time, or both, would constitute such a breach or default under such Real Estate Lease. Seller has accepted full possession of each individual Leased Real Property and is currently occupying and using same pursuant to the terms of the applicable Real Estate Lease. No Seller has collaterally assigned or granted any mortgage or other security interest in any Real Estate Lease or any interest therein and there are no Encumbrances on the estate or interest created by any Real Estate Lease other than Permitted Encumbrances. The Leased Real Property constitutes all interests in real property (i) currently used, occupied or held for use in connection with the Business as presently conducted and (ii) necessary for the continued operation of the Business. Neither Sellers nor any of their Affiliates owns or holds, or is obligated under or is a party to, any option, right of first refusal or other contractual right to purchase, acquire, sell, assign or dispose of any Leased Real Property or any interest therein.

(b) With respect to each Leased Real Property:

(i) Sellers have not received any notice of any pending or threatened condemnation or eminent domain Actions or their local equivalent affecting or relating to the Leased Real Property or any access thereto;

(ii) the use and occupancy of the Leased Real Property by the Business, and, to the knowledge of Sellers, by any other Person, and the conduct of the Business thereon by Sellers, does not violate, in any material respect, any encumbrances, easements, conditions, covenants, deed restrictions, or applicable Law including building codes, fire code, zoning, subdivision or other land use or similar Laws;

(iii) there are no parties (other than Sellers) in possession of the parcels of the Leased Real Property, and there are no Contracts entered into by Sellers, otherwise existing, which grant to any party or parties the right of use or occupancy of any portion of the parcels of the Leased Real Property;

(iv) all improvements and buildings on the Leased Real Property are in good repair in all material respects, normal wear and tear related to such improvements and buildings' intended use excepted, and the roofs thereof are watertight; none of such improvements on any Leased Real Property constitute a legal non-conforming use or otherwise require any special dispensation, variance or permit under any applicable Law and the structural components and systems (including plumbing, electrical, air conditioning/heating, and sprinklers) are in good working order in all material respects, normal wear and tear related to such improvements and buildings' intended use excepted, and adequate for the use of the Leased Real Property in the manner in which presently used;

(v) there are no septic tanks or systems relating thereto on the Leased Real Property, and the Leased Real Property is separately supplied with utilities and other services reasonably necessary for the operation of the Business including as currently conducted thereon, including electricity, water, telephone, internet, sanitary sewer and storm sewer, all of which services are, to the knowledge of Sellers, are adequate in accordance with all applicable Laws;

(vi) there are no service Contracts, management agreements or similar agreements (A) to which Seller is a party, (B) which affect the Leased Real Property and (C) involve annual payments in excess of \$25,000;

(vii) each parcel of Leased Real Property has direct access to a public street adjoining the Leased Real Property, and such access is not dependent on any land, easement or other real property interest which is not included in the Leased Real Property;

(viii) all "landlord work" and "tenant work" or other improvements or construction required or contemplated by such Real Estate Lease has been completed in accordance with the such Real Estate Lease and accepted by Sellers;

(ix) no work has been done at such Leased Real Property, and no materials have been supplied to such Leased Real Property, that have not been paid for, and there are no materialman's liens or mechanic's liens affecting such Leased Real Property (or the underlying fee interest as a result of actions taken by Sellers or on its behalf);

(x) Sellers have all certificates of occupancy, permits, licenses, certificates of authority, authorizations, approvals, registrations, and other similar consents issued by or obtained from any Governmental Body necessary for the current use and operation of such Leased Real Property; and

(xi) the parcels of Leased Real Property do not serve any adjoining property for any purpose inconsistent with the use of the Leased Real Property.

3.25 Full Disclosure. None of the representations and warranties contained in this Article III (including the related portions of the Disclosure Schedules) contain any untrue statement of a material fact or omit a material fact necessary to make each statement contained herein or therein, in light of the circumstances in which they were made, not misleading.

3.26 No Other Representations or Warranties of Sellers. Except for the representations and warranties contained in this Article III (including the related portions of the Disclosure Schedules), neither Sellers nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of Sellers, including any representation or warranty as to the accuracy or completeness of any information regarding the Acquired Assets or Assumed Liabilities furnished or made

available to Purchaser and its Advisors (including any information, documents or material delivered to Purchaser or its Advisors by Sellers or made available to Purchaser or its Advisors in a data room, management presentations or in any other form in expectation of the transactions contemplated hereby), or any representation or warranty arising from statute or otherwise in Law. Except for the representations and warranties contained in this Article III (as modified by the Disclosure Schedules) or with respect to fraud, Sellers (a) expressly disclaim and negate any representation or warranty, express or implied, at common law, by statute, or otherwise, relating to the condition of the Acquired Assets (including any implied or express warranty of merchantability or fitness for a particular purpose, or of conformity to models or samples of materials) and (b) disclaim all Liability and responsibility for any representation, warranty, projection, forecast, statement, or information made, communicated, or furnished (orally or in writing) to Purchaser or its Affiliates or Advisors (including any opinion, information, projection, or advice that may have been or may be provided to Purchaser by any Advisor of a Seller or any of its Affiliates). Sellers make no representations or warranties to Purchaser regarding the probable success or profitability of the Business, the Acquired Assets or the use thereof. The disclosure of any matter or item in the Disclosure Schedules will not be deemed to constitute an acknowledgment that any such matter is required to be disclosed or is material. Notwithstanding anything contained to the contrary contained herein, nothing in this Agreement shall limit Sellers' liability for fraud hereunder.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser makes the following representations and warranties to Sellers as of the date hereof and the Closing Date:

4.1 Organization and Qualification. Purchaser (a) is an entity duly incorporated or organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization, as applicable, (b) has all requisite power and authority to own and operate its properties and to carry on its businesses as now conducted, and (c) is qualified to do business and is in good standing (or its equivalent) in every jurisdiction in which its ownership of property or the conduct of its business as now conducted requires it to qualify, except where the failure to be so qualified would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Purchaser's ability to consummate the transactions contemplated hereby.

4.2 Authorization of Agreement. Purchaser has all requisite power and authority to enter into this Agreement and the other Transaction Documents to which it is a party and to consummate the transactions contemplated hereby (including all requisite power and authority to credit bid the Term Loan Obligations). The execution, delivery and performance of this Agreement by Purchaser, and the consummation by Purchaser of the transactions contemplated hereby (including with respect to the Credit Bid), has been duly and validly authorized by all requisite corporate or similar organizational action, and no other corporate or similar organizational proceedings on its part are necessary to authorize the execution, delivery or performance of this Agreement by Purchaser. This Agreement has been duly and validly executed and delivered by Purchaser, and, assuming this Agreement is a valid and binding obligation of Sellers, this Agreement constitutes a valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as limited by the Enforceability Exceptions.

4.3 Conflicts; Consents. The execution, delivery and performance by Purchaser of this Agreement and the consummation by Purchaser of the transactions contemplated hereby, do not: (a) violate the certificate of formation, limited liability company agreement or equivalent organizational documents of Purchaser; (b) violate any Law applicable to Purchaser or by which any property or asset of Purchaser is bound; or (c) require the notice, authorization, approval, Order, permit or consent of or with any

Governmental Body; except, in each case, for any such violations, breaches, defaults or other occurrences that would not, individually or in the aggregate, reasonably be expected to prevent or materially delay the ability of Purchaser to consummate the transactions contemplated hereby.

4.4 Brokers. There is no investment banker, broker, finder, or other intermediary which has been retained by or is authorized to act on behalf of Purchaser that might be entitled to any fee or commission in connection with the transactions contemplated by this Agreement.

4.5 No Litigation. There are no Actions pending or, to Purchaser's knowledge, threatened against or affecting Purchaser that will adversely affect Purchaser's performance under this Agreement or the consummation of the transactions contemplated by this Agreement.

4.6 Condition of Assets; Disclaimers. Purchaser acknowledges that it has fully inspected or waived the right to inspect the Acquired Assets prior to the execution of this Agreement and has made its own determinations as to the Acquired Assets. Purchaser expressly acknowledges and warrants that Buyer is accepting the Purchased Assets on an "AS IS" "WHERE IS" "WITH ALL FAULTS CONDITION" and all latent or patent defects, with regard to all aspects of the Acquired Assets without warranty or representation of any kind by Sellers or any of Sellers' managers, members, officers, directors, employees, partners, agents, representatives, beneficiaries, attorneys, subsidiaries, Affiliates, contractors subcontractors, successors and assigns. PURCHASER ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE PROVIDED FOR IN THE REPRESENTATIONS AND WARRANTIES IN ARTICLE III OF THIS AGREEMENT, SELLERS MAKE NO REPRESENTATIONS, WARRANTIES, OR GUARANTEES WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO: ANY MATTER RELATED TO THE ACQUIRED ASSETS (INCLUDING, WITHOUT LIMITATION, INCOME TO BE DERIVED FROM OR EXPENSES TO BE INCURRED IN CONNECTION WITH THE ACQUIRED ASSETS; THE PHYSICAL CONDITION OF THE ACQUIRED ASSETS; THE PRESENCE OR ABSENCE OF ANY HAZARDOUS MATERIALS IN, ON OR ABOUT THE ACQUIRED ASSETS OR ANY OTHER MATTER RELATED TO THE ENVIRONMENTAL CONDITION OF THE ACQUIRED ASSETS; THE HABITABILITY OF THE ACQUIRED ASSETS; THE ZONING OF THE ACQUIRED ASSETS; THE POSSIBILITY OF DEVELOPING OR USING THE ACQUIRED ASSETS IN THE MANNER CONTEMPLATED BY PURCHASER OR OBTAINING ANY CONSENTS, APPROVALS, PERMITS, AUTHORIZATIONS OR ENTITLEMENTS IN CONNECTION THEREWITH; THE VALUE OF THE ACQUIRED ASSETS; THE MERCHANTABILITY OR FITNESS OF THE ACQUIRED ASSETS FOR ANY PARTICULAR PURPOSE OR USE; THE ACCURACY, COMPLETENESS, OWNERSHIP OR TRANSFERABILITY OF ANY DOCUMENTS OR OTHER MATERIALS FURNISHED TO PURCHASER WITH RESPECT TO THE ACQUIRED ASSETS (OR ANY PORTION THEREOF); OR ANY OTHER MATTER OR THING RELATED TO THE ACQUIRED ASSETS). PURCHASER ACKNOWLEDGES THAT PURCHASER HAS NOT RELIED, AND IS NOT RELYING, UPON ANY INFORMATION, DOCUMENT, SALES BROCHURES OR OTHER LITERATURE, MAPS OR SKETCHES, PROJECTIONS, PRO FORMAS, STATEMENTS, REPRESENTATIONS, GUARANTEES OR WARRANTIES (WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, OR MATERIAL OR IMMATERIAL) THAT MAY HAVE BEEN GIVEN BY OR MADE BY OR ON BEHALF OF SELLERS. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NOTHING IN THIS AGREEMENT SHALL LIMIT SELLERS' LIABILITY FOR FRAUD HEREUNDER.

ARTICLE V

BANKRUPTCY COURT MATTERS

5.1 Bankruptcy Actions.

(a) From the date hereof until the earlier of (i) the termination of this Agreement in accordance with Article IX and (ii) the Closing Date, Sellers shall use best efforts to obtain entry by the Bankruptcy Court of the Bidding Procedures Order and the Sale Order.

(b) Purchaser shall promptly take all actions as are reasonably requested by Sellers to assist in obtaining the Bankruptcy Court's entry of the Bidding Procedures Order, the Sale Order, and any other Order reasonably necessary in connection with the transactions contemplated by this Agreement.

(c) Each Seller and Purchaser shall (i) appear formally or informally in the Bankruptcy Court if reasonably requested by the other Party or required by the Bankruptcy Court in connection with the transactions contemplated by this Agreement and (ii) keep the other reasonably apprised of the status of material matters related to efforts to obtain entry of the Bidding Procedures Order, Sale Order, and any determination of contested matters or similar disputes with counterparties to any Contract.

(d) Nothing in this Agreement shall require any party to give testimony to or submit a motion to the Bankruptcy Court that is untruthful or to violate any duty of candor or other fiduciary duty to the Bankruptcy Court or its stakeholders.

(e) If an Auction is conducted and Purchaser is not the prevailing party at the conclusion of such Auction (such prevailing party, the "Successful Bidder") but is the next highest bidder at the Auction, Purchaser shall be required to serve as a back-up bidder (the "Backup Bidder") and keep Purchaser's bid to consummate the transactions contemplated by this Agreement on the terms and conditions set forth in this Agreement (as the same may be revised in the Auction) open and irrevocable until this Agreement is otherwise terminated. If Purchaser is the Backup Bidder and the Successful Bidder fails to consummate the applicable Alternative Transaction before the Outside Date as a result of a breach or failure to perform on the part of such Successful Bidder, Purchaser will be deemed to have the new prevailing bid, and Sellers shall consummate the transactions contemplated by this Agreement on the terms and conditions set forth in this Agreement (as the same may have been improved upon in the Auction) and the Sale Order.

5.2 Sale Order. The Sale Order shall be in form and substance satisfactory to Purchaser. Without limiting the foregoing, the Sale Order shall, among other things, (a) approve, pursuant to sections 105, 363, and 365, of the Bankruptcy Code, (i) the execution, delivery and performance by Sellers of this Agreement, (ii) the sale of the Acquired Assets to Purchaser on the terms set forth herein and free and clear of all Encumbrances (other than Encumbrances included in the Assumed Liabilities and Permitted Encumbrances), and (iii) the performance by Sellers of their respective obligations under this Agreement; (b) authorize and empower Sellers to assume and assign to Purchaser the Assigned Contracts; (c) find that Purchaser is a "good faith" Purchaser within the meaning of section 363(m) of the Bankruptcy Code, is not a successor to any Seller, and grant Purchaser the protections of section 363(m) of the Bankruptcy Code; (d) find that Purchaser shall have no Liability or responsibility for any Liability or other obligation of any Seller arising under or related to the Acquired Assets other than as expressly set forth in this Agreement, including successor or vicarious Liabilities of any kind or character, including any theory of antitrust, environmental Law, successor, or transferee Liability, labor law, de facto merger, or substantial continuity; and (e) find that Purchaser shall have no Liability for any Excluded Liability.

ARTICLE VI

COVENANTS AND AGREEMENTS

6.1 Conduct of Business of Sellers. Until the earlier of the valid termination of this Agreement in accordance with the terms hereof and the Closing, except for any limitations on operations imposed by the Bankruptcy Court or the Bankruptcy Code, as required by applicable Law or otherwise approved by Purchaser in writing, Sellers shall (w) conduct their business only in the Ordinary Course, (x) preserve intact their current business organization, (y) use good faith efforts to maintain their relations with Governmental Bodies, suppliers, customers, vendors, lessors, employees, agents, licensors, subcontractors and other persons having business relationships with Sellers and (z) comply with applicable Laws. Without limiting the generality of the foregoing, except as expressly required by this Agreement or by applicable Law, without the prior written consent of Purchaser (which shall not be unreasonably withheld, conditioned or delayed), Sellers shall not:

(a) take any action to the extent that such action would, if such action had taken place after the date of the Latest Balance Sheet and prior to the date hereof, have resulted in disclosure being made pursuant to the terms of Section 3.4(a);

(b) subject to Section 1.5, terminate (other than by expiration), or amend or modify (other than by automatic extension or renewal) the terms of any Contract to which any of them are party;

(c) issue any notes, bonds or other debt securities, or otherwise incur any indebtedness for borrowed money or otherwise become liable for any such indebtedness of any other Person that are not Excluded Liabilities;

(d) settle or compromise any pending or threatened Action on terms that may adversely affect Purchaser's ability to conduct the Business after the Closing in substantially the same manner as conducted prior to the Closing that could give rise to Liabilities that are not Excluded Liabilities, or waive or release any material rights or material claims;

(e) sell, assign, license, transfer, convey, lease, surrender, relinquish, fail to maintain or otherwise dispose of any portion of the Acquired Assets, other than pursuant to existing Contracts in the Ordinary Course;

(f) subject any portion of the Acquired Assets to any Encumbrance, except for Permitted Encumbrances or Encumbrance in connection with the DIP Facility;

(g) increase in any manner the base compensation of, or enter into any new bonus or incentive agreement or arrangement that would be payable after Closing with, any of its Employees, officers, directors or consultants;

(h) make or change any Tax election, change any Tax accounting methods, file any amendment to any Tax Return, agree to any extension or waiver of the statute of limitations, enter into any closing agreement, or take any action to surrender any right to claim a Tax refund;

(i) terminate, cancel or make any material changes to the structure, limits or terms and conditions of any of the Insurance Policies, including allowing the Insurance Policies to expire without renewing such Insurance Policies or obtaining comparable replacement coverage, or fail to pay premium or report known claims to an insurance carrier in a timely manner, in each case, except as would not be reasonably likely to be material to Sellers, the Business or the Acquired Assets; or

(j) issue, authorize, deliver, sell or grant any equity interests or other interests, options, warrants, or other rights to purchase or acquire any interests in, or amend the terms of any issued and outstanding equity interests or other interests of Sellers;

(k) exchange or swap any materials or equipment of the Business with any other operation or business of Sellers or any of their Affiliates or any other Person;

(l) enter into any Contract or arrangement that would be a Material Contract if entered into prior to the date hereof;

(m) exit or change any existing business line of Sellers;

(n) take any action that could reasonably be expected to result in the occurrence of a default or event of default under the Sellers' DIP Facility;

(o) agree to resolve any dispute with respect to the Cure Amount due under any Disputed Amount Contract without the prior written consent of Purchaser; or

(p) agree or commit to do any of the foregoing.

Nothing contained in this Agreement is intended to give Purchaser or its Affiliates, directly or indirectly, the right to control or direct the business of Sellers prior to the Closing.

6.2 Access to Information.

(a) From the date hereof until the Closing (or the earlier termination of this Agreement pursuant to Article IX), upon reasonable advance notice and during regular business hours, Sellers will provide Purchaser and its authorized Advisors with reasonable access and upon reasonable advance notice and during regular business hours to the documents, contracts, data rooms, books and records, properties (including site tours of any real property used in the Business) and management meetings of Sellers in order for Purchaser and its authorized Advisors to access such information regarding Sellers as Purchaser reasonably deems necessary in connection with effectuating the transactions contemplated by this Agreement, including the financing thereof; provided that (a) such access does not unreasonably interfere with the normal operations of Sellers, (b) such access will occur in such a manner as Sellers reasonably determine to be appropriate to protect the confidentiality of the books and records of Sellers and the transactions contemplated by this Agreement, and (c) nothing herein will require Sellers to provide access to, or to disclose any information to, Purchaser if such access or disclosure (i) would cause significant competitive harm to Sellers if the transactions contemplated by this Agreement are not consummated, (ii) would require Sellers to disclose any financial or proprietary information of or regarding the Affiliates of Sellers or otherwise disclose information regarding the Affiliates of Sellers that Sellers deem to be commercially sensitive, (iii) would waive any legal privilege or (iv) would be in violation of applicable Laws; provided that, in the event that Sellers withhold access or information in reliance on the foregoing clause (iii) or (iv), Sellers shall provide (to the extent possible without waiving or violating the applicable legal privilege or Law) notice to Purchaser that such access or information is being so withheld and shall use commercially reasonable efforts to provide such access or information in a way that would not risk waiver of such legal privilege or violate applicable Law. It is further agreed that, following Purchaser being declared the Successful Bidder, Purchaser and its Advisors may, with the prior consent of Sellers (not to be unreasonably withheld, conditioned or delayed), contact any of the customers, suppliers, licensors, licensees, distributors or other business partners of Sellers in connection with the transactions contemplated by this Agreement, whether in person or by telephone, mail or other means of communication; provided, that the foregoing shall not prevent Purchaser or its Affiliates from operating in the ordinary course of

business and communicating with such parties on matters unrelated to the transactions contemplated by this Agreement.

(b) From the date hereof until the Closing (or the earlier termination of this Agreement pursuant to Article IX), Sellers shall (i) consult with Purchaser with respect to the preparation, execution and implementation of the Restructuring Plan, (ii) not take any action, or fail to take any action, with respect to the Restructuring Plan without the prior written consent of Purchaser, (iii) provide written reports on the Business' financial and operational condition as reasonably requested by Purchaser and (iv) cause representatives of Sellers to meet with representatives of Purchaser to discuss the Business' financial and operational condition as reasonably requested by Purchaser.

(c) From the date hereof until the Closing (or the earlier termination of this Agreement pursuant to Article IX), Sellers shall provide to Purchaser copies of all material environmental assessments, audits (including compliance audits), evaluations, studies, and tests conducted by Sellers or any their Affiliates and unrelated third parties on behalf of Sellers relating to the Business and the Leased Real Property which are in the possession or control of Sellers or their Affiliates.

6.3 Further Assurances. From time to time, as and when requested by any Party and at such requesting Party's reasonable costs and expense, any other Party will execute and deliver, or cause to be executed and delivered, all such documents and instruments and will take, or cause to be taken, all such further or other actions as such requesting Party may reasonably deem necessary or desirable to evidence and effectuate the transactions contemplated by this Agreement. The obligations of Sellers pursuant to this Agreement, including this Section 6.3, shall be subject to any Orders entered, or approvals or authorizations granted or required, by or under the Bankruptcy Court or the Bankruptcy Code (including in connection with the Bankruptcy Case), the DIP Facility and each of Sellers' obligations as a debtor-in-possession to comply with any order of the Bankruptcy Court (including the Bidding Procedures Order and the Sale Order) and Sellers' duty to seek and obtain the highest or otherwise best price for the Acquired Assets as required by the Bankruptcy Code.

6.4 Use of Business Name. Immediately following the Closing, Sellers shall, and shall cause their respective Affiliates to, as soon as reasonably practicable, but in no event later than thirty (30) days after the Closing Date, (a) cease to use or do business, and cease to allow any Affiliate of any Seller to use or do business as an entity containing in its legal entity (or d/b/a) name, including "Avante Health Solutions," "Avante," "Jordan Health Products" or any name that is derivative or similar to such names or any names currently or formerly used by Sellers in the operation of their respective businesses, (b) will file with the applicable Governmental Body amendments to effect the same, and (c) shall seek approval from the Bankruptcy Court to rename the Bankruptcy Cases; provided that the foregoing shall not limit any Seller from the use or sale or other transfer of any Excluded Assets to the extent any such names are permanently embedded in or, imprinted upon with such Excluded Assets.

6.5 Wrong Pockets.

(a) If, following the Closing, either Purchaser (or its Affiliates) or any Seller (or its Affiliates) identifies any:

(i) Acquired Asset that was not previously transferred to Purchaser at the Closing (each, an "Omitted Asset"), then such Seller shall, and shall cause each applicable Affiliate to, execute, acknowledge and deliver all reasonable further documents in order to transfer all right, title and interest in such Omitted Asset to Purchaser, or its designated Affiliate. Until such time as such Omitted Asset is transferred to Purchaser in accordance with the terms hereof, the applicable Seller, on behalf of itself and its Affiliates, (A) hereby grants to Purchaser and its Affiliates (x) a

non-exclusive, royalty-free, fully paid-up, worldwide, irrevocable, sub-licensable and transferable right and license (or sub-license, as the case may be) to fully use, practice and otherwise exploit such Acquired Asset, (B) covenants not to sue with respect to Purchaser's use, practice and exploitation of any intellectual property rights associated with such Acquired Asset and (C) pending such shall (x) hold in trust such Omitted Asset and provide to Purchaser, or its designated Affiliate, all of the benefits associated with the ownership of the Omitted Asset and (y) cause such Omitted Asset to be used or retained as may be reasonably instructed by Purchaser.

(ii) Excluded Asset that was, directly or indirectly, transferred to Purchaser at the Closing (each, a "Held Asset"), Purchaser shall, and shall cause its Affiliates to, (A) promptly assign and transfer all right, title and interest in such Held Asset to Sellers, or their designated Affiliates and (B) pending such transfer, (x) hold in trust such Held Asset and provide to Sellers, or their designated Affiliates, all of the benefits associated with the ownership of the Held Asset and (y) cause such Held Asset to be used or retained as may be reasonably instructed by Sellers.

(b) To the extent that, on or after the Closing Date, (i) Purchaser or any of its Affiliates receives any payment or instrument that is for the account of Sellers or any of their Affiliates according to the terms of this Agreement and is not an Acquired Asset and does not flow from an Acquired Asset or Purchaser's operation of the Business, Purchaser shall (and shall cause its Affiliates to) promptly deliver such amount or instrument to Sellers and (ii) Sellers or any of their Affiliates receives any payment or instrument that is for the account of Purchaser or any of its Affiliates according to the terms of this Agreement or that is an Acquired Asset or flows from an Acquired Asset or Purchaser's operation of the Business, Sellers shall (and shall cause their Affiliates to) promptly deliver such amount or instrument to Purchaser. Notwithstanding the foregoing, each party hereto hereby undertakes to use its commercially reasonable efforts to direct or forward all bills, invoices or like instruments to the appropriate party.

6.6 Notification of Certain Matters.

(a) Sellers will promptly notify Purchaser of: (i) any material and adverse changes to the operation or financial condition of the Business or the initiation of any Action by any Governmental Body or any other Person, (ii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; (iii) any notice or other communication from any Governmental Body related to or in connection with the transactions contemplated by this Agreement; and (iv) promptly upon discovery thereof, any variances from any of the representations set forth in Article III, or the existence or occurrence of any event, fact or circumstance arising after the execution of this Agreement that would reasonably be expected to cause, any of the representations set forth in Article III to be untrue or inaccurate, in each case to the extent that the condition set forth in Section 8.2(a) would not be satisfied. If the subject matter of any such notification required by the previous sentence requires any change in the Disclosure Schedules, Sellers shall deliver to Purchaser prior to the Closing a supplement to such Disclosure Schedule (the "Updated Schedules") with such change; provided that in no event will any Updated Schedule serve to amend, supplement or modify the Disclosure Schedules for purposes of Section 8.2(a); provided further that if the Closing occurs, the Updated Schedules will be considered and deemed to be part of the Disclosure Schedules for all purposes under this Agreement, and each reference in this Agreement to a particular Disclosure Schedule will mean such Disclosure Schedule in, or as updated by, the Updated Schedules.

(b) Purchaser will promptly notify Sellers of: (i) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; (ii) any notice or other communication from any Governmental Body related to or in connection with the transactions contemplated by this Agreement; (iii) any Actions relating to or involving or otherwise affecting Purchaser or its Affiliates that, if pending

on the date of this Agreement, would have been required to have been disclosed pursuant to Section 4.5 or that relate to the transactions contemplated by this Agreement; and (iv) any breach or inaccuracy of any representation or warranty contained in this Agreement at any time during the term hereof that could reasonably be expected to cause the conditions set forth in Article VIII not to be satisfied; provided that the delivery of any notice pursuant to this Section 6.6(b) will not limit the remedies available to Sellers under or with respect to this Agreement.

6.7 Insurance Matters.

(a) Purchaser shall use commercially reasonable efforts to bind insurance coverage prior to or on the Closing Date for any Insurance Policies relating to the Acquired Assets, the Assumed Liabilities, the Transferred Employees or the Business, to the extent any such Insurance Policies are not assignable in accordance with Section 1.1(j).

(b) Following the Closing Date, with respect to any actions, inactions, events, omissions, conditions, facts, circumstances, losses, damages, and Liabilities which occurred or are alleged to have occurred, or were incurred or claimed to have been incurred, with respect to the Acquired Assets or the Assumed Liabilities prior to the Closing Date, Sellers will provide Purchaser with access to, and Purchaser may, upon prior written notice to Sellers, make claims under Sellers' non-transferable third-party Insurance Policies (excluding any self-insurance policies or programs, or any insurance policies or programs that are substantially similar in effect to self-insurance) that are "occurrence based" insurance policies in place immediately prior to the Closing (each such policy, an "Available Insurance Policy"); *provided* that such access to, and the right to make claims under, such Insurance Policies, shall be subject to the terms and conditions of such Insurance Policies, including any restrictions on coverage or scope, any deductibles, retentions or self-insurance provision, and any fees, costs, or other expenses, and shall be subject to the following additional conditions:

(i) In the event that an Available Insurance Policy does not permit Purchaser access thereto, or the right to make a claim thereunder, Sellers shall make the applicable claim on Purchaser's behalf, and pay over any recovery to Purchaser, under such Available Insurance Policy as completed by this Section 6.7;

(ii) Any recovery under any Available Insurance Policy shall be net of all premium increases, fees, and expenses, in each case to the extent documented, reasonably incurred by Sellers and resulting from any access to, or any claims made by Purchaser or any of its Affiliates under, any Available Insurance Policy, including any reasonable legal fees and allocated claims, expenses or claim handling fees, whether such claims are made by Purchaser, its Affiliates or its or their respective representatives;

(iii) Claims made by Purchaser pursuant to this Section 6.7 will be subject to (and recovery thereon will be reduced by the amount of) any applicable deductibles, retentions, or self-insurance provisions under the Available Insurance Policies. With respect to any deductibles, retentions, or self-insurance provisions described in the immediately preceding sentence that require a payment by a Seller, Purchaser shall reimburse such Seller for such payment; and

(iv) Without limiting Purchaser's right to make claims directly against the applicable Insurance Policies, in no event shall any Seller be required to provide assistance to Purchaser to facilitate access under this Section 6.7 after such Seller's Bankruptcy Case has been closed.

(c) During the period beginning on the date hereof and until the Closing Date or earlier termination of this Agreement in accordance with the terms hereof, Sellers shall maintain in full force and effect all Insurance Policies relating to the Business and the Assigned Contracts and shall renew such Insurance Policies in the Ordinary Course.

6.8 Employees.

(a) Purchaser shall offer employment to those Employees that Purchaser shall select in its sole discretion (Sellers' employees who accept offers of employment and actually commence employment with Purchaser or its Affiliates are referred to as the "Transferred Employees") on terms and conditions of employment (including salary, wages and benefits) established by Purchaser in its sole discretion and effective as of the Closing Date (or if applicable, the Delayed Transfer Date). Prior to the Closing Date, Sellers shall reasonably cooperate with Purchaser in its efforts to hire any Employees, including by providing Purchaser and its Affiliates with reasonable access to such Employees and any related records, documents, data, and other information relating to such Employees as Purchaser may request, to the extent such information is under the possession or control of Sellers. Purchaser shall provide to Sellers written notice of the proposed Transferred Employees no later than five (5) Business Days prior to Closing. Effective as of the Closing (or if applicable, the Delayed Transfer Date), Sellers agree to terminate the employment of all of the Transferred Employees.

(b) Purchaser shall not assume any Seller Plans or any obligation or liability thereunder.

(c) Nothing contained herein shall be construed as requiring, and Sellers shall take no action that would have the effect of requiring, Purchaser to continue any specific employee benefit plans or to employ, or to continue the employment of, any specific person. The provisions of this Section 6.8 are for the sole benefit of the Parties to this Agreement and nothing herein, expressed or implied, is intended or shall be construed to (i) constitute an amendment to any of the compensation and benefits plans maintained for or provided to employees prior to or following the Closing or (ii) confer upon or give to any person (including for the avoidance of doubt any current or former employees, directors, managers, officers, consultants, independent contractors, contingent workers or leased employees of Sellers or their Affiliates or the beneficiaries and dependents of any of them), other than the Parties hereto and their respective permitted successors and assigns, any legal or equitable or other rights or remedies (with respect to the matters provided for in this Section 6.8) under or by reason of any provision of this Agreement.

(d) Prior to the Closing or the earlier termination of this Agreement in accordance with the terms hereof, Sellers shall not make any changes to any Employee's base compensation, bonuses, benefits, severance entitlements or any other terms material to their employment with Sellers or the Business without first consulting with Purchaser.

6.9 Confidentiality. From the date hereof and for a period of three (3) years following the Closing (and in perpetuity with respect to trade secrets included in the Transferred Company Intellectual Property), Sellers shall hold, and shall cause their respective Affiliates to hold, in confidence and not to disclose or release without the prior written consent of Purchaser any and all non-public proprietary or confidential information relating to the Acquired Assets or the Assumed Liabilities ("Confidential Information"); provided, that Sellers may disclose, or may permit disclosure of, Confidential Information: (a) if any Seller or any of their respective Affiliates or Advisors are compelled to disclose, on the advice of legal counsel, any such Confidential Information by legal, judicial or administrative process or by other requirements of Law or any securities exchange to which such Person is subject; or (b) in connection with any Action to enforce Sellers' rights under this Agreement or any Transaction Document. Notwithstanding the foregoing, in the event that any demand or request for disclosure of Confidential Information is made

pursuant to clause (a) above, Sellers shall (i) to the extent permitted by applicable Law, promptly notify Purchaser of the existence of such request or demand and the disclosure that is expected to be made in respect thereto, in each case with sufficient specificity so that Purchaser may, at its sole expense, seek a protective order or other appropriate remedy, (ii) not oppose any action by or on behalf of Purchaser seeking a protective order or other appropriate remedy in respect of such demand or request and (iii) if requested by Purchaser, reasonably cooperate with Purchaser, at Purchaser's sole expense, in seeking a protective order or other appropriate remedy in respect of such request or demand. If such a protective order or other remedy or the receipt of a waiver by Purchaser is not obtained and Sellers or any of their Affiliates or Advisors are, nonetheless, following consultation with its legal counsel, required by such legal, judicial or administrative process, Law or securities exchange to disclose any Confidential Information, Sellers (or such Affiliate or Advisor) may, after compliance with the immediately preceding sentence of this Section 6.9, disclose only that portion of the Confidential Information which it has been advised by its legal counsel is required to be disclosed; provided, that Sellers and, if applicable, such Affiliate or Advisor exercise its and their commercially reasonable efforts to preserve the confidentiality of such Confidential Information, including by obtaining reasonable assurances that confidential treatment shall be accorded any Confidential Information so disclosed.

ARTICLE VII TAXES

7.1 Transfer Taxes. Any sales, use, purchase, transfer, franchise, deed, fixed asset, stamp, documentary stamp, use, or other Taxes and recording charges payable by reason of the sale of the Acquired Assets or the assumption of the Assumed Liabilities under this Agreement or the transactions contemplated hereby (the "Transfer Taxes") shall be borne by and timely paid by Purchaser, as applicable to the transfer of the Acquired Assets pursuant to this Agreement, and Purchaser shall timely file all Tax Returns related to any Transfer Taxes. Sellers shall cooperate with Purchaser on a commercially reasonable basis in connection with the determination, mitigation and filing of Tax Returns with respect to Transfer Taxes.

7.2 Allocation of Purchase Price. For U.S. federal and applicable state and local income Tax purposes, Purchaser, Sellers, and their respective Affiliates shall allocate the Purchase Price (and any Assumed Liabilities and covenants treated as part of the aggregate consideration for applicable income Tax purposes) among the Acquired Assets in accordance with (i) Section 1060 of the Code and (ii) the methodology set forth in Schedule 7.2 (the "Allocation Methodology"). The Parties and their respective Affiliates shall file all Tax Returns in accordance with the Allocation Methodology and not take any Tax related action inconsistent with such Allocation Methodology, in each case, unless otherwise required by (i) a settlement with the United States Internal Revenue Service ("IRS") Office of Appeals on IRS Form 870-AD (or successor forms) or (ii) a "determination" within the meaning of Section 1313(a) of the Code.

7.3 Allocation of Tax Liability. Except as provided in Section 7.1, for all purposes under this Agreement, in the case of any Straddle Period, the portion of Taxes (or any Tax refund and amount credited against any Tax) that are allocable to the portion of the Straddle Period ending on the Closing Date will be: (i) in the case of property Taxes and other Taxes imposed on a periodic basis without regard to income, gross receipts or sales, deemed to be the amount of such Taxes (or Tax refund or amount credited against Tax) for such entire Straddle Period multiplied by a fraction, the numerator of which is the number of calendar days in the portion of such Straddle Period ending on the end of the Closing Date and the denominator of which is the number of calendar days in such entire Straddle Period, and (ii) in the case of all other Taxes, determined as though the taxable year of each Seller terminated at the end of the Closing Date.

7.4 Cooperation. Purchaser and Sellers shall reasonably cooperate, as and to the extent reasonably requested by the other Party, in connection with the filing of Tax Returns and any Action, audit,

litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and, upon the other Party's request, the provision of records, Documents and information which may be reasonably relevant to any Tax Return, providing powers or attorney and making persons available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder.

ARTICLE VIII CONDITIONS TO CLOSING

8.1 Conditions Precedent to the Obligations of Purchaser and Sellers. The respective obligations of each Party to this Agreement to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or to the extent permitted by Law, written waiver by each of Sellers and Purchaser) on or prior to the Closing Date, of each of the following conditions:

(a) no court or other Governmental Body has issued, enacted, entered, promulgated or enforced any Law or Order (that is final and non-appealable and that has not been vacated, withdrawn or overturned) restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement;

(b) the Challenge Period, as defined in the Final DIP Order, shall have expired with no Challenge having been asserted with respect to all or any portion of the Credit Bid or, to the extent a Challenge has been asserted with respect to all or any portion of the Credit Bid, such Challenge shall have been resolved by a final Order of the Bankruptcy Court in favor of the DIP Agent, the DIP Lenders, the Prepetition Agent and the Prepetition Lenders; and

(c) the Bankruptcy Court shall have entered the Sale Order, approving the transfer of the Acquired Assets free and clear of any and all Encumbrances (except Permitted Encumbrances) and the assumption and assignment of the Assigned Contracts, all in form and substance reasonably acceptable to Purchaser and to Sellers, and such Sale Order shall be in full force and effect, shall not have been modified and not be subject to any stay.

8.2 Conditions Precedent to the Obligations of Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or to the extent permitted by Law, written waiver by Purchaser in its sole discretion), on or prior to the Closing Date, of each of the following conditions:

(a) Sellers shall have delivered to Purchaser an as-filed copy of the Sale Order;

(b) the representations and warranties of Sellers set forth in this Agreement shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality) or in all material respects (in the case of any representation or warranty not qualified by materiality) as of the Closing Date as though made on and as of the Closing Date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all respects as of that specified date); provided, that the representations set forth in Sections 3.1, 3.2, and 3.20 will be true and correct in all material respects;

(c) Sellers shall have performed in all material respects all of the covenants and agreements required to be performed by each of them under this Agreement;

(d) Sellers shall have provided the requisite notices under the Bidding Procedures Order and otherwise as required under the Bankruptcy Code or Bankruptcy Rules in connection with the transactions contemplated herein, all in form and substance satisfactory to Purchaser;

(e) Sellers shall have delivered, or caused to be delivered, to Purchaser all of the items set forth in Section 2.3;

(f) Purchaser shall have in place arrangements (including through the Transition Services Agreement) for employment of the Transferred Employees sufficient to conduct operations in the Ordinary Course, including establishment of benefit plans, payroll systems and related back-office services provided that the establishment or provision of benefits to the Transferred Employees after the Closing shall not be required by Sellers under the Transition Services Agreement and must be implemented separately by the Purchaser; and

(g) Purchaser shall have bound insurance coverage effective on the Closing Date (either through the assumption of Insurance Policies in accordance with Section 1.1(j) or through the binding of new insurance arrangements in accordance with Section 6.7(a)) that meets all legal and contractual requirements associated with the Business, including compliance with any additional insured or bonding requirements, and is otherwise sufficient to cover the risks associated with the operation of the Business post-Closing, as determined by a reasonably prudent operator of a business substantially similar to the Business.

8.3 Conditions Precedent to the Obligations of Sellers. The obligations of Sellers to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or to the extent permitted by Law, written waiver by Sellers in their sole discretion), on or prior to the Closing Date, of each of the following conditions:

(a) the representations and warranties of Purchaser set forth in this Agreement shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality) or in all material respects (in the case of any representation or warranty not qualified by materiality) as of the Closing Date as though made on and as of the Closing Date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all respects as of that specified date); provided, that the representations set forth in Sections 4.1, 4.2 and 4.4 will be true and correct in all material respects;

(b) Purchaser shall have performed in all material respects all of the covenants and agreements required to be performed by it under this Agreement; and

(c) Purchaser shall have delivered, or caused to be delivered, to Sellers all of the items set forth in Section 2.4.

8.4 Waiver of Conditions. Upon the occurrence of the Closing, any condition set forth in this Article VIII that was not satisfied as of the Closing will be deemed to have been waived for all purposes by the Party having the benefit of such condition as of and after the Closing. None of Purchaser or Sellers may rely on the failure of any condition set forth in this Article VIII, as applicable, to be satisfied if such failure was caused by such Party's failure to use, as required by this Agreement, its reasonable best efforts to consummate the transactions contemplated hereby.

ARTICLE IX TERMINATION

9.1 Termination of Agreement. This Agreement may be terminated only in accordance with this Section 9.1. This Agreement may be terminated at any time prior to the Closing:

(a) by the mutual written consent of Sellers and Purchaser;

(b) by written notice of either Purchaser or Sellers, upon the issuance by any Governmental Body of an Order restraining, enjoining, or otherwise prohibiting the consummation of the transactions contemplated by this Agreement or declaring unlawful the transactions contemplated by this Agreement, and such Order having become final, binding and non-appealable; provided that no termination may be made by a Party under this Section 9.1(a) if the issuance of such Order was caused by the breach of this Agreement by such Party or the taking or any action, or the failure to take any action, by such Party;

(c) by written notice of either Purchaser or Sellers, if the Closing shall not have occurred on or before November 27, 2025 (the “Outside Date”); provided that termination of this Agreement pursuant to this Section 9.1(c) shall not be permitted by (i) Purchaser, if the failure of the Closing to have occurred by the Outside Date was caused by Purchaser’s failure to satisfy the closing conditions set forth in Sections 8.2(f) and 8.2(g) of this Agreement; or (ii) either Party, if the failure of the Closing to have occurred by the Outside Date was caused by the breach of this Agreement by such Party;

(d) by written notice from Purchaser to Sellers, if Sellers fail to secure the Bankruptcy Court’s entry of the Bidding Procedures Order on or before October 22, 2024;

(e) by written notice from Sellers to Purchaser, upon a breach of any covenant or agreement on the part of Purchaser, or if any representation or warranty of Purchaser will have become untrue, in each case, such that the conditions set forth in Section 8.3(a) or (b) would not be satisfied, including a breach of Purchaser’s obligation to consummate the Closing; provided that (i) if such breach is curable by Purchaser then Sellers may not terminate this Agreement under this Section 9.1(c) unless such breach has not been cured by the date which is the earlier of (A) two (2) Business Days prior to the Outside Date and (B) thirty (30) days after Sellers notify Purchaser of such breach and (ii) the right to terminate this Agreement pursuant to this Section 9.1(c) will not be available to Sellers at any time that Sellers are in material breach of, any covenant, representation or warranty hereunder;

(f) by written notice from Purchaser to Sellers, upon a breach of any covenant or agreement on the part of any Seller, or if any representation or warranty of any Seller will have become untrue, in each case, such that the conditions set forth in Section 8.2(a) or 8.2(c) would not be satisfied, including a breach of Sellers’ obligation to consummate the Closing; provided that (i) if such breach is curable by such Seller, then Purchaser may not terminate this Agreement under this Section 9.1(f) unless such breach has not been cured by the date which is the earlier of (A) two (2) Business Days prior to the Outside Date and (B) thirty (30) days after Purchaser notifies Sellers of such breach and (ii) the right to terminate this Agreement pursuant to this Section 9.1(f) will not be available to Purchaser at any time that Purchaser is in material breach of, any covenant, representation or warranty hereunder;

(g) by written notice from Sellers to Purchaser, if all of the conditions set forth in Sections 8.1 and 8.2 have been satisfied (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at the Closing) or waived and Purchaser fails to complete the Closing by the time required by Section 2.2 provided that Sellers shall give Purchaser two (2) Business Days’ prior notice before exercising its right of termination under this Section 9.1(f);

(h) automatically and without any action or notice by Sellers to Purchaser, or Purchaser to Sellers, immediately upon the consummation of an Alternative Transaction; or

(i) by Purchaser by written notice to Sellers if (i) the Bankruptcy Court enters an Order approving a standalone plan of reorganization for Sellers involving the retention of a material part of the Acquired Assets, the dismissal of the Bankruptcy Cases or the conversion of the Bankruptcy Cases to cases

under Chapter 7 of the Bankruptcy Code prior to Closing or the appointment of a chapter 11 trustee for any Seller, (ii) the Bankruptcy Court enters an Order that otherwise precludes the consummation of the transactions contemplated hereby on the terms and conditions set forth in this Agreement, (iii) any Seller files any motion seeking approval of the foregoing without the prior consent of Purchaser; (iv) the loss by any Seller of the right to use cash collateral of the prepetition lenders or debtor-in-possession lender for more than three (3) Business Days, or (v) the occurrence and continuance for more than three (3) Business Days of a default under any debtor-in-possession financing made available to any Seller.

9.2 Effect of Termination.

(a) Subject to Section 9.2(b), in the event of termination of this Agreement pursuant to Section 9.1, this Agreement shall forthwith become void and there shall be no liability on the part of any Party or any of its respective former, current or future Affiliates, Advisors, direct or indirect general or limited partners, equityholders, stockholders, controlling persons or members; provided, however, that, termination pursuant to Section 9.1 shall not relieve any Party hereto for liability for any willful breach of this Agreement arising prior to such termination or for liability for fraud; provided, further, that in no event will either Purchaser or Sellers (or, for the avoidance of doubt, any other party including their respective former, current or future Affiliates, Advisors, direct or indirect general or limited partners, equityholders, stockholders, controlling persons or members) have any liability for any indirect, consequential, special or punitive damages or lost profits, other than indemnification for amounts paid or payable to third parties for which indemnification hereunder is otherwise required; and provided, further, that this Section 9.2, and Article X shall survive any such termination and shall provide Purchaser's and Sellers' sole and exclusive remedy.

(b) If this Agreement is terminated pursuant to Section 9.1(h) or Section 9.1(i), Sellers shall, immediately upon the consummation of the Alternative Transaction, pay Purchaser from the proceeds of the Alternative Transaction by wire transfer of immediately available funds to an account designated in writing by Purchaser an amount of cash equal to the sum of the Expense Reimbursement. Sellers' obligation to pay the Expense Reimbursement pursuant to this Section 9.2(b) shall be subject to Bankruptcy Court approval and paid solely out of proceeds of an Alternative Transaction. If Purchaser is entitled to receipt of the Expense Reimbursement pursuant to this Section 9.2(b), the receipt of the Expense Reimbursement shall be the liquidated damages of Purchaser and Purchaser's sole and exclusive remedy for Sellers' termination of this Agreement pursuant to Section 9.1(i).

ARTICLE X

MISCELLANEOUS

10.1 Non-Survival of Representations and Warranties and Certain Covenants; Certain Waivers. Each of the representations and warranties and the covenants and agreements (solely to the extent such covenant or agreement contemplates or requires performance by such Party prior to the Closing) of the Parties set forth in this Agreement or in any other document contemplated hereby, or in any certificate delivered hereunder or thereunder, will terminate effective immediately as of the Closing such that no claim for breach of any such representation, warranty, covenant or agreement, detrimental reliance or other right or remedy (whether in contract, in tort or at law or in equity) may be brought with respect thereto after the Closing, except to the extent such claim is based on fraud. Each covenant and agreement that explicitly contemplates performance after the Closing, will, in each case and to such extent, expressly survive the Closing in accordance with its terms, and nothing in this Section 10.1 will be deemed to limit any rights or remedies of any Person for breach of any such surviving covenant or agreement.

10.2 Expenses. Except as otherwise provided herein (including for the avoidance of doubt Section 9.2), all fees, costs and expenses (including fees, costs and expenses of Advisors) incurred in connection with the negotiation of this Agreement and the other agreements contemplated hereby, the performance of this Agreement and the other agreements contemplated hereby and the consummation of the transactions contemplated hereby and thereby will be paid by the Party incurring such fees, costs and expenses.

10.3 Notices. Except as otherwise expressly provided herein, all notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given (a) when personally delivered, (b) when transmitted by electronic mail, (c) the day following the day on which the same has been delivered prepaid to a reputable national overnight air courier service or (d) the third (3rd) Business Day following the day on which the same is sent by certified or registered mail, postage prepaid, in each case, to the respective Party at the number, electronic mail address or street address, as applicable, set forth below, or at such other number, electronic mail address or street address as such Party may specify by written notice to the other Party.

Notices to Purchaser:

c/o Staple Street Capital
1290 Avenue of the Americas
10th Floor
New York, NY 10104
Attention: Hootan Yaghoobzadeh; Rashid Lattouf
Email: hootan@staplestreetcapital.com; rlattouf@staplestreetcapital.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Adam Harris; Reuben Dizengoff
Email: Adam.Harris@srz.com; Reuben.Dizengoff@srz.com

Notices to Sellers:

Jordan Health Products I, Inc.
8700 W Bryn Mawr Ave.,
Suite 720S,
Chicago, IL 60631
Attn: Jim Leidl, CEO
Email: jim.leidl@avantehs.com

with a copy to:

Polsinelli PC
222 Delaware Avenue, Suite 1101
Wilmington, DE 19801
Attention: Chris Ward
Email: CWard@polsinelli.com

10.4 Binding Effect; Assignment. This Agreement (a) shall be binding upon Purchaser and, subject to the terms of the Bidding Procedures Order (with respect to the matters covered thereby) and the entry of the Sale Order, Sellers and (b) shall inure to the benefit of and be binding upon Purchaser and, subject to the terms of the Bidding Procedures Order (with respect to the matters covered thereby) and the entry of the Sale Order, Sellers, and their respective successors and permitted assigns, including any trustee or estate representative appointed in the Bankruptcy Case or any successor Chapter 7 case. Neither this Agreement nor any of the rights or obligations hereunder may be assigned or delegated without the prior written consent of Purchaser and Sellers, and any attempted assignment or delegation without said requisite prior written consent shall be null and void, except that Purchaser, without the consent of Sellers, may assign or delegate any of its rights or obligations hereunder to any of its Affiliate; provided that no such assignment shall release Purchaser of its obligations and liabilities under this Agreement except to the extent of payment or performance by such Affiliate.

10.5 Amendment and Waiver. Any provision of this Agreement or the Schedules or exhibits hereto may be (a) amended only in a writing signed by Purchaser and Sellers or (b) waived only in a writing executed by the Person against which enforcement of such waiver is sought. No waiver of any provision hereunder or any breach or default thereof will extend to or affect in any way any other provision or prior or subsequent breach or default.

10.6 Third Party Beneficiaries. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement.

10.7 Non-Recourse. This Agreement may only be enforced against, and any Action based upon, arising out of or related to this Agreement may only be brought against, the Persons that are expressly named as parties to this Agreement. Except to the extent named as a party to this Agreement, and then only to the extent of the specific obligations of such parties set forth in this Agreement, no past, present or future shareholder, member, partner, manager, director, officer, employee, Affiliate, agent or Advisor of any Party will have any liability (whether in contract, tort, equity or otherwise) for any of the representations, warranties, covenants, agreements or other obligations or liabilities of any of the parties to this Agreement or for any Action based upon, arising out of or related to this Agreement.

10.8 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable Law in any jurisdiction, such provision will be ineffective only to the extent of such prohibition or invalidity in such jurisdiction, without invalidating the remainder of such provision or the remaining provisions of this Agreement or in any other jurisdiction.

10.9 Construction. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction will be applied against any Person. The headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and will in no way restrict or otherwise modify any of the terms or provisions hereof.

10.10 Disclosure Schedules. The Disclosure Schedules have been arranged for purposes of convenience in separately numbered sections corresponding to the sections of this Agreement; however, each section of the Disclosure Schedules will be deemed to incorporate by reference all information disclosed in any other section of the Disclosure Schedules to the extent such disclosure is reasonably apparent on its face that it is relevant. Capitalized terms used in the Disclosure Schedules and not otherwise defined therein have the meanings given to them in this Agreement. The specification of any dollar amount or the inclusion of any item in the representations and warranties contained in this Agreement, the Disclosure Schedules or the attached exhibits is not intended to imply that the amounts, or higher or lower amounts, or the items so included, or other items, are or are not required to be disclosed (including whether such amounts or items are required to be disclosed as material or threatened) or are within or outside of the Ordinary Course or consistent with past practice, and no Party will use the fact of the setting of the amounts or the fact of the inclusion of any item in this Agreement, the Disclosure Schedules or exhibits in any dispute or controversy between the Parties as to whether any obligation, item or matter not set forth or included in this Agreement, the Disclosure Schedules or exhibits is or is not required to be disclosed (including whether the amount or items are required to be disclosed as material or threatened) or are within or outside of the Ordinary Course. In addition, matters reflected in the Disclosure Schedules are not necessarily limited to matters required by this Agreement to be reflected in the Disclosure Schedules. Such additional matters are set forth for informational purposes only and do not necessarily include other matters of a similar nature. No information set forth in the Disclosure Schedules will be deemed to broaden in any way the scope of the parties' representations and warranties. Any description of any agreement, document, instrument, plan, arrangement or other item set forth on any Disclosure Schedule is a summary only and is qualified in its entirety by the terms of such agreement, document, instrument, plan, arrangement, or item which terms will be deemed disclosed for all purposes of this Agreement. The information contained in this Agreement, in the Disclosure Schedules and exhibits hereto is disclosed solely for purposes of this Agreement, and no information contained herein or therein will be deemed to be an admission by any Party to any third party of any matter whatsoever, including any violation of Law or breach of contract.

10.11 Complete Agreement. This Agreement, together with any agreements expressly referred to herein or therein, contains the entire agreement of the parties respecting the sale and purchase of the Acquired Assets and the Assumed Liabilities and the transactions contemplated by this Agreement and supersedes all prior agreements among the Parties respecting the sale and purchase of the Acquired Assets and the Assumed Liabilities and the transactions contemplated by this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, the terms and provisions of the execution version of this Agreement will control and prior drafts of this Agreement and the documents referenced herein will not be considered or analyzed for any purpose (including in support of parol evidence proffered by any Person in connection with this Agreement), will be deemed not to provide any evidence as to the meaning of the provisions hereof or the intent of the Parties with respect hereto and will be deemed joint work product of the Parties.

10.12 Specific Performance. The Parties agree that irreparable damage, for which monetary relief, even if available, would not be an adequate remedy, would 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 of the Parties 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 10.13 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 10.12 will not be required to provide any bond or other security in connection with any such Order. The remedies available to Sellers pursuant to this Section 10.12 will be in addition to any other remedy to which they were entitled at law or in equity, and the election to pursue an injunction or specific performance will not restrict, impair or otherwise limit any Seller from seeking to collect or collecting damages. In no event will this Section 10.12 be used, alone or together with any other provision of this Agreement, to require any Seller to remedy any breach of any representation or warranty of any Seller made herein.

10.13 Jurisdiction and Exclusive Venue. Each of the Parties irrevocably agrees that any Action that may be based upon, arising out of, or related to this Agreement or the negotiation, execution or performance of this Agreement and the transactions contemplated hereby brought by any other Party or its successors or assigns will be brought and determined only in (a) the Bankruptcy Court and any federal court to which an appeal from the Bankruptcy Court may be validly taken or (b) in the event the Bankruptcy Case is closed, or if the Bankruptcy Court is unwilling or unable to hear such Action, in the Delaware Chancery Court and any state court sitting in the State of Delaware to which an appeal from the Delaware Chancery Court may be validly taken (or, if the Delaware Chancery Court declines to accept jurisdiction over a particular matter, any state or federal court within the state of Delaware) ((a) and (b), the “Chosen Courts”), and each of the Parties hereby irrevocably submits to the exclusive jurisdiction of the Chosen Courts for itself and with respect to its property, generally and unconditionally, with regard to any such Action arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the Parties agrees not to commence any Action relating thereto except in the Chosen Courts, other than Actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any Chosen Court, and no Party will file a motion to dismiss any Action filed in a Chosen Court on any jurisdictional or venue-related grounds, including the doctrine of *forum non-conveniens*. The Parties irrevocably agree that venue would be proper in any of the Chosen Courts, and hereby irrevocably waive any objection that any such court is an improper or inconvenient forum for the resolution of such Action. Each of the Parties further irrevocably and unconditionally consents to service of process in the manner provided for notices in Section 10.3. Nothing in this Agreement will affect the right of any Party to this agreement to serve process in any other manner permitted by Law.

10.14 Governing Law; Waiver of Jury Trial.

(a) Except to the extent the mandatory provisions of the Bankruptcy Code apply, this Agreement, and any Action that may be based upon, arising out of or related to this Agreement or the negotiation, execution or performance of this Agreement or the transactions contemplated hereby will be governed by and construed in accordance with the internal Laws of the State of Delaware applicable to agreements executed and performed entirely within such State without regards to conflicts of law principles of the State of Delaware or any other jurisdiction that would cause the Laws of any jurisdiction other than the State of Delaware to apply.

(b) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT, THE DOCUMENTS AND AGREEMENTS CONTEMPLATED HEREBY AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND THEREFORE HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE

LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION BASED ON, ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY. EACH OF THE PARTIES AGREES AND CONSENTS THAT ANY SUCH ACTION WILL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES TO THE IRREVOCABLE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. EACH PARTY (I) CERTIFIES THAT NO ADVISOR 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 (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

10.15 Counterparts and PDF. This Agreement and any other agreements referred to herein or therein, and any amendments hereto or thereto, may be executed in multiple counterparts, any one of which need not contain the signature of more than one party hereto or thereto, but all such counterparts taken together will constitute one and the same instrument. Any counterpart, to the extent signed and delivered by means of a facsimile machine, .PDF or other electronic transmission, will be treated in all manner and respects as an original contract and will be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. Minor variations in the form of the signature page to this Agreement or any agreement or instrument contemplated hereby, including footers from earlier versions of this Agreement or any such other document, will be disregarded in determining the effectiveness of such signature. At the request of any party or pursuant to any such contract, each other party hereto or thereto will re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such contract will raise the use of a facsimile machine, .PDF or other electronic transmission to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile machine, .PDF or other electronic transmission as a defense to the formation of a contract and each such party forever waives any such defense.

10.16 Publicity. Neither Sellers nor Purchaser shall issue any press release or public announcement concerning this Agreement or the transactions contemplated hereby 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 any stock exchange on which Purchaser or Sellers lists securities, provided that the Party intending to make such release shall use its best efforts consistent with such applicable Law requirement to consult with the other Party with respect to the text thereof.

10.17 No Solicitation. This Agreement and the transactions contemplated herein and therein are the product of negotiations among the Parties. Notwithstanding anything herein to the contrary, this Agreement is not, and shall not be deemed to be, (a) a solicitation of votes for the acceptance of any plan of reorganization for the purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise or (b) an offer for the issuance, purchase, sale, exchange, hypothecation, or other transfer of securities or a solicitation of an offer to purchase or otherwise acquire securities for purposes of the Securities Act or the Exchange Act. Sellers covenant not to solicit acceptances of any chapter 11 plan from any party until such party has been provided with copies of a disclosure statement containing adequate information as required by section 1125 of the Bankruptcy Code.

ARTICLE XI

ADDITIONAL DEFINITIONS AND INTERPRETIVE MATTERS

11.1 Certain Definitions.

(a) “Action” means any action, claim (including a counterclaim, cross-claim, or defense), complaint, grievance, summons, suit, litigation, arbitration, mediation, audit, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), prosecution, contest, hearing, inquiry, inquest, audit, examination or investigation, of any kind whatsoever, regardless of the legal theory under which such liability or obligation may be sought to be imposed, whether sounding in contract or tort, or whether at law or in equity, or otherwise under any legal or equitable theory, commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Body.

(b) “Advisors” means, with respect to any Person, the accountants, attorneys, consultants, advisors, investment bankers, or other representatives of such Person.

(c) “Affiliate” means, with respect to any Person, any other Person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person, and the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by Contract or otherwise.

(d) “Alternative Transaction” means a transaction or series of related transactions pursuant to which Sellers (a) accept a Qualified Bid, other than that of Purchaser, as the highest and best offer, which is approved by order of the Bankruptcy Court and consummated, or (b) sell, transfer, lease or otherwise dispose of, directly or indirectly, including through an asset sale, stock sale, merger, reorganization or other similar transaction (by Sellers or otherwise), including pursuant to a plan or refinancing, all or substantially all of the Acquired Assets in a transaction or series of transactions to a Person or Persons other than Purchaser.

(e) “Auction” shall have the meaning ascribed to such term in the Bidding Procedures Order.

(f) “Avoidance Action” means any claim, right or cause of action of any Seller arising under Chapter 5 of the Bankruptcy Code and any analogous state law claims relating to the Acquired Assets or the Business.

(g) “Bid Protections” has the meaning set forth in the Bidding Procedures Order and includes the Expense Reimbursement.

(h) “Bidding Procedures Order” means an order substantially in the form of Exhibit A, and otherwise reasonably acceptable to Purchaser, whereby the Court approves certain Bidding Procedures (as defined therein), schedules bid deadlines and, if required, the Auction, and approves the Expense Reimbursement.

(i) “Books and Records” means all of Sellers’ written files, documents, instruments, papers, books, reports, records, letters, budgets, forecasts, plans, operating records, safety and environmental reports, data, studies, and documents, Tax Returns, ledgers, journals, customer lists, regulatory filings, operating data and plans, research material, technical documentation, user

documentation, marketing documentation (sales brochures, flyers, pamphlets, web pages, etc., and other similar materials and, to the extent transferable under applicable Law, human resources records, employee personnel files (including all employee investigation files)) and related files related to the Transferred Employees, in each case whether or not in electronic or non-electronic form.

(j) “Business Day” means any day other than a Saturday, Sunday or other day on which banks in New York City, New York are authorized or required by Law to be closed.

(k) “Cash and Cash Equivalents” means all of Sellers cash (including petty cash and checks received prior to the close of business on the Closing Date), checking account balances (net of checks that are in transit or have not been cashed), marketable securities, certificates of deposits, time deposits, bankers’ acceptances, commercial paper, security entitlements, securities accounts, commodity Contracts, commodity accounts, government securities and any other cash equivalents, whether on hand, in transit, in banks or other financial institutions, or otherwise held, but excluding all checks, wires and drafts issued by any Seller but not yet cashed or deducted as of the Closing.

(l) “Challenge” has the meaning set forth in the Final DIP Order.

(m) “Challenge Period” has the meaning set forth in the Final DIP Order.

(n) “Code” means the United States Internal Revenue Code of 1986, as amended.

(o) “Commercial Tort Claims” means all commercial tort claims of Sellers, in each case relating solely to the Acquired Assets or the Assumed Liabilities.

(p) “Contract” means any contract, purchase order, service order, sales order, indenture, note, bond, lease, sublease, license or other agreement that is binding upon a Person or its property. Contracts include, but are not limited to, “executory contracts” as that term is used in the Bankruptcy Code.

(q) “Cure Amounts” means all amounts that must be paid and all obligations that otherwise must be satisfied by Purchaser, pursuant to Sections 365 of the Bankruptcy Code, to cure all defaults, if any, in connection with the assumption and assignment of the Assigned Contracts to Purchaser as provided herein, unless such other amounts are otherwise agreed upon by Purchaser and the counterparty to such Assigned Contract or determined by the Bankruptcy Court.

(r) “Delayed Transfer Date” means the day immediately following the last day of the Transition Services Period.

(s) “DIP Agent” means AHS Acquisition Holdings, LLC.

(t) “DIP Facility” means that certain Senior Secured Super-Priority Term Loan Note, dated as of October 8, 2024, by and among the Borrowers (as defined therein), the Guarantors (as defined therein) from time to time party thereto, AHS Acquisition Holdings, LLC, as administrative agent and collateral agent, and the lenders party thereto from time to time.

(u) “DIP Lenders” means AHS Acquisition Holdings, LLC.

(v) “DIP Obligations” means all principal, interest, expenses and fees due to the DIP Lenders under the DIP Facilities.

(w) “Documents” means all of Sellers’ written files, documents, instruments, papers, books, reports, records, letters, budgets, forecasts, plans, operating records, safety and environmental reports, data, studies, and documents, Tax Returns, ledgers, journals, customer lists, regulatory filings, operating data and plans, research material, technical documentation, user documentation, marketing documentation (sales brochures, flyers, pamphlets, web pages, etc.), and other similar materials, in each case whether or not in electronic form.

(x) “Employee” means any current employee of Sellers or the Business.

(y) “Employment Agreement” means a Contract, offer letter or agreement of any Seller or any of its Affiliates with or addressed to an Employee to which such Seller or any of its Affiliates has any actual or contingent liability or obligation to provide compensation and/or benefits in consideration for past, present or future services.

(z) “Encumbrance” means any lien, mortgage, pledge, security interest, option, charge, easement, right-of-way or other similar encumbrance.

(aa) “Environmental Laws” means Laws relating to pollution, natural resources, Hazardous Materials, or the protection of the environment or to occupational health and safety (solely with respect to exposure to Hazardous Materials).

(bb) “Equipment” means all fixed assets, equipment, furnishings, computer hardware, vehicles, fixtures and all other tangible personal property used or useful in the Business, in each case whether owned or leased, wherever located, and all of Sellers’ rights under warranties, indemnities, licenses or similar rights against any Person (other than the Parties) with respect to any of the above-referenced items.

(cc) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

(dd) “ERISA Affiliate” means any entity, trade or business that is or was at the relevant time, a member of a group described in Code Section 414 or ERISA Section 4001(b)(1) that includes any of Sellers.

(ee) “Excluded Employee Liabilities” means any Liability or other obligation of Sellers or any Affiliate of Sellers in respect of any current or former employee, consultant, director or other service provider of Sellers or any Affiliate of Sellers, including without limitation (a) any compensation, wages, payments, entitlements, other remuneration, holiday, vacation pay or other paid time-off, bonus, commissions, severance pay (statutory or otherwise), retiree or other post-employment medical or life obligations, pension contributions, insurance premiums or Taxes that arise in respect of any Employees prior to or following the Closing Date; (b) any Liability arising or incurred by Sellers or any Affiliate of Sellers under, or in connection with, or non-compliance with, any applicable Law respecting labor, employment, employment practices, terms and conditions of employment, the Worker Adjustment and Retraining Notification Act or similar state Law, wages and hours, or occupational safety and health; (c) any Seller Plan and any Liability or obligation arising under or relating to any Seller Plan or any other “employee benefit plan” within the meaning of Section 3(3) of ERISA that has been maintained, sponsored or contributed to, by Sellers or any Affiliate of Sellers or any entity that would be deemed a “single employer” Sellers or any Affiliate of Sellers under Section 414(b), (c), (m) or (o) of the Code, or Section 4001 of ERISA; and (d) any Liabilities, payments, costs and disbursements, arising in connection with the termination of employment of any Employee by Sellers or any Affiliate of Sellers.

(ff) “Expense Reimbursement” shall mean an amount equal to Purchaser’s and its Affiliates’ actual reasonable fees, costs and expenses (including reasonable attorneys’ fees, fees of accountants, tax advisors, appraisals, surveys, insurance consultants, benefit consultants, lender fees (including fees of lenders’ attorneys and other advisors)) and other professional fees, incurred in connection with the transactions contemplated by this Agreement including negotiation, due diligence, financing, participation in the Auction and Bankruptcy Case, documentation and other activities, up to a maximum of \$750,000.

(gg) “Final DIP Order” means the Order entered by the Bankruptcy Court approving the DIP Facility on a final basis.

(hh) “GAAP” means United States generally accepted accounting principles as in effect from time to time.

(ii) “Governmental Authorization” means any permit, license, certificate, approval, consent, permission, clearance, designation, qualification or authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Law.

(jj) “Governmental Body” means any government, quasigovernmental entity, or other governmental or regulatory body (including, without limitation, the Federal Drug Administration), agency or political subdivision thereof of any nature, whether foreign, federal, state or local, or any agency, branch, department, official, entity, instrumentality or authority thereof, or any court or arbitrator (public or private) of applicable jurisdiction.

(kk) “Hazardous Materials” means any toxic or hazardous material, substance or waste regulated under any Environmental Laws.

(ll) “Intellectual Property” means all of the following: (i) patents, patent applications and patent or invention disclosures, and registered or applied for product configurations, designs, industrial designs or community designs; (ii) trademarks, service marks, trade dress, trade names, corporate names, Internet domain names and other identifiers of source or goodwill, together with all goodwill associated with each of the foregoing; (iii) copyrights; (iv) registrations and applications for any of the foregoing; (v) trade secrets; (vi) computer software; (vii) inventions, discoveries, improvements, ideas, know-how, methodology, models, algorithms, formulae, systems, processes, technology, whether patentable or not, and drawings, schematics and other technical plans; (viii) rights in computer software, firmware and applications, including source code and object code versions thereof, and rights in data, databases and data compilations; (ix) rights in Internet websites, social media accounts, the usernames and passwords associated therewith, and all content contained therein; and (x) any other intellectual property or proprietary rights of any kind, nature or description.

(mm) “Inventory” means all inventory (including finished goods, supplies, raw materials, work in progress, spare, replacement and component parts) maintained or held by, stored by or on behalf of, or in transit to, any of Sellers (including any obsolete or slow moving inventory).

(nn) “knowledge of Sellers” means the actual knowledge of Jim Leidl, Matthew Tschanz, Robet Duffy, Michael Roux and Carlos Borges.

(oo) “Law” means any federal, state, provincial, local, municipal, foreign or international, multinational or other law, statute, legislation, constitution, principle of common law, resolution, ordinance, code, edict, decree, proclamation, treaty, convention, rule, regulation, ruling,

directive, pronouncement, determination, decision, opinion or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body.

(pp) “Leased Real Property” means the locations listed on Schedule 3.24 of the Disclosure Schedules and includes Sellers’ includes leasehold interests in and any all land, buildings, structure, improvements, fixtures or other interest in real property which is used in the Business.

(qq) “Liability” means, as to any Person, any debt, adverse claim, liability (including any liability that results from, relates to or arises out of tort or any other product liability claim), Taxes, duty, responsibility, obligation, commitment, assessment, cost, expense, loss, expenditure, charge, fee, penalty, fine, contribution, or premium of any kind or nature whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, direct or indirect, accrued or unaccrued, liquidated or unliquidated, or due or to become due, and regardless of when sustained, incurred or asserted or when the relevant events occurred or circumstances existed.

(rr) “Order” means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award of a Governmental Body, including any Order entered by the Bankruptcy Court in the Bankruptcy Case (including the Sale Order).

(ss) “Ordinary Course” means the ordinary and usual course of operations of the business of the applicable Seller consistent with past practice and taking into account, with respect to the payment of creditors arising prior to the Petition Date relevant trade terms with Seller’s vendors, the commencement of the Bankruptcy Case.

(tt) “Permitted Encumbrances” means (i) with respect to the Leased Real Property, easements, rights of way, restrictive covenants, encroachments and similar non-monetary encumbrances or non-monetary impediments, which do not, individually or in the aggregate, adversely affect the use or occupancy of such Leased Real Property as it relates to the operation of the Acquired Assets or the Business; (ii) with respect to the Leased Real Property, applicable zoning Laws, building codes, land use restrictions and other similar restrictions imposed by Law which are not violated by the current use or occupancy of such Leased Real Property, as applicable; (iii) materialmans’, mechanics’, artisans’, shippers’, warehousemans’ or other similar common law or statutory Encumbrances incurred in the Ordinary Course for amounts not yet due and payable; and (iv) solely prior to Closing, any Encumbrances that will be irrevocably terminated, removed or released from the Acquired Assets by operation of the Sale Order or in accordance with the applicable provisions of the Bankruptcy Code.

(uu) “Person” means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, labor union, estate, Governmental Body or other entity or group.

(vv) “Post-Closing Tax Period” means any taxable period beginning after the Closing Date and, with respect to any Straddle Period, the portion of such taxable period beginning after the Closing Date.

(ww) “Pre-Closing Tax Period” means any taxable period ending on or before the Closing Date and, with respect to any Straddle Period, the portion of such taxable period ending on and including the Closing Date.

(xx) “Pre-Paid Expenses” means any of Sellers’ rights with respect to all deposits (including customer deposits and security deposits (whether maintained in escrow or otherwise) for rent, electricity, telephone or otherwise), advances, pre-paid expenses, prepayments, rights under warranties or

guarantees, vendor rebates, refunds, credits, rebates and prepayment(s) or deposits of property and other Taxes which are in respect of the Acquired Assets or the Business, and other refunds of every kind and nature (whether or not known or unknown or contingent or non-contingent), to the extent related solely to the Business.

(yy) “Prepetition Agent” means AHS Acquisition Holdings, LLC.

(zz) “Prepetition Lenders” means AHS Acquisition Holdings, LLC.

(aaa) “Prepetition Loan Facility” means that certain Credit Agreement, dated July 15, 2021, as amended, by and among Sellers, MERS Holdings, LLC, a Delaware limited liability company, Jordan Health Products, a Delaware limited liability company, the lenders from time to time party thereto, and AHS Acquisition Holdings, LLC, as administrative agent and collateral agent.

(bbb) “Prepetition Loan Obligations” means all principal, interest, expenses and fees outstanding under the Prepetition Loan Facility.

(ccc) “Product” means any product designed, manufactured, marketed, distributed, sold, offered for sale or otherwise delivered by or on behalf of Sellers that is an Acquired Asset.

(ddd) “Qualified Bid” means competing bids qualified for the Auction in accordance with the Bidding Procedures Order.

(eee) “Restructuring Plan” means the operational restructuring plan and facilities consolidation plan to be prepared by Sellers and delivered to the DIP Agent and DIP Lenders pursuant to the terms of the DIP Facility by no later than November 5, 2024.

(fff) “Sale Hearing” means the hearing(s) at which the Bankruptcy Court acts upon Sellers’ motion to approve this transaction and others as contemplated by the Bidding Procedures Order.

(ggg) “Straddle Period” means any taxable period beginning on or before the Closing Date and ending after the Closing Date.

(hhh) “Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof.

(iii) “Tax” or “Taxes” means any federal, state, county, local or foreign income, gross receipts, commercial activity, *ad valorem*, franchise, net worth, profits, sales or use, value added, transfer, production, documentary, profits, windfall profits, registration, excise, utility, environmental, premium, communications, real or personal property, real property transfer, intangibles, capital stock, escheatment or unclaimed property, license, lease, service, service use, payroll, wage or other withholding, employment, employment retention tax credit, unemployment, social security, severance, stamp, occupation, alternative or add-on minimum, estimated, customs, duties and other taxes of any kind whatsoever (including tax for which a taxpayer is responsible by reason of Treasury Regulations Section 1.1502-6 and any comparable provision of state, local or foreign Tax Law) or as a successor or by reason of contract, indemnity or

otherwise, together with any interest, deficiencies, penalties, additions to tax and any interest attributable in respect of such deficiencies, penalties or additions whether disputed or not.

(jjj) “Tax Return” means any return, claim for credit or refund, report, statement or information return relating to Taxes filed or required to be filed with a Governmental Body, including any schedule or attachment thereto, and including any amendments thereof.

(kkk) “Term Loan Obligations” means, collectively, the Prepetition Loan Obligations and the DIP Obligations.

(lll) “Transaction Documents” means the Bill of Sale and Assumption and Assignment Agreement, the Transition Services Agreement, and each other agreement, document, instrument or certificate contemplated by this Agreement or to be executed by Purchaser or any Seller, as the case may be, in connection with the consummation of the transactions contemplated by this Agreement, in each case only as applicable to the relevant party or parties to such Transaction Documents, as indicated by the context in which such term is used.

(mmm) “Transition Services Period” means the period specified in the Transition Services Agreement during which Sellers shall provide services to Purchaser.

11.2 Rules of Interpretation. Unless otherwise expressly provided in this Agreement, the following will apply to this Agreement, the Schedules and any other certificate, instrument, agreement or other document contemplated hereby or delivered hereunder.

(a) Accounting terms which are not otherwise defined in this Agreement have the meanings given to them under GAAP consistently applied. To the extent that the definition of an accounting term defined in this Agreement is inconsistent with the meaning of such term under GAAP, the definition set forth in this Agreement will control.

(b) The terms “hereof,” “herein” and “hereunder” and terms of similar import are references to this Agreement as a whole (including Exhibits and Schedules) and not to any particular provision of this Agreement. Section, clause, schedule and exhibit references contained in this Agreement are references to sections, clauses, schedules and exhibits in or to this Agreement, unless otherwise specified. 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.

(c) Whenever the words “include,” “includes” or “including” are used in this Agreement, they will be deemed to be followed by the words “without limitation.” Where the context permits, the use of the term “or” will be equivalent to the use of the term “and/or.”

(d) The words “to the extent” shall mean “the degree by which” and not “if.”

(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 will be excluded. If the last day of such period is a day other than a Business Day, the period in question will end on the next succeeding Business Day.

(f) Words denoting any gender will include all genders, including the neutral gender. Where a word is defined herein, such definition applies to both the singular and plural forms.

(g) The word “will” will be construed to have the same meaning and effect as the word “shall”. The words “shall,” “will,” or “agree(s)” are mandatory, and “may” is permissive.

(h) All references to “\$” and dollars will be deemed to refer to United States currency unless otherwise specifically provided.

(i) All references to a day or days will be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

(j) Any document or item will be deemed “delivered,” “provided” or “made available” by Sellers, within the meaning of this Agreement if such document or item (a) is included in the data room titled “Avante Health Solutions” hosted by SecureDocs at least two (2) Business Days prior to the date hereof, (b) actually delivered or provided to Purchaser or any of Purchaser’s Advisors or (c) made available upon request, including at Sellers’ or any of their Subsidiaries’ offices.

(k) Any reference to any agreement or contract will be a reference to such agreement or contract, as amended, modified, supplemented or waived.

(l) Any reference to any particular Code section or any Law will be interpreted to include any amendment to, revision of or successor to that section or Law regardless of how it is numbered or classified; provided that, for the purposes of the representations and warranties set forth herein, with respect to any violation of or non-compliance with, or alleged violation of or non-compliance, with any Code section or Law, the reference to such Code section or Law means such Code section or Law as in effect at the time of such violation or non-compliance or alleged violation or non-compliance.

(m) All references to a day or days shall be deemed to refer to a calendar day or calendar days, as applicable, unless otherwise specifically provided.

[Signature pages follow.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

PURCHASER:

AHS ACQUISITION HOLDINGS, LLC

By: _____

Name: Hootan Yaghoobzadeh

Title: President

SELLERS:

Jordan Health Products I, Inc.

By: _____
Name:
Title:

Global Medical Imaging, LLC

By: _____
Name:
Title:

D.R.E. Medical Group, Inc.

By: _____
Name:
Title:

Transtate Equipment Company, Inc.

By: _____
Name:
Title:

Equipment Maintenance Solutions, Inc.

By: _____
Name:
Title:

Ultra Solutions Holdings, Inc.

By: _____
Name:
Title:

Ultra Solutions, LLC

By: _____
Name:
Title:

Pacific Medical Group, Inc.

By: _____
Name:
Title:

Pacific Medical Holdings, Inc.

By: _____
Name:
Title:

Oncology Services International, Inc.

By: _____
Name:
Title:

Technical Options of Georgia, Inc.

By: _____
Name:
Title:

Jordan Health Products III, Inc.

By: _____
Name:
Title:

Exhibit A

Bidding Procedures Order

Exhibit B to Motion

Proposed Bid Procedures Order

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

In re:

JORDAN HEALTH PRODUCTS I, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12271 (TMH)

(Jointly Administered)

Re: Docket No. ____

**ORDER (I) APPROVING BID PROCEDURES IN CONNECTION WITH THE
POTENTIAL SALE OF THE DEBTORS' ASSETS, (II) SCHEDULING AN AUCTION
AND A SALE HEARING, (III) APPROVING THE FORM AND MANNER OF NOTICE
THEREOF, (IV) AUTHORIZING THE DEBTORS TO ENTER INTO STALKING
HORSE AGREEMENT, (V) APPROVING BID PROTECTIONS, (VI) APPROVING
PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF CONTRACTS
AND LEASES, AND (VII) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of the above-captioned debtors and debtors in possession (the “**Debtors**”) for entry of an order (this “**Order**”) (i) authorizing and approving the Bid Procedures attached hereto as Exhibit 1 (the “**Bid Procedures**”) in connection with the sale (the “**Sale**”) of all or substantially all of the Debtors’ assets (the “**Assets**”), (ii) scheduling an auction and hearing to consider the Sale of the Assets, (iii) approving the form and manner of notice thereof, (iv) authorizing the Debtors to enter into the Stalking Horse Agreement (as defined below), (v) approving the Bid Protections (as defined below) in connection therewith, (vi) approving procedures for the assumption and assignment of executory contracts and unexpired

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Jordan Health Products I, Inc. (9981); Global Medical Imaging, LLC (8828); D.R.E. Medical Group, Inc. (2356); Technical Options of Georgia, Inc. (5488); Jordan Health Products III, Inc. (9350); Transtate Equipment Company, Inc. (4201); Equipment Maintenance Solutions, Inc. (7216); Ultra Solutions Holdings, Inc. (2305); Ultra Solutions, LLC (3425); Pacific Medical Group, Inc. (4339); and Pacific Medical Holdings, Inc. (2135). The Debtors’ service address is 8700 W Bryn Mawr Ave., Suite 720S, Chicago, IL 60631. Debtor Jordan Health Products I, Inc. is doing business as Avante Health Solutions.

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

leases in connection with the Sale (collectively, the “**Contracts**”), and (vii) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration and other testimony and evidence submitted by the Debtors in support of the Motion; this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the “**Hearing**”); this Court having determined the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor:

THE COURT FINDS THAT:

A. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Rule 7052 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012.

C. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). The Debtors have confirmed their consent, pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), to the entry of a final order by this Court in connection with the Motion, to the

extent it is later determined this Court, absent the consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

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

E. The bases for the relief requested in the Motion are sections 105, 363, 365, 503, and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”), Bankruptcy Rules 2002, 6004, 6006, 9007, and 9014, and Local Rules 2002-1, 6004-1, and 9013-1(m).

F. Notice of the Motion has been given to: (a) the U.S. Trustee; (b) the holders of the thirty (30) largest unsecured claims against the Debtors on a consolidated basis; (c) counsel to the DIP Lenders; (d) counsel to the Stalking Horse Bidder; (e) the United States Attorney’s Office for the District of Delaware; (f) the Internal Revenue Service; (g) all state and local taxing authorities with an interest in the Assets; (h) the Attorney General for the State of Delaware; (i) the Securities and Exchange Commission; (j) all other governmental agencies with an interest in the Sale and transactions proposed thereunder; (k) all parties known or reasonably believed to have asserted an interest in the Assets; (l) the Contract Counterparties; (m) the Debtors’ insurance carriers; (n) all parties entitled to notice pursuant to Local Rule 9013-1(m); and (o) any party that has requested notice pursuant to Bankruptcy Rule 2002.

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

H. The Debtors have articulated good and sufficient reasons for this Court to (i) approve the Bid Procedures, (ii) schedule the bid deadlines and the Auction and the Sale Hearing, (iii) approve the form and manner of notice of the Auction and Sale Hearing, (iv) approve procedures for the assumption and assignment of the Contracts, including notice of the proposed cure amounts, (v) authorize the Debtors to enter into the Stalking Horse Agreements, and (vi) extend to the Stalking Horse Bidders the Bid Protections, in the exercise of their reasonable business judgment. The entry of this Order is in the best interests of the Debtors, their estates, creditors, and other parties in interest.

I. The Bid Procedures attached hereto as Exhibit 1 are reasonable, appropriate and represent the best method for maximizing value for the benefit of the Debtors, their estates, and their creditors. The Bid Procedures were negotiated at arm's length, in good faith, and without collusion. The Bid Procedures balance the Debtors' interests in emerging expeditiously from the chapter 11 cases while preserving the opportunity to attract value-maximizing proposals beneficial to the Debtors, their estates, their creditors, and other parties in interest. The Bid Procedures comply with the requirements of Local Rule 6004-1(c).

J. The Debtors have demonstrated compelling and sound business justifications for authorization to (i) enter into both that certain Asset Purchase Agreement, a copy of which is attached as Exhibit A to the Motion (the "**Stalking Horse Agreement**") by and among the Debtors and AHS Acquisition Holdings, LLC, a Delaware limited liability company (the "**Stalking Horse Bidder**") and (ii) offer the Stalking Horse Bidder reimbursement of the Stalking Horse Bidder's and its Affiliates' actual reasonable fees, costs and expenses (including reasonable attorneys' fees, fees of accountants, tax advisors, appraisals, surveys, insurance consultants, benefit consultants, lender fees (including fees of lenders' attorneys and other advisors)) and other professional fees,

incurred in connection with the transactions contemplated by the Stalking Horse Agreement including negotiation, due diligence, financing, participation in the Auction and Bankruptcy Case, documentation and other activities, up to a maximum of \$750,000 (the “**Expense Reimbursement**”) on the terms set forth in the Stalking Horse Agreement, and (c) an initial overbid (the “**Initial Overbid**” and, together with the Expense Reimbursement, the “**Bid Protections**”), consisting of the sum of the Expense Reimbursement and \$750,000. With respect to the Bid Protections, the Court makes the following findings:

- a. the Bid Protections are the product of extensive negotiations between the Debtors and the Stalking Horse Bidder conducted in good faith and at arm’s length, and the Stalking Horse Agreement (including the Bid Protections) is the culmination of a process undertaken by the Debtors and their professionals to negotiate a transaction with a bidder who was prepared to pay the highest price or otherwise best purchase price to date for the Assets to maximize the value of the Debtors’ estates;
- b. the Expense Reimbursement is an actual and necessary cost and expense of preserving the value of the Debtors’ estates;
- c. the Bid Protections are fair, reasonable, and appropriate in light of, among other things, the size and nature of the proposal Sale under the Stalking Horse Agreement, the substantial efforts that have been and will be expended by the Stalking Horse Bidder, including the identification and quantification of assets to be included in the Assets, and notwithstanding that the proposed sale is subject to higher and better offers, the substantial benefits the Stalking Horse Bidder has provided to the Debtors, their estates, their creditors, and all parties in interest, including, among other things, by increasing the likelihood that the best possible price for the Assets will be received;
- d. the Bid Protections were material inducements for, and express conditions of, the Stalking Horse Bidder’s willingness to enter into the Stalking Horse Agreement and were necessary to ensure that the Stalking Horse Bidder would continue to pursue the proposed acquisition on terms acceptable to the Debtors in their sound business judgment, subject to competitive bidding;
- e. the offer of the Bid Protections is intended to promote more competitive bidding by inducing the Stalking Horse Bid, which (i) will serve as a minimum floor bid on which all other bidders can rely with respect to the Assets, (ii) may prove to be the highest or otherwise best available offer for

the Assets, and (iii) increases the likelihood that the final purchase price will reflect the true value of the Assets; and

- f. the Stalking Horse Bidder is unwilling to commit to purchase the Assets under the terms of the Stalking Horse Agreement without approval of the Bid Protections.

K. The Debtors' performance of certain pre-closing obligations contained in the Stalking Horse Agreement is in the best interests of the Debtors, their estates, their creditors, and all other parties in interest, and represents a reasonable exercise of the Debtors' sound business judgment.

L. The Stalking Horse Bidder is not an "insider" or "affiliate" of any of the Debtors, as those terms are defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, managers, controlling shareholders, or other insider of the Debtors exist between the Stalking Horse Bidder and the Debtors.

M. The notice, substantially in the form attached hereto as Exhibit 2, provided by the Debtors regarding the Sale of the Assets by Auction and Sale Hearing (the "**Sale Notice**"), is reasonably calculated to provide interested parties with timely and proper notice of the proposed Sale, including, without limitation: (i) the date, time, and place of the Auction (if one is held), (ii) the Bid Procedures and certain dates and deadlines related thereto, (iii) the deadline for filing objections to the Sale and entry of the Sale Order, and the date, time, and place of the Sale Hearing, (iv) reasonably specific identification of the assets for sale, (v) instructions for promptly obtaining a copy of the Stalking Horse Agreement, (vi) a description of the Sale as being free and clear of liens, claims, interests, and other encumbrances, with all such liens, claims, interests, and other encumbrances attaching with the same validity and priority to the sale proceeds, (vii) the commitment by the Stalking Horse Bidder to assume certain liabilities disclosed in the Stalking Horse Agreement (collectively, the "**Assumed Liabilities**"), and (viii) notice of the proposed

assumption and assignment of Assigned Contracts to the Stalking Horse Bidder (or such other Contracts to another Successful Bidder (as defined in the Bid Procedures) arising from the Auction, if any) and the right, procedures, and deadlines for objecting thereto. No other or further notice of the Sale shall be required.

N. The Motion, this Order, and the Assignment Procedures (as defined below) set forth herein are appropriate and reasonably calculated to provide counterparties to any Contracts to be assumed by the Debtors and assigned to the Successful Bidder with proper notice of the intended assumption and assignment of their Contracts, the procedures in connection therewith, and any cure amounts relating thereto.

O. Neither the filing of the Motion, entry of this Order, the solicitation of bids or the conducting of the Auction in accordance with the Bid Procedures nor any other actions taken by the Debtors in accordance therewith shall constitute a sale of the Assets, which sale will only take place, if at all, following the Sale Hearing.

IT IS HEREBY ORDERED THAT:

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

B. The Bid Procedures

3. The Bid Procedures, attached hereto as Exhibit 1, are hereby approved in their entirety and fully incorporated into this Order. The Bid Procedures shall govern the submission, receipt, and analysis of all bids relating to the proposed Sale and any party desiring to submit a higher or better offer for the Assets or any portion thereof must comply with the terms of the Bid

Procedures and this Order. The Bid Procedures shall also govern the terms on which the Debtors will proceed with the Auction and/or Sale pursuant to the Stalking Horse Agreements.

4. The Stalking Horse Bidder shall be deemed a Qualified Bidder pursuant to the Bid Procedures for all purposes.

5. The following dates and deadlines regarding competitive bidding are hereby established (subject to modification in accordance with the Bid Procedures):

Date and Time (prevailing Eastern Time)	Event	Description
October 24, 2024	Service of Sale Notice	The deadline for Debtors to serve the Sale Notice.
October 25, 2024	Deadline to serve Cure and Possible Assumption and Assignment Notices	The deadline for Debtors to serve Cure and Possible Assumption and Assignment Notices to all Contract Counterparties.
November 14, 2024 at 4:00 p.m.	Cure Objection Deadline and Sale Objection Deadline	The deadline to object to: (i) the Stalking Horse Agreement; (ii) the Sale; and (iii) the potential assumption and assignment of the Assumed Contracts and Cure Amounts; provided, however, that any (x) objections to the conduct of the Auction or designation of the Successful Bid(s) or Backup Bid(s) and (y) Adequate Assurance Objections not related to the Stalking Horse Bidder may be filed by the Auction Objection Deadline.
November 15, 2024 at 5:00 p.m.	Bid Deadline	The deadline by which Bids for the Assets must be actually received pursuant to the Bidding Procedures.
November 19, 2024 at 10:00 a.m.	Auction (if necessary)	The date and time of the Auction, if necessary, which will be held either remotely or in person at the offices of Polsinelli PC, 222 Delaware Ave., Suite 1101, Wilmington, Delaware, 19801 or at such later date and time as determined by the Debtors.
Within 24 Hours of the Auction	Deadline to File Notice of Successful Bidder	The deadline by which the Debtors must file and serve the Notice of Successful Bidder.

November 21, 2024	Auction Deadline	Objection	The deadline to object to the Auction, the designation of Successful Bid or Backup Bid, or the proposed Adequate Assurance in respect to an Assumed Contract (other than with respect to the Stalking Horse Bidder).
November 22, 2024 at 10:00 a.m.	Sale Hearing		Subject to the Court's availability, the proposed date and time of the Sale Hearing.

C. Entry into Stalking Horse Agreement s

6. The Debtors are authorized to perform all of their respective pre-closing obligations under the Stalking Horse Agreement; *provided* that for the avoidance of doubt, approval and consummation of the transactions contemplated by the Stalking Horse Agreement shall be subject to the terms and conditions herein and the entry of an order approving the Sale and the satisfaction or waiver of the other conditions to closing on the terms set forth in the Stalking Horse Agreement.

D. Approval of the Bid Protections

7. The Bid Protections are hereby approved. The Debtors are authorized to pay the Stalking Horse Bidder the Expense Reimbursement if and to the extent they become due and payable under the Stalking Horse Agreement and the terms of this Order and the Bid Procedures.

8. The Expense Reimbursement shall constitute an allowed superpriority administrative expense claim against the Debtors' bankruptcy estates pursuant to Bankruptcy Code sections 363, 364(c)(1), 503(b), 507(a)(2), and 507(b). The Debtors' obligation to pay the Expense Reimbursement shall survive the termination of the Stalking Horse Agreement and shall be payable only by the Debtors as otherwise provided in the Stalking Horse Agreement and the terms of this Order and the Bid Procedures.

9. The Expense Reimbursement shall be payable by the Debtors as provided in the Stalking Horse Agreement and the terms of this Order and the Bid Procedures. To the extent not paid earlier, the Expense Reimbursement shall be payable from the applicable proceeds of the Sale

prior to any other payments or distributions being made from such Sale proceeds (including, for the avoidance of doubt, prior to any payments or distributions to professionals, or administrative claimants) and the Debtors' cash on hand. No further or additional order from the Court shall be required in order to give effect to such provisions relating to the terms of payment of the Expense Reimbursement and the Stalking Horse Bidder's professional advisors are not obligated to comply with any provisions of the Bankruptcy Code regarding Court approval of professional fees payable by the Debtors and included in the Expense Reimbursement.

10. Each Debtor's obligations relating to the Bid Protections arising under or in connection with the Stalking Horse Agreements shall be binding and enforceable against each such Debtor and its respective estate, and, as applicable, (i) any of its successor or assigns, (ii) any trustee, examiner, or other representative of the Debtors' estates, (iii) the reorganized Debtors, and (iv) any other entity vested or re-vested with any right, title, or interest in or to a material portion of the assets directly or indirectly owned by the Debtors or any other person claiming any rights in or control over a material portion of such assets (each, a "**Debtor Successor**") as if such Debtor Successor was the Debtors.

E. The Auction

11. As further described in the Bid Procedures, if a Qualified Bid, other than the Stalking Horse Agreement, is received by the Bid Deadline, the Debtors will conduct the Auction at **10:00 a.m. (prevailing Eastern Time) on November 19, 2024**, at the offices of the Debtors' counsel, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, DE 19801 or such later time on such day or other place as, including remote, the Debtors shall determine and notify all Qualified Bidders who have submitted Qualified Bids, if a Qualified Bid is timely received. The Debtors reserve the right to permit Qualified Bidders to attend the Auction virtually in which case the Debtors shall provide virtual access information to Qualified Bidders who request it. The

Debtors are authorized, subject to the terms of this Order and the Bid Procedures, to take actions reasonably necessary to conduct and implement the Auction.

12. If the Debtors do not receive a Qualified Bid (other than the Stalking Horse Agreement): (i) the Debtors may cancel the Auction, (ii) the Stalking Horse Agreement may be deemed by the Debtors to be the Successful Bid for the Assets, and (iii) the Debtors shall be authorized to seek approval of the Stalking Horse Agreement as the Successful Bid at the Sale Hearing.

13. Only Qualified Bidders (including, for the avoidance of doubt, the Stalking Horse Bidder) will be entitled to make any Bids at the Auction.

14. The Debtors and their professionals shall direct and preside over the Auction, and the Auction shall be transcribed or videotaped.

15. Each Qualified Bidder (including, for the avoidance of doubt, the Stalking Horse Bidder) participating in the Auction must confirm that it (a) has not engaged in any collusion with respect to the bidding or sale of any of the assets described herein, (b) has reviewed, understands, and accepts the Bid Procedures, and (c) has consented to the core jurisdiction of this Court and to the entry of a final order by this Court on any matter related to this Order, the Sale, or the Auction if it is determined that this Court would lack Article III jurisdiction to enter such a final order or judgment absent the consent of the parties.

16. The Stalking Horse Bidder shall be deemed to be a Qualified Bidder.

17. In the event of a competing Qualified Bid, all Qualified Bidders will be entitled, but not obligated, to submit Overbids.

18. The Debtors may (i) determine, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the

Assets, which Qualified Bid or combination of Qualified Bids (including the Stalking Horse Agreement) is the highest or otherwise best offer; (ii) reject at any time before the entry of the Sale Order any Bid (other than the Stalking Horse Agreement) that, in the discretion of the Debtors, is (a) inadequate or insufficient, (b) not in conformity with the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, or the Bid Procedures, or (c) contrary to the best interest of the Debtors, their estates, their creditors, interest holders, or other parties in interest; and (iii) at or before the conclusion of the Auction may impose such other terms and conditions upon Qualified Bidders (other than the Stalking Horse Bidder) as the Debtors determine to be in the best interest of the Debtors' estates.

19. No person or entity, other than the Stalking Horse Bidder, shall be entitled to any expense reimbursement, break-up fee, topping or termination fee, or other similar fee or payment, and, by submitting a Bid, such person or entity is deemed to have waived its right to request or file with this Court any request for expense reimbursement or any other fee of any nature in connection with the Auction and the Sale, whether by virtue of Bankruptcy Code section 503(b) or otherwise.

F. Assumption and Assignment Notices & Procedures

20. The procedures set forth below regarding the assumption and assignment of the executory contracts proposed to be assumed by the Debtors pursuant to section 365(b) of the Bankruptcy Code and assigned to the Stalking Horse Bidder (or other applicable Successful Bidder, if any) pursuant to section 365(f) of the Bankruptcy Code in connection with the Sale (the “**Assignment Procedures**”) are hereby approved to the extent set forth herein. These Assignment Procedures shall govern the assumption and assignment of all of the Contracts to be assumed and assigned in connection with the Sale, subject to the payments necessary to cure any defaults arising under any such Contracts.

21. On or prior to **October 25, 2024**, the Debtors shall serve via overnight delivery on all non-Debtor counterparties (each a “**Contract Counterparty**” and, collectively, the “**Contract Counterparties**”) to any Contract (the “**Cure and Possible Assumption and Assignment Notice Parties**”) that may be assumed by the Debtors and assigned to the Stalking Horse Bidder or other applicable Successful Bidder after the results of the Auction, which notice shall be substantially in the form attached hereto as Exhibit 3 (a “**Cure and Possible Assumption and Assignment Notice**”). The Cure and Possible Assumption and Assignment Notice shall inform each recipient of the timing and procedures relating to such assumption and assignment, and, to the extent applicable, (i) the title of the executory contract or unexpired lease, as applicable, (ii) the name of the counterparty to the executory contract or unexpired lease, as applicable, (iii) the Debtors’ good faith estimate of the cure amount (if any) required in connection with the executory contract or unexpired lease, as applicable, (iv) the identity of the Stalking Horse Bidder (as assignee, if applicable), and (v) the Contract Objection Deadline (as defined below). The presence of a Contract on the Cure and Possible Assumption and Assignment Notice does not constitute an admission that such Contract is an executory contract or unexpired lease, and the presence of a Contract on any notice shall not prevent the Debtors from subsequently withdrawing such request for assumption or rejecting such Contract any time before such Contract is actually assumed and assigned pursuant to the Sale Order.

22. Objections, if any, to the cure amount set forth on the Cure and Possible Assumption and Assignment Notice or the possible assignment of its executory contract or unexpired lease (each, a “**Contract Objection**”) **must** (i) be in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules and the Local Rules, and (iii) state with specificity the nature of the objection and, if the objection pertains to the proposed cure amount, the correct

cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof, and (iv) be filed with the Bankruptcy Court and served on the following parties so as to be actually received on or before **November 14, 2024, at 4:00 p.m. (prevailing Eastern Time)** (the “**Contract Objection Deadline**”): (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), (iii) counsel for the Prepetition Lender, DIP Lender, and Stalking Horse Bidder, Schulte Roth and Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and Reuben Dizengoff (reuben.dizengoff@srz.com) and Landis Rath & Cobb, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis (landis@lrclaw.com) and Matthew B. McGuire (mcguire@lrclaw.com); (iv) counsel for the Creditors’ Committee, if any, (v) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Ste. 2207 – Lockbox #35, Wilmington, DE 19801, Attn: Attn: Hannah J. McCollum (hannah.mccollum@usdoj.gov), and (vi) the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801. If a Successful Bidder that is not the Stalking Horse Bidder prevails at the Auction with respect to a given Sale, then the deadline to object to assumption and assignment solely with respect to the adequate assurance of future performance shall be extended to the Auction Objection Deadline of **November 21, 2024 at 4:00 p.m.**; *provided, however*, that the deadline to object to the proposed cure amount shall not be so extended.

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

24. Where a Contract Counterparty to an Assigned Contract files a timely Contract Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, or objecting to the possible assignment of that Contract Counterparty's executory contract or unexpired lease, and the parties are unable to consensually resolve the dispute, the amount to be paid under Bankruptcy Code section 365 (if any) or, as the case may be, the Debtors' ability to assign the executory contract or unexpired lease to the applicable Successful Bidder will be determined at the Sale Hearing.

25. In the event of a timely filed objection by a Contract Counterparty regarding any Cure Amount with respect to any of the Contracts, the Cure Amounts owed to such Contract Counterparty shall be paid as soon as reasonably practicable after the later of (i) the effective date

of the assumption and assignment of such Assumed Contract, and (ii) the entry of a final order that resolves the dispute and approves the assumption and assignment of such Assumed Contract.

G. Notice of the Sale Process

26. The Sale Notice and the Cure and Possible Assumption and Assignment Notice, substantially the forms as annexed to this Order as Exhibit 2, and Exhibit 3, respectively, and the Bid Procedures Notice, in substantially the forms as annexed to the Motion as Exhibit D, respectively, are hereby approved.

27. Within two (2) business days after the entry of this Order, the Debtors (or their agent) shall serve the Sale Notice by first-class mail upon: (a) the U.S. Trustee; (b) the holders of the thirty (30) largest unsecured claims against the Debtors; (c) counsel to the Prepetition Lender, DIP Lender, and Stalking Horse Bidder; (d) all other parties who have expressed a written interest in the Assets; (e) the United States Attorney's Office for the District of Delaware; (f) the Internal Revenue Service; (g) all state and local taxing authorities with an interest in the Assets; (h) the Attorney General for the State of Delaware; (i) the Securities and Exchange Commission; (j) all other governmental agencies with an interest in the Sale and transactions proposed thereunder; (k) all parties known or reasonably believed to have asserted an Interest in the Assets; (l) the Contract Counterparties; (m) the Debtors' insurance carriers; and (n) all parties entitled to notice pursuant to Local Rule 9013-1(m); and (o) any party that has requested notice pursuant to Bankruptcy Rule 2002.

28. As soon as practicable after the entry of this Order, the Debtors shall publish the Bid Procedures Notice in *The Wall Street Journal (National Edition)*. In addition, as soon as reasonably practicable, but in no event later than three (3) business days after entry of this Order, the Debtors will also post the Sale Notice and this Bid Procedures on the website maintained by the Debtors' claims and noticing agent, available at <https://omniagentsolutions.com/Avante>. Such

publication notice as set forth in the preceding two sentences shall be deemed sufficient and proper notice of the Sale to any other interested parties whose identifies are unknown to the Debtors.

H. The Sale Hearing

29. The Sale Hearing will be conducted on _____, 2024, at __:_0 _m. **(prevailing Eastern Time)**. The Debtors will seek entry of one or more orders of the Court at the Sale Hearing approving and authorizing the sale of the Assets to the Successful Bidder. Upon entry of this Order, the Debtors are authorized to perform any obligation intended to be performed prior to the Sale Hearing or entry of the Sale Order with respect thereto. The Sale Hearing may be adjourned from time to time without further notice other than such announcement being made in open court or a notice of adjournment filed on the Court's docket.

I. Objections to the Sale

30. Objections, if any, to the relief requested in the Motion relating to the Sale (each, a **"Sale Objection"**) must: (i) be in writing, (ii) comply with the Bankruptcy Rules and the Local Rules, (iii) be filed with the Court, and (iv) be served so it is actually received no later than **4:00 p.m. (prevailing Eastern Time) on November 14, 2024**, by (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), (iii) counsel for the Prepetition Lender, DIP Lender, and Stalking Horse Bidder, Schulte Roth and Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and Reuben Dizengoff (reuben.dizengoff@srz.com) and Landis Rath & Cobb, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis (landis@lrclaw.com) and Matthew B. McGuire (mcguire@lrclaw.com); (iv) counsel for the Creditors' Committee, if any, (v) the Office

of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Ste. 2207 – Lockbox #35, Wilmington, DE 19801, Attn: Hannah J. McCollum (hannah.mccollum@usdoj.gov), and (vi) the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801; *provided, however*, that any objection relating to the Auction may be filed and served no later than the Auction Objection Deadline of **November 21, 2024 at 4:00 p.m.**

31. A party's failure to timely file a Sale Objection in accordance with this Order shall forever bar the assertion, at the Sale Hearing or otherwise, of any objection to the relief requested in the Motion, or to the consummation of the Sale and the performance of the related transactions, including the transfers of the Assets to the Successful Bidder, free and clear of all liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code, and shall be deemed to be a "consent" for purposes of section 363(f) of the Bankruptcy Code.

J. Other Relief Granted

32. Notwithstanding anything to the contrary contained in this Order or otherwise: (a) the right of the DIP Lender to consent to the sale of any portion of their collateral, including, without limitation, the applicable Assets, on terms and conditions acceptable to the DIP Lender, shall be expressly reserved and not modified, waived or impaired in any way by this Order. The Debtor shall consult with the Creditors' Committee prior to employing any additional procedural rules at the Auction.

33. Nothing in this Order, the Stalking Horse Agreement, or the Motion shall be deemed to or constitute the assumption or assignment of an executory contract or unexpired lease.

34. The requirements of Bankruptcy Rules 6004(h) and 6006(d) are waived.

35. The Debtors are hereby authorized to conduct the Sale without the necessity of complying with any state or local bulk transfer laws or requirements.

36. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion. The Bid Procedures, substantially in the form attached hereto as Exhibit 1, are incorporated herein and are hereby approved in their entirety, and the Bid Procedures shall govern the submission, receipt, and analysis of all Bids relating to any proposed Sale. Any party desiring to submit a Bid shall comply with the Bid Procedures and this Order. The Debtors are authorized to take any and all actions necessary to implement the Bid Procedures. Subject to the terms of the Bid Procedures, the Debtors may modify the Bid Procedures as necessary or appropriate to maximize value for their estates.

37. The Debtors may modify any of the deadlines set forth herein or provide for additional deadlines (except as expressly provided otherwise in the Stalking Horse Agreement), in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, provided that the Debtors will disclose all applicable deadlines on the docket for these Chapter 11 Cases.

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

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

Exhibit 1 to Bid Procedures Order

Bid Procedures

Exhibit 1

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

In re:

JORDAN HEALTH PRODUCTS I, INC, *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12271 (TMB)

(Jointly Administered)

BID PROCEDURES²

In the exercise of their good faith reasonable business judgment, the above-captioned debtors and debtors in possession (the “**Debtors**”) have executed an Asset Purchase Agreement (the “**Stalking Horse Agreement**”) with AHS Acquisition Holdings, LLC, a Delaware limited liability company (the “**Stalking Horse Bidder**”), pursuant to which (i) the Stalking Horse Bidder proposes to (a) purchase, acquire, and take assignment and delivery of the Assets (defined as the “**Acquired Assets**” in the Stalking Horse Agreement) and (b) assume certain Assumed Liabilities (as defined in the Stalking Horse Agreement), and (ii) the Debtors propose to, under certain circumstances in connection with the termination of the Stalking Horse Agreement reimburse the Stalking Horse Bidder and its Affiliates’ actual reasonable fees, costs and expenses (including reasonable attorneys’ fees, fees of accountants, tax advisors, appraisals, surveys, insurance consultants, benefit consultants, lender fees (including fees of lenders’ attorneys and other advisors)) and other professional fees, incurred in connection with the transactions contemplated by the Stalking Horse Agreement including negotiation, due diligence, financing, participation in the Auction and Bankruptcy Case, documentation and other activities, up to a maximum of \$750,000 (the “**Expense Reimbursement**”), in each case, in accordance with the terms and conditions of the Stalking Horse Agreement.

On [●], 2024, the Bankruptcy Court entered an order [Docket No. [●]] (the “**Bid Procedures Order**”) approving, among other things, these bid procedures (the “**Bid Procedures**”).

These Bid Procedures set forth the process by which the Debtors are authorized to conduct the auction (the “**Auction**”) for the sale (the “**Sale**”) of the Assets. Subject to the entry of the Sale Order, the Sale may be implemented pursuant to the terms and conditions of the Stalking Horse Agreement, as the same may be amended pursuant to the terms thereof, subject to the receipt of

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Jordan Health Products I, Inc. (9981); Global Medical Imaging, LLC (8828); D.R.E. Medical Group, Inc. (2356); Technical Options of Georgia, Inc. (5488); Jordan Health Products III, Inc. (9350); Transtate Equipment Company, Inc. (4201); Equipment Maintenance Solutions, Inc. (7216); Ultra Solutions Holdings, Inc. (2305); Ultra Solutions, LLC (3425); Pacific Medical Group, Inc. (4339); and Pacific Medical Holdings, Inc. (2135). The Debtors’ service address is 8700 W Bryn Mawr Ave., Suite 720S, Chicago, IL 60631. Debtor Jordan Health Products I, Inc. is doing business as Avante Health Solutions.

² Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Motion or the Bid Procedures Order, as applicable.

higher or otherwise better Bids (as defined below) in accordance with these Bid Procedures. Pursuant to the Bid Procedures, the Debtors will determine, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, the highest or otherwise best prices for the sale of the Assets.

A. Important Dates

Date and Time (prevailing Eastern Time)	Event	Description
October 24, 2024	Service of Sale Notice	The deadline for Debtors to serve the Sale Notice.
October 25, 2024	Deadline to serve Cure and Possible Assumption and Assignment Notices	The deadline for Debtors to serve Cure and Possible Assumption and Assignment Notices to all Contract Counterparties.
November 14, 2024 at 4:00 p.m.	Cure Objection Deadline and Sale Objection Deadline	The deadline to object to: (i) the Stalking Horse Agreement; (ii) the Sale; and (iii) the potential assumption and assignment of the Assumed Contracts and Cure Amounts; provided, however, that any (x) objections to the conduct of the Auction or designation of the Successful Bid(s) or Backup Bid(s) and (y) Adequate Assurance Objections not related to the Stalking Horse Bidder may be filed by the Auction Objection Deadline.
November 15, 2024 at 5:00 p.m.	Bid Deadline	The deadline by which Bids for the Assets must be actually received pursuant to the Bidding Procedures.
November 19, 2024 at 10:00 a.m.	Auction (if necessary)	The date and time of the Auction, if necessary, which will be held either remotely or in person at the offices of Polsinelli PC, 222 Delaware Ave., Suite 1101, Wilmington, Delaware, 19801 or at such later date and time as determined by the Debtors.
Within 24 Hours of the Auction	Deadline to File Notice of Successful Bidder	The deadline by which the Debtors must file and serve the Notice of Successful Bidder.
November 21, 2024	Auction Objection Deadline	The deadline to object to the Auction, the designation of Successful Bid or Backup Bid, or the proposed Adequate Assurance in respect to an Assumed Contract (other than with respect to the Stalking Horse Bidder).

November 22, 2024 at 10:00 a.m.	Sale Hearing	Subject to the Court's availability, the proposed date and time of the Sale Hearing.
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B. Marketing Process

1. Contact Parties

The Debtors and their advisors have developed a list of parties who the Debtors believe may potentially be interested in and who the Debtors reasonably believe would have the financial resources to consummate the Sale, which list includes both potential strategic and financial investors (each, individually, a “**Contact Party**”, and collectively, the “**Contact Parties**”). The Debtors’ investment banker, Livingstone Partners (“**Livingstone**”), has contacted or will contact the Contact Parties to explore their interest in pursuing the Sale. The Contact Parties may include parties whom the Debtors or their advisors have previously contacted regarding the Sale, regardless of whether such parties expressed any interest, at such time, in pursuing the Sale. The Debtors will continue to discuss and may supplement the list of Contact Parties throughout the marketing process, as appropriate.

The Debtors may distribute to each Contact Party an “**Information Package**,” which is comprised of:

- (a) a cover letter;
- (b) a copy of these Bid Procedures;
- (c) a copy of a confidentiality agreement in a form acceptable to the Debtors (the “**Confidentiality Agreement**”); and
- (d) a copy of the Stalking Horse Agreement.

2. Access to Diligence Materials

To participate in the bidding process and to receive access to any materials relating to the Assets (the “**Diligence Materials**”), a party must submit to the Debtors an executed Confidentiality Agreement. The executed Confidentiality Agreement must be signed and transmitted by the person or entity wishing to have access to the Debtors’ data room (the “**Data Room**”) and any other Diligence Materials.

A party who qualifies for access to the Diligence Materials shall be a “**Preliminarily Interested Investor**.” All due diligence requests must be directed to Livingstone or counsel to the Debtors.

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

No due diligence will continue after the Bid Deadline (defined below). The Debtors shall provide the Stalking Horse Bidder with access to all material due diligence materials, management presentations, on-site inspections, and other information provided to any Preliminary Interested Investor or Qualified Bidder that were not previously made available to the Stalking Horse Bidder concurrently with the provision of such information or materials to such Preliminary Interest Investor or Qualified Bidder, as applicable.

3. Auction Qualification Process

To be eligible to participate in the Auction, each offer, solicitation, or proposal (each, a “**Bid**”), and each party submitting such a Bid (each, a “**Bidder**”), must be determined by the Debtors, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, to satisfy each of the following conditions:

- (1) **Good Faith Offer; Partial Bids:** Each Bid must constitute a good faith, bona fide offer to purchase all or a portion of the Assets (it being understood that partial bids may be permitted only if the combined consideration exceeds the Purchase Price of the Stalking Horse Agreement).
- (2) **Good Faith Deposit:** Each Bid (other than the Bid made by the Stalking Horse Bidder) must be accompanied by a deposit in the amount of ten percent (10%) of the Bid’s proposed cash purchase price to an interest bearing escrow account to be identified and established by the Debtors (the “**Good Faith Deposit**”).
- (3) **Terms:** A Bid (or combination of Bids) must be on terms that are substantially the same or better than the terms of the Stalking Horse Agreement, as determined by the Debtors in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets.
- (4) **Executed Agreement:** Each Bid must include (i) executed transaction documents, signed by an authorized representative of such Bidder and (ii) a copy of such asset purchase agreement marked to show all changes requested by the Bidder as compared to the Stalking Horse Agreement (a “**Modified Purchase Agreement**”). A Bid will not be considered qualified for the Auction if (i) such Bid contains additional material representations and warranties, covenants, closing conditions, termination rights other than as may be included in the Stalking Horse Agreement (it being agreed and understood such Bid shall modify the Stalking Horse Agreement as needed to comply in all respects with the Bid Procedures Order and will remove provisions that apply only to the Stalking Horse Bidder such as the Bid Protections); (ii) such Bid is not received by the Debtors in writing on or prior to the Bid Deadline, and (iii) such Bid does not contain evidence that the Person submitting it has received unconditional debt and/or equity funding commitments (or has unrestricted and fully available cash) sufficient in the aggregate to finance the purchase contemplated thereby, including proof the Good Faith Deposit has been made. Each Modified Purchase Agreement must provide (1) a commitment to

close within two (2) business days after all closing conditions are met and (2) a representation that the Bidder will (a) make all necessary filings under the Hart Scott Rodino Antitrust Improvements Act of 1976, as amended (the “**HSR Act**”), and (b) submit all necessary filings under the HSR Act within five (5) calendar days following the effective date of the Modified Purchase Agreement.

- (5) **Designation of Contracts and Leases:** A Bid must identify any and all executory contracts and unexpired leases of the Debtors that the Bidder wishes to be assumed pursuant to a Sale. A Bid must specify whether the Debtors or the Bidder will be responsible for any cure costs associated with such assumption, and include a good faith estimate of such cure costs (which estimate shall be provided by the Debtors).
- (6) **Designation of Assumed Liabilities:** A Bid must identify all liabilities which the Bidder proposes to assume.
- (7) **Amount of Bid:** Each Bid or combination of Bids must be for all of the Assets or portion thereof and shall clearly show the amount of the purchase price. In addition, a Bid or combination of Bids (a) must propose a purchase price equal to or greater than the sum of (i) the value of the Stalking Horse Agreement, as determined by the Debtors in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets; and (ii) the applicable Overbid, (b) must obligate the Bidder(s) to pay, to the extent provided in the Stalking Horse Agreement, all amounts which the Stalking Horse Bidder has agreed to pay, including any assumed liabilities (as set forth in the Stalking Horse Agreement).
- (8) **Corporate Authority:** Written evidence reasonably acceptable to the Debtors demonstrating appropriate corporate authorization to consummate the proposed transaction; *provided, however*, if the Bidder is an entity specially formed for the purpose of effectuating the transaction, then the Bidder must furnish written evidence reasonably acceptable to the Debtors of the approval of the transaction by the equity holder(s) of such Bidder.
- (9) **Disclosure of Identity of Potential Bidder:** A Bid must fully disclose the identity of each entity that will be bidding for or purchasing the Assets or otherwise participating in connection with such Bid (including the identity of any parent companies of such entity), and the complete terms of any such participation, including any connections, agreements, arrangements or understanding with the Debtors, the Stalking Horse Bidder, or any other known, potential, or prospective bidder, or Potential Bidder, or any officer, director, or equity holder of the Debtors. Under no circumstances shall any undisclosed principals, equity holders or financial backers be associated with any Bid. Each Bid must also include contact information for the specific person(s) and counsel whom the Debtors’ advisors should contact regarding such Bid.
- (10) **Proof of Financial Ability to Perform:** Written evidence the Debtors reasonably conclude demonstrates the Bidder has the necessary financial ability to close the

transaction and provide adequate assurance of future performance under all contracts to be assumed and assigned in such transaction. Such information should include, *inter alia*, the following:

- (a) contact names and numbers for verification of financing sources,
 - (b) written evidence of the Bidder's internal resources and proof of any debt or equity funding commitments that are needed to close the transaction;
 - (c) the Bidder's current financial statements (audited if they exist);
 - (d) a description of the Bidder's pro forma capital structure; and
 - (e) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors demonstrating such Bidder has the ability to close the transaction; *provided, however*, the Debtors shall determine in their reasonable discretion, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, whether the written evidence of such financial wherewithal is reasonably acceptable, and shall not unreasonably withhold acceptance of a Bidder's financial qualifications.
- (11) **Regulatory and Third Party Approvals:** A Bid must set forth each regulatory and third-party approval required for the Bidder to consummate the Sale, and the time period within which the Bidder expects to receive such regulatory and third-party approvals.
- (12) **Employees:** A Bid must detail the treatment of the employees of the Debtors.
- (13) **Conditions/Contingencies:** Except as provided in the Stalking Horse Agreement, a Bid may not be conditioned on obtaining financing or any internal approval, or on the outcome or review of due diligence, but may be subject to the accuracy at the closing of specified representations and warranties in the manner set forth in the Stalking Horse Agreement.
- (14) **Irrevocable:** A Bid must be irrevocable until two (2) business days after the closing of the Sale. Each Bidder (including the Stalking Horse Bidder) further agrees that its Bid, if not chosen as the Successful Bidder, shall serve, without modification, as a Backup Bidder (as defined below) as may be designated by the Debtors at the Sale Hearing, in the event the Successful Bidder fails to close as provided in the Successful Bidder's purchase agreement, as modified, if at all, and the Sale Order.
- (15) **Time Frame for Closing:** A Bid by a Bidder must be reasonably likely (based on antitrust or other regulatory issues, experience, and other considerations) to be consummated, if selected as the Successful Bid, within a time frame acceptable to the Debtors, in consultation with the Prepetition Lender and DIP Lender, in each

case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, but in no event later than **fifty (50) days after the Petition Date**.

- (16) **Consent to Jurisdiction:** Each Bidder must submit to the jurisdiction of the Bankruptcy Court to enter an order or orders, which shall be binding in all respects, in any way related to the Debtors, the Bid Procedures, and the Auction.
- (17) **Disclaimer of Fees:** Each Bid (other than the Stalking Horse Agreement) must disclaim any right to receive a fee analogous to a break-up fee, expense reimbursement, termination fee, or any other similar form of compensation. For the avoidance of doubt, no Qualified Bidder (other than the Stalking Horse Bidder) will be permitted to request, nor be granted by the Debtors, at any time, whether as part of the Auction or otherwise, a break-up fee, expense reimbursement, termination fee, or any other similar form of compensation. By submitting its Bid, each Bidder (other than the Stalking Horse Bidder) is agreeing to refrain from and waive any assertion or request for reimbursement on any basis, including pursuant to Bankruptcy Code section 503(b).
- (18) **Bid Deadline:** Regardless of when a party qualifies as a Preliminarily Interested Investor, the Debtors must receive a Bid in writing, on or before **November 15, 2024, at 5:00 p.m. (prevailing Eastern Time)** or such later date as may be agreed to by the Debtors (the “**Bid Deadline**”). Bids must be sent to the following by the Bid Deadline to be considered: (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), and (iii) counsel for the Creditors’ Committee.

A Bid received from a Bidder before the Bid Deadline that meets the above requirements shall constitute a “**Qualified Bid**,” and such Bidder shall constitute a “**Qualified Bidder**.” The Stalking Horse Bidder shall be deemed to be a Qualified Bidder.

Within two (2) days after the Bid Deadline, the Debtors and their advisors, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, will determine which Bidders are Qualified Bidders and will notify such Bidders whether Bids submitted constitute Qualified Bids so as to enable such Qualified Bidders to attend the Auction. Any Bid that is not deemed a Qualified Bid will not be considered by the Debtors. The Stalking Horse Agreement will be deemed a Qualified Bid, qualifying the Stalking Horse Bidder as a Qualified Bidder to participate in the Auction. To the extent there is any dispute regarding whether a bidder is a Qualified Bidder, such dispute may be raised with the Bankruptcy Court on an expedited basis prior to the commencement of the Auction.

Between the date that the Debtors notify a Bidder that it is a Qualified Bidder and the Auction, the Debtors may discuss, negotiate, or seek clarification of any Qualified Bid from a Qualified Bidder. Without the prior written consent of the Debtors, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is

no longer bidding for the Assets, a Qualified Bidder may not modify, amend, or withdraw its Qualified Bid, except for proposed amendments to increase the consideration contemplated by, or otherwise improve the terms of, the Qualified Bid, during the period that such Qualified Bid remains binding as specified in these Bid Procedures; *provided* that any such Qualified Bid may be improved at the Auction as set forth herein. Any improved Qualified Bid must continue to comply with the requirements for Qualified Bids set forth in these Bid Procedures.

Prior to the Auction, the Debtors and their advisors will evaluate Qualified Bids and identify the Qualified Bid (or combination of Qualified Bids) that is, in the Debtors' reasonable business judgment and in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, the highest or otherwise best bid (the "**Starting Bid**") with respect to the Sale. For the avoidance of doubt, the Starting Bid shall equal (or exceed) an amount equal to the value of the Stalking Horse Agreement plus the Initial Overbid, which shall consist of the sum of the Expense Reimbursement and \$750,000. In making such determination, the Debtors will take into account, among other things, the execution risk attendant to any submitted bids. Within twenty-four (24) hours of such determination, but in no event later than twenty-four (24) hours before the start of the Auction, the Debtors will (i) notify the Stalking Horse Bidder and the Creditors' Committee as to which Qualified Bid is the Starting Bid and (ii) distribute copies of the Starting Bid to each Qualified Bidder who has submitted a Qualified Bid and the Creditors' Committee.

C. Auction

If one or more Qualified Bids is received by the Bid Deadline (other than the Stalking Horse Agreement), the Debtors will conduct the Auction to determine the highest and best Qualified Bid or combination of Qualified Bids with respect to each Sale. This determination shall take into account any factors the Debtors reasonably deem relevant to the value of the Qualified Bid to the estates, including, *inter alia*, the following: (a) the amount and nature of the consideration; (b) the amount of the net cash component payable to the Debtors; (c) the proposed assumption of any liabilities and/or executory contracts or unexpired leases, if any, and the excluded assets and/or executory contracts or unexpired leases, if any; (d) the ability of the Qualified Bidder to close the proposed Sale and the conditions related thereto, and the timing thereof; (e) whether the Bid is a bulk bid or a partial bid for only some of the Assets; (f) the proposed closing date and the likelihood, extent and impact of any potential delays in closing; (g) any purchase price adjustments; (h) the impact of the Sale on any actual or potential litigation; (i) the net after-tax consideration to be received by the Debtors' estates; and (j) the tax consequences of such Qualified Bid (collectively, the "**Bid Assessment Criteria**").

If no Qualified Bid other than the Stalking Horse Bid is received prior to the Bid Deadline, then the Auction will not occur, the Stalking Horse Agreement may be deemed the Successful Bid, and, subject to the termination rights under the Stalking Horse Agreement, the Debtors will pursue entry of an order by the Bankruptcy Court authorizing the Sale to the Stalking Horse Bidder as soon as practicable.

Procedures for Auction

The Auction, if necessary, will take place on **November 19, 2024, at 10:00 a.m. (prevailing Eastern Time)** at the offices of Debtors' counsel, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, DE 19801 or such later time on such day or other place as the Debtors shall notify all Bidders who have submitted Qualified Bids; provided, however, the Debtors reserve the right to permit Qualified Bidders to attend the Auction virtually in which case the Debtors shall provide virtual access information to Qualified Bidders who request it. Only the Stalking Horse Bidder and such other Qualified Bidders will be entitled to make any Bids at the Auction.

1. The Debtors Shall Conduct the Auction

The Debtors and their professionals shall direct and preside over the Auction and the Auction shall be transcribed or videotaped. At the start of the Auction the Debtors shall describe the terms of the Starting Bid for the Sale and provide each participant in the Auction with a copy of the Modified Purchase Agreement associated with the Starting Bid.

All Bids made thereafter shall be Overbids (as defined below), and shall be made and received on an open basis, and all material terms of each Overbid shall be fully disclosed to all Bidders who have submitted Qualified Bids. The Debtors shall maintain a transcript of all bids made and announced at the Auction, including the Starting Bid and all Overbids for each Sale. Upon the solicitation of each round of Overbids, the Debtors may announce a deadline (as the Debtors may, in their business judgment, extend from time to time) by which time any Overbids must be submitted to the Debtors for each Sale.

2. Terms of Overbids

An "**Overbid**" is any Bid made at the Auction subsequent to the Debtors' announcement of the Starting Bid with respect to each Sale. To submit an Overbid for purposes of this Auction, a Bidder must comply with the following conditions:

(1) Minimum Overbid Increment

Any Overbid after the Starting Bid shall be made in increments of at least \$250,000.00 (the "**Minimum Overbid Increment**"). Additional consideration in excess of the amount set forth in the Starting Bid may include cash and/or non-cash consideration; *provided, however* that the value for such non-cash consideration shall be determined by the Debtors in their reasonable business judgment and in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets.

(2) Remaining Terms Are the Same as for Qualified Bids

Except as modified herein, an Overbid must comply with the conditions for a Qualified Bid set forth above; *provided, however*, the Bid Deadline shall not apply and no additional Good Faith Deposit shall be required beyond the Good Faith Deposit previously submitted by a Qualified Bidder; *provided* that the Successful Bidder for each Sale shall be required to make a representation at the end of the Auction that it will provide any additional deposit necessary so that

its Good Faith Deposit is equal to the amount of ten percent (10%) of the cash purchase price contained in the Successful Bid. Any Overbid must include, in addition to the amount and form of consideration of the Overbid, a description of all changes (if any) requested by the Qualified Bidder to the Stalking Horse Agreement or a previously submitted Modified Purchase Agreement, in connection therewith (including any changes to the designated assigned contracts and leases and assumed liabilities). Any Overbid must remain open and binding on the Bidder until and unless the Debtors accept a higher Overbid (except to the extent required to serve as the Backup Bid).

To the extent not previously provided (which shall be determined by the Debtors in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, a Bidder submitting an Overbid must submit, as part of its Overbid, written evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors) demonstrating such Bidder's ability to close the transaction proposed by such Overbid.

(3) **Announcing Overbids**

The Debtors shall announce at the Auction the material terms of each Overbid for each Sale, the basis for calculating the total consideration offered in each such Overbid and the resulting benefit to the Debtors' estates based on, *inter alia*, the Bid Assessment Criteria. For any Overbid made by the Stalking Horse Bidder, the Stalking Horse Bidder shall receive a credit (the "**Stalking Horse Credit**") in the amount of the Expense Reimbursement, so that the net effect of the Stalking Horse Bidder's Overbid is an increase to the prior bid in an amount equal to the Minimum Overbid Increment (or such higher amount as added by the Stalking Horse Bidder to the prior Bid), and if the Stalking Horse Bidder is the Successful Bidder, it will not be required to fund that portion of its Successful Bid that is equal to the Stalking Horse Credit.

(4) **Consideration of Overbids**

Subject to the deadlines set forth herein, the Debtors reserve the right, in their reasonable business judgment, to make one or more adjournments in the Auction to, among other things, facilitate discussions between the Debtors and individual Bidders and allow individual Bidders to consider how they wish to proceed.

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

Each Qualified Bidder participating at the Auction will be required to confirm on the record at the Auction (i) it has not engaged in any collusion with respect to the Sale or bidding (including it has no agreement with any other Bidder or Qualified Bidder to control the price) and (ii) its Qualified Bid is the good-faith *bona fide* offer and it intends to consummate the proposed transaction if selected as the Successful Bidder.

4. **Backup Bidder**

Notwithstanding anything in the Bid Procedures to the contrary, if an Auction is conducted, the party(ies) with the next highest or otherwise best Qualified Bid (or combination of Qualified Bids) at the Auction for each Sale, as determined by the Debtors in consultation with the

Prepetition Lender and DIP Lender, solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, in the exercise of their business judgment, shall be required to serve as backup bidder (the “**Backup Bidder**”). The Backup Bidder shall be required to keep its initial Bid(s) (or if the Backup Bidder submitted one or more Overbids at the Auction, its final Overbid) (the “**Backup Bid**”) open and irrevocable until the earlier of (i) 4:00 p.m. (prevailing Eastern Time) on the date that is twenty five (25) days after the date of the Sale Hearing (the “**Outside Backup Date**”) or (ii) the closing of the transaction with the Successful Bidder. Following entry of the Sale Order, if the Successful Bidder fails to consummate an approved transaction because of a breach or failure to perform on the part of such Successful Bidder, the Debtors may designate the Backup Bidder to be the new Successful Bidder for the Sale, and the Debtors will be authorized, but not required, to consummate the transaction with the Backup Bidder without further order of the Bankruptcy Court. In such case, the defaulting Successful Bidder’s Good Faith Deposit shall be forfeited to the Debtors’ estates, and the Debtors specifically reserve the right to seek all available damages from the defaulting Successful Bidder. The closing date to consummate the transaction with the Backup Bidder shall be no later than the later of (i) twenty five (25) days after the date the Debtors provide notice to the Backup Bidder the Successful Bidder failed to consummate a sale and the Debtors desire to consummate the transaction with the Backup Bidder or (ii) five (5) days after necessary regulatory approvals are completed by the Backup Bidder and/or the Debtors. The Good Faith Deposit of the Backup Bidder shall be held by the Debtors until the earlier of two (2) business days after (i) the closing of the Sale with the Successful Bidder and (ii) the Outside Backup Date; *provided, however*, in the event the Successful Bidder does not consummate the transaction as described above and the Debtors provide notice to the Backup Bidder, the Backup Bidder’s Good Faith Deposit shall be held until the closing of the transaction with the Backup Bidder. In the event the Debtors fail to consummate a transaction with the Backup Bidder as described above due to the default of Backup Bidder, the Backup Bidder’s Good Faith Deposit shall be forfeited to the Debtors’ estates, and the Debtors specifically reserve the right to seek all available damages from the defaulting Backup Bidder. In the event the Debtors fail to consummate a transaction with the Backup Bidder as described above due to the default of Debtors, the Backup Bidder’s Good Faith Deposit shall be returned to Backup Bidder.

5. **Additional Procedures**

Notwithstanding anything herein to the contrary, the Debtors may, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, (a) at any time choose to adjourn any Auction by announcement at or before such Auction, provided Debtors promptly file notice of such adjournment with the Court; and (b) further amend, waive, or otherwise modify the Bid Procedures at any time, so long as such modifications or amendments are not in violation of the terms of the Stalking Horse Agreement.

6. **Consent to Jurisdiction as Condition to Bidding**

All Qualified Bidders, and all Bidders at the Auction, shall be deemed to have consented to the core jurisdiction of the Bankruptcy Court and waived any right to a jury trial in connection with any disputes relating to the Stalking Horse Agreement, the Auction, or the construction and enforcement of any transaction documents.

7. Closing the Auction

The Auction shall continue until there is only one Qualified Bid or combination of Qualified Bids for the Sale that the Debtors determine in their reasonable business judgment after consultation with their financial and legal advisors and in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, is the highest and best Qualified Bid(s) at the Auction for such Sale (the “**Successful Bid**” and the Bidder(s) submitting such Successful Bid, the “**Successful Bidder**”). In making this decision, the Debtors, in consultation with their financial and legal advisors, shall consider the Bid Assessment Criteria. The Auction for each Sale shall not close unless and until all Bidders who have submitted Qualified Bids have been given a reasonable opportunity to submit an Overbid at the Auction to the then-existing Overbid and the Successful Bidder has submitted fully executed Transaction Documents memorializing the terms of the Successful Bid.

The Auction shall close with respect to the Sale when the Successful Bidder submits fully executed sale and transaction documents memorializing the terms of the Successful Bid.

Promptly following the Debtors’ selection of the Successful Bid for the Sale and the conclusion of the Auction, the Debtors shall announce the Successful Bid and Successful Bidder for the Sale and shall file with the Bankruptcy Court notice of the Successful Bid and Successful Bidder.

The Debtors shall not consider any Bids submitted after the conclusion of the Auction.

8. Expense Reimbursement

To the extent payable in accordance with the Stalking Horse Agreement, the Bid Procedures Order, and these Bid Procedures, the Expense Reimbursement shall be paid as provided in the Stalking Horse Agreement at the closing of the Sale to the Successful Bidder and shall constitute an allowed superpriority administrative expense claims against the Debtors’ bankruptcy estates pursuant to Bankruptcy Code sections 363, 364(c)(1), 503(b), 507(a)(2), and 507(b).

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

By **October 25, 2024**, the Debtors shall send a notice to each counterparty to an executory contract or unexpired lease (each a “**Contract Counterparty**”) setting forth the Debtors’ calculation of the cure amount, if any, that would be owing to such Contract Counterparty if the Debtors decided to assume or assume and assign such executory contract or unexpired lease, and alerting such Contract Counterparty that their contract may be assumed and assigned to the applicable Successful Bidder (the “**Cure and Possible Assumption and Assignment Notice**”), a copy of which is attached to the Bid Procedures Order as Exhibit 3. Any Contract Counterparty that objects to the cure amount set forth in the Cure and Possible Assumption and Assignment Notice or the possible assignment of its executory contract or unexpired lease must file and serve an objection (a “**Contract Objection**”) so that it is actually received by the following parties no later than **4:00 p.m. prevailing Eastern Time on November 14, 2024**: (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone

Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), (iii) counsel for the Prepetition Lender, DIP Lender, and Stalking Horse Bidder, Schulte Roth and Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and Reuben Dizengoff (reuben.dizengoff@srz.com) and Landis Rath & Cobb, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis (landis@lrclaw.com) and Matthew B. McGuire (mcguire@lrclaw.com), (iv) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Ste. 2207 – Lockbox #35, Wilmington, DE 19801, Attn: Hannah J. McCollum (Hannah.McCollum@usdoj.gov), and (vii) the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801. If a Contract Counterparty does not timely file and serve a Contract Objection, that party will be forever barred from objecting to (a) the Debtors' proposed cure amount, or (b) the assignment of that party's executory contract or unexpired lease to the Successful Bidder. Where a Contract Counterparty to an Assigned Contract files a timely Contract Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, or an objection to the possible assignment of that Contract Counterparty's executory contract or unexpired lease, and the parties are unable to consensually resolve the dispute, the amount to be paid under Bankruptcy Code section 365 (if any) or, as the case may be, the Debtors' ability to assign the executory contract or unexpired lease to the Successful Bidder will be determined at the Sale Hearing.

E. Sale Hearing

The Bankruptcy Court has scheduled a hearing (the “**Sale Hearing**”) on _____, 2024, at __:00 __.m. (**prevailing Eastern Time**), at which hearing the Debtors will seek approval of the Sale with the Successful Bidder. Objections to the sale of the Assets must be filed, comply with the Bankruptcy Rules and Local Rules, and be served so they are actually received by no later than **4:00 p.m. (prevailing Eastern Time) on November 14, 2024** (except for any objection that arises at the Auction), by the following: (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), (iii) counsel for the Prepetition Lender, DIP Lender, and Stalking Horse Bidder, Schulte Roth and Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and Reuben Dizengoff (reuben.dizengoff@srz.com) and Landis Rath & Cobb, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis (landis@lrclaw.com) and Matthew B. McGuire (mcguire@lrclaw.com) (iv) counsel for the Creditors' Committee, if any, (v) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Ste. 2207 – Lockbox #35, Wilmington, DE 19801, Attn: Hannah McCollum (Hannah.McCollum@usdoj.gov), and (vi) the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801.

F. Return of Good Faith Deposit

The Good Faith Deposits of all Qualified Bidders shall be held in one or more interest-bearing escrow accounts by the Debtors, but shall not become property of the Debtors' estates absent further order of the Court. The Good Faith Deposits of any Qualified Bidder that is neither

the Successful Bidder nor the Backup Bidder shall be returned to such Qualified Bidder not later than two (2) business days after the Sale Hearing. The Good Faith Deposit of the Backup Bidder shall be returned to the Backup Bidder on the date that is the earlier of (i) two (2) business days after the closing of the Sale and (ii) the Outside Backup Date. Upon the return of the Good Faith Deposits, their respective owners shall receive any and all interest that will have accrued thereon. If the Successful Bidder timely closes the winning transaction, its Good Faith Deposit shall be credited towards its purchase price.

G. Reservation of Rights

The Debtors reserve their rights to modify these Bid Procedures in their reasonable business judgment, in consultation with the Prepetition Lender and DIP Lender, in each case solely to the extent the Stalking Horse Bidder is no longer bidding for the Assets, in any manner that will best promote the goals of the bidding process or impose, at or prior to the Auction, additional customary terms and conditions on the sale of the Assets, including, without limitation: (a) adjourning and continuing the Auction at the Auction and/or adjourning and continuing the Sale Hearing in open court without further notice; (b) adding procedural rules that are reasonably necessary or advisable under the circumstances for conducting the Auction (*e.g.*, the amount of time to make subsequent overbids, whether a non-conforming Bid constitutes a Qualified Bid); (c) canceling the Auction; (d) rejecting any or all Bids or Qualified Bids, in all cases, subject to the Stalking Horse Agreement, the Bid Procedures, and the Bid Procedures Order; and (e) modifying any of the deadlines set forth in the Bid Procedures Order or these Bid Procedures.

Exhibit 2 to Bid Procedures Order

Sale Notice

Exhibit 2

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

In re:

JORDAN HEALTH PRODUCTS I, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12271 (TMH)

(Jointly Administered)

**NOTICE OF BID PROCEDURES,
AUCTION, HEARING AND DEADLINES RELATING
TO THE SALE OF THE DEBTORS' ASSETS**

PLEASE TAKE NOTICE that on [●], 2024, the above-captioned debtors and debtors in possession (the “**Debtors**”) in the above-captioned cases (the “**Bankruptcy Cases**”), filed the *Debtors’ Motion For Entry of (I) an Order (A) Approving Bid Procedures in Connection With the Potential Sale of the Debtors’ Assets, (B) Scheduling an Auction and a Sale Hearing, (C) Approving the Form and Manner of Notice Thereof, (D) Authorizing the Debtors to Enter Into One or More Stalking Horse Agreements, (E) Approving Bid Protections, (F) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (G) Granting Related Relief; and (II) Orders (A) Approving the Sale of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Contracts and Leases, and (C) Granting Related Relief* [Docket No. ●] (the “**Bid Procedures and Sale Motion**”).² The Debtors seeks to complete one or more sale(s) (each, a “**Transaction**”) of their assets (the “**Assets**”) to a prevailing bidder or bidders (the “**Successful Bidder**”) at an auction free and clear of all liens, claims, encumbrances and other interests pursuant to Bankruptcy Code section 363 (the “**Auction**”).

PLEASE TAKE FURTHER NOTICE that, on [●], 2024, the Bankruptcy Court entered an order [Docket No. ●] (the “**Bid Procedures Order**”) approving the Bid Procedures set forth in the Bid Procedures and Sale Motion (the “**Bid Procedures**”), which set the key dates and times

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Jordan Health Products I, Inc. (9981); Global Medical Imaging, LLC (8828); D.R.E. Medical Group, Inc. (2356); Technical Options of Georgia, Inc. (5488); Jordan Health Products III, Inc. (9350); Transtate Equipment Company, Inc. (4201); Equipment Maintenance Solutions, Inc. (7216); Ultra Solutions Holdings, Inc. (2305); Ultra Solutions, LLC (3425); Pacific Medical Group, Inc. (4339); and Pacific Medical Holdings, Inc. (2135). The Debtors’ service address is 8700 W Bryn Mawr Ave., Suite 720S, Chicago, IL 60631. Debtor Jordan Health Products I, Inc. is doing business as Avante Health Solutions.

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

Exhibit 2

related to the sales of the Assets. **All interested bidders should carefully read the Bid Procedures.** To the extent there are any inconsistencies between the Bid Procedures and the summary description of its terms and conditions contained in this notice, the terms of the Bid Procedures shall control.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bid Procedures, the Debtors must receive a Qualified Bid from interested bidders in writing, on or before **[●], 2024, at 4:00 p.m. (prevailing Eastern Time)** or such later date as may be agreed to by the Debtors (the “**Bid Deadline**”). To be considered, Qualified Bids must be sent to the following at or before the Bid Deadline: (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), (iii) counsel for the Prepetition Lender, DIP Lender, and Stalking Horse Bidder, Schulte Roth and Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and Reuben Dizengoff (reuben.dizengoff@srz.com) and Landis Rath & Cobb, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis (landis@lrclaw.com) and Matthew B. McGuire (mcguire@lrclaw.com), and (iv) counsel for the Creditors’ Committee, if any.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Bid Procedures, if the Debtors receive one or more Qualified Bids (other than the Stalking Horse Agreement) by the Bid Deadline, the Auction will be conducted on **[●], 2024, at [●] (prevailing Eastern Time)** at Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, or at such other place, date and time as may be designated by the Debtors; provided, however, the Debtors reserve the right to permit Qualified Bidders to attend the Auction virtually in which case the Debtors shall provide virtual access information to Qualified Bidders who request it.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Bid Procedures, the Debtors have designated certain Assigned Contracts that may be assumed or assumed and assigned to the Successful Bidder in connection with the Sale. By **[●], 2024**, the Debtors shall send a notice to each counterparty to an Assigned Contract setting forth the Debtors’ calculation of the cure amount, if any, that would be owing to such counterparty if the Debtors decided to assume or assume and assign such Assigned Contract, and alerting such nondebtor party that their contract may be assumed and assigned to the applicable Successful Bidder (the “**Cure and Possible Assumption and Assignment Notice**”).

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Bid Procedures, any counterparty that objects to the cure amount set forth in the Cure and Possible Assumption and Assignment Notice or the possible assignment of their Assigned Contract(s) must file with the Bankruptcy Court and serve an objection (a “**Contract Objection**”) so it is actually received on or before **4:00 p.m. prevailing Eastern Time on [●], 2024**, by (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), (iii)

counsel for the Prepetition Lender, DIP Lender, and Stalking Horse Bidder, Schulte Roth and Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and Reuben Dizengoff (reuben.dizengoff@srz.com) and Landis Rath & Cobb, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis (landis@lrclaw.com) and Matthew B. McGuire (mcguire@lrclaw.com); (iv) counsel for the Creditors' Committee, if any, (v) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Ste. 2207 – Lockbox #35, Wilmington, DE 19801, Attn: Hannah J. McCollum (Hannah.McCollum@usdoj.gov), and (vi) the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801. Where a counterparty to an Assigned Contract files a timely Cure or Assignment Objection asserting a higher cure amount than the amount listed in the Cure and Possible Assumption and Assignment Notice, or an objection to the possible assignment of that counterparty's Assigned Contract, and the parties are unable to consensually resolve the dispute, the amount to be paid under Bankruptcy Code section 365 (if any) or, as the case may be, the Debtors' ability to assign the Assigned Contract to the Successful Bidder will be determined at the Sale Hearing (as defined below).

PLEASE TAKE FURTHER NOTICE that a hearing will be held to approve the sale of the Assets to the Successful Bidder (the “**Sale Hearing**”) before the Honorable [●], United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, Delaware 19801, Courtroom [●], on [●], 2024, at [●] (**prevailing Eastern Time**), or at such time thereafter as counsel may be heard or at such other time as the Bankruptcy Court may determine. The Sale Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing or on the agenda for such Sale Hearing. Objections to the sales of the Assets to the applicable Successful Bidder must be filed and served so they are received no later than **4:00 p.m. (prevailing Eastern Time) on [●], 2024**, by (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), (iii) counsel for the Prepetition Lender, DIP Lender, and Stalking Horse Bidder, Schulte Roth and Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and Reuben Dizengoff (reuben.dizengoff@srz.com) and Landis Rath & Cobb, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis (landis@lrclaw.com) and Matthew B. McGuire (mcguire@lrclaw.com), (iv) counsel for the Creditors' Committee, if any, (v) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Ste. 2207 – Lockbox #35, Wilmington, DE 19801, Attn: Hannah J. McCollum (Hannah.McCollum@usdoj.gov), and (vi) the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801.

PLEASE TAKE FURTHER NOTICE that the Debtors are seeking to waive the fourteen-day stay period under Bankruptcy Rules 6004(h) and 6006(d) in order for the Sale to close immediately upon entry of the Sale Order by this Court.

PLEASE TAKE FURTHER NOTICE that this notice is subject to the full terms and conditions of the Bid Procedures and Sale Motion, the Bid Procedures Order and the Bid

Procedures, which shall control in the event of any conflict, and the Debtors encourage parties in interest to review such documents in their entirety. A copy of the Bid Procedures and Sale Motion, the Bid Procedures and the Bid Procedures Order may be obtained (i) by contacting counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) for free by accessing the website of the Debtors' noticing agent, Omni Agent Solutions, at <https://omniagentsolutions.com/Avante> or (iii) for a fee via PACER at <http://www.deb.uscourts.gov>.

Dated: _____, 2024
Wilmington, Delaware

Respectfully submitted,

POLSINELLI PC

/s/ Draft _____

Christopher A. Ward (Del. Bar No. 3877)
Shanti M. Katona (Del. Bar No. 5352)
Katherine M. Devanney (Del. Bar No. 6356)
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cward@polsinelli.com
skatona@polsinelli.com
kdevanney@polsinelli.com
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-and-

Ashley D. Champion (*Pro Hac Vice* Pending)
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Facsimile: (404) 252-6060
achampion@polsinelli.com

*Proposed Counsel to the Debtors and
Debtors in Possession*

Exhibit 2

Exhibit 3 to Bid Procedures Order

Cure and Possible Assumption and Assignment Notice

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

In re:

JORDAN HEALTH PRODUCTS I, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12271 (TMH)

(Jointly Administered)

**NOTICE TO COUNTERPARTIES TO POTENTIALLY ASSUMED
EXECUTORY CONTRACTS AND UNEXPIRED LEASES REGARDING CURE
AMOUNTS AND POSSIBLE ASSIGNMENT TO THE STALKING HORSE BIDDER OR
SUCH OTHER SUCCESSFUL BIDDER AT AUCTION**

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

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

PLEASE TAKE NOTICE that on [●], 2024, the above-captioned debtors and debtors in possession (the “**Debtors**”) filed a motion [Docket No. ●] (the “**Bid Procedures and Sale Motion**”) with the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”).

PLEASE TAKE FURTHER NOTICE that on [●], 2024, the Bankruptcy Court entered an order [Docket No. ●] (the “**Bid Procedures Order**”), which (a) set key dates, times and procedures related to the sale (the “**Sale**”) of the Debtors’ assets (the “**Assets**”) pursuant to an auction (the “**Auction**”) overseen by the Bankruptcy Court, which Auction is scheduled to occur on [●], 2024, (b) authorized the Debtors to enter into a stalking horse asset purchase agreement (the “**Stalking Horse Agreement**”) with AHS Acquisition Holdings, LLC, a Delaware limited

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Jordan Health Products I, Inc. (9981); Global Medical Imaging, LLC (8828); D.R.E. Medical Group, Inc. (2356); Technical Options of Georgia, Inc. (5488); Jordan Health Products III, Inc. (9350); Transtate Equipment Company, Inc. (4201); Equipment Maintenance Solutions, Inc. (7216); Ultra Solutions Holdings, Inc. (2305); Ultra Solutions, LLC (3425); Pacific Medical Group, Inc. (4339); and Pacific Medical Holdings, Inc. (2135). The Debtors’ service address is 8700 W Bryn Mawr Ave., Suite 720S, Chicago, IL 60631. Debtor Jordan Health Products I, Inc. is doing business as Avante Health Solutions.

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

liability company (the “**Stalking Horse Bidder**”), (c) established certain procedures relating to the Debtors’ assumption and assignment of executory contracts and unexpired leases in connection with the Sale, and (d) granted related relief.³ Approval of the Sale to the Stalking Horse Bidder or such other applicable “Successful Bidder” (as defined in the Bid Procedures Order) after the results of the Auction and the Debtors’ assumption and assignment of any executory contracts and unexpired leases in connection therewith, is scheduled to take place at a hearing before the Bankruptcy Court at [●] (**prevailing Eastern Time**) on [●], 2024 (the “**Sale Hearing**”). The Sale Hearing may be adjourned by the Bankruptcy Court or the Debtors without further notice other than such adjournment announced in open court or a notice of adjournment filed on the Bankruptcy Court’s docket.

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

PLEASE TAKE FURTHER NOTICE that the Debtors have conducted a review of their books and records and have determined the cure amount for unpaid monetary obligations under such contract or lease is set forth in the right hand column on Appendix I (the “**Cure Amount**”). If you object to (a) the proposed assumption or disagree with the proposed Cure Amount or (b) object to the possible assignment of such executory contract(s) or unexpired lease(s) to the Stalking Horse Bidder, **you must file an objection with the Bankruptcy Court no later than [●], 2024, at 4:00 p.m. (prevailing Eastern Time) (the “Objection Deadline”) and serve such objection on the following parties:**

(i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com);

(ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com);

(iii) counsel for the Prepetition Lender, DIP Lender, and Stalking Horse Bidder, Schulte Roth and Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and Reuben Dizengoff (reuben.dizengoff@srz.com) and Landis Rath & Cobb, 919 Market Street, Suite 1800, Wilmington, DE 19801, Attn: Adam G. Landis (landis@lrclaw.com) and Matthew B. McGuire (mcguire@lrclaw.com);

(iv) counsel for the Creditors’ Committee, if any;

(v) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Ste. 2207 – Lockbox #35, Wilmington, DE 19801, Attn: Hannah J. McCollum (Hannah.McCollum@usdoj.gov); and

(vi) the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801

PLEASE TAKE FURTHER NOTICE that if no objection to the Cure Amount or the assignment of your Executory Contract(s) or Unexpired Lease(s) to the applicable Successful

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

Bidder is filed by the Objection Deadline, **you will be (a) forever barred from objecting to the Cure Amount or provision of adequate assurance of future performance and from asserting any additional cure or other amounts with respect to your contract(s) or lease(s), and the Debtors and the Stalking Horse Bidder or the applicable Successful Bidder (as applicable) shall be entitled to rely solely upon the Cure Amount, (b) deemed to have consented to the assumption or assumption and assignment, and (c) forever barred and estopped from asserting or claiming defaults exist, that conditions to assignment must be satisfied under such contract(s) and/or lease(s) or that there is any objection or defense to the assumption and assignment of such contract(s) and/or lease(s).**

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

PLEASE TAKE FURTHER NOTICE that copies of the Sale Motion, the Bid Procedures, and the Bid Procedures Order, as well as all related exhibits, including the proposed Sale Order, are available: (i) by contacting counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) for free by accessing the website of the Debtors' noticing agent, Omni Agent Solutions, at <https://omniagentsolutions.com/Avante> or (iii) for a fee via PACER at <http://www.deb.uscourts.gov>.

Dated: _____, 2024
Wilmington, Delaware

Respectfully submitted,

POLSINELLI PC

/s/ Draft

Christopher A. Ward (Del. Bar No. 3877)
Shanti M. Katona (Del. Bar No. 5352)
Katherine M. Devanney (Del. Bar No. 6356)
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-and-

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*Proposed Counsel to the Debtors and
Debtors in Possession*

APPENDIX I

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

Exhibit C to Motion

Proposed Sale Order

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

In re:

JORDAN HEALTH PRODUCTS I, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12271 (TMH)

(Joint Administration Requested)

Re: Docket No. __

**ORDER AUTHORIZING (I) THE SALE OF THE DEBTOR’S ASSETS FREE AND
CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS; (II)
THE DEBTORS ENTER INTO AND PERFORM THEIR OBLIGATIONS UNDER THE
ASSET PURCHASE AGREEMENT AND RELATED DOCUMENTS; (III) THE
DEBTORS ASSUME AND ASSIGN CERTAIN CONTRACTS AND UNEXPIRED
LEASES; (IV) WAIVER OF THE STAY PERIODS UNDER BANKRUPTCY RULES
6004(h) AND 6006(d); AND (V) GRANTING RELATED RELIEF**

Upon the motion [Docket No. __] (the “**Motion**”)² of the above-captioned debtors and debtors in possession (each, a “**Debtor**” and collectively, the “**Debtors**”), for the entry of an order (this “**Sale Order**”) (i) approving bid procedures (the “**Bid Procedures**”), substantially in the form attached as Exhibit 1 to the Bid Procedures Order (as defined below), to govern the marketing and sale of all or substantially all of the Debtors’ assets (the “**Assets**”), and approving Bid Protections in connection therewith; (ii) authorizing the Debtors to schedule an auction to sell the Assets (the “**Auction**”) and scheduling the hearing to approve a sale of the Assets; (iii) approving the form and manner of notice of the proposed sale transactions, the Bid Procedures, the Auction, the Sale

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Jordan Health Products I, Inc. (9981); Global Medical Imaging, LLC (8828); D.R.E. Medical Group, Inc. (2356); Oncology Services International, Inc. (2514); Technical Options of Georgia, Inc. (5488); Jordan Health Products III, Inc. (9350); Transtate Equipment Company, Inc. (4201); Equipment Maintenance Solutions, Inc. (7216); Ultra Solutions Holdings, Inc. (2305); Ultra Solutions, LLC (3425); Pacific Medical Group, Inc. (4339); and Pacific Medical Holdings, Inc. (2135). The Debtors’ service address is 8700 W Bryn Mawr Ave., Suite 720S, Chicago, IL 60631. Debtor Jordan Health Products I, Inc. is doing business as Avante Health Solutions.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Purchase Agreement (as defined below), unless otherwise indicated herein.

Hearing, and related dates and deadlines; (iv) authorizing procedures governing the assumption and assignment of certain executory contracts and unexpired leases (the “**Assumed Contracts**”) to the prevailing bidder(s) acquiring the Debtors’ Assets (a “**Successful Bidder**”); and (v) granting related relief; and the Court having entered on [●], 2024, that certain *Order (I) Approving Bid Procedures in Connection With the Potential Sale of the Debtors’ Assets (II) Scheduling an Auction and a Sale Hearing, (III) Approving the Form and Manner of Notice Thereof, (IV) Authorizing the Debtors to Enter Into Stalking Horse Agreement, (V) Approving Bid Protections, (VI) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (VII) Granting Related Relief* [Docket No. ●] (the “**Bid Procedures Order**”); and AHS Acquisition Holdings, LLC (the “**Purchaser**”) having submitted the highest and best offer for the Debtors’ Assets that are identified in the Purchase Agreement (as defined below); and the Court having conducted a hearing on the Motion commencing on [●], 2024 (the “**Sale Hearing**”) at which time all interested parties were offered an opportunity to be heard with respect to the Motion; and the Court having reviewed and considered the Motion, the Purchase Agreement (as defined below), the Bid Procedures Order, and the record of the hearing before the Court on [●], 2024 (the “**Bid Procedures Hearing**”) and the Sale Hearing; and the appearance of all interested parties and all responses and objections to the Motion having been duly noted in the record of the Sale Hearing; and upon the record of the Sale Hearing, and having heard statements of counsel and the evidence presented in support of the relief requested in the Motion at the Sale Hearing; and upon all of the proceedings held before the Court; and all objections and responses to the relief requested in the Motion having been heard and overruled, withdrawn, or resolved on the terms set forth in this Sale Order; timely, proper and sufficient notice of the Motion, the Sale Hearing, the Purchase Agreement (as defined below), the purchase and sale of the Acquired Assets (as defined in the Purchase Agreement), including without limitation the assumption and assignment of the Assumed

Contracts, pursuant to the terms of the Purchase Agreement (as defined below) (the “**Transaction**”), the Bidding Procedures Order, the Sale Notice, the Cure Notice, and the relief requested in this Sale Order having been provided; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their stakeholders, 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 and at the Sale Hearing establish just cause for the relief granted herein; and after due deliberation thereon, it is hereby:

FOUND AND CONCLUDED THAT:³

Findings of Fact, Conclusions of Law, Jurisdiction, Venue, and Final Order

A. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to the Chapter 11 Cases pursuant to Bankruptcy Rule 9014.

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

C. This Court has jurisdiction to consider the Motion under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b) and the Court may enter a final order consistent with Article III of the United States Constitution. Venue of these cases and the Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

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

D. This Sale Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h), 6006(d), and 7062, and to the extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, this Court expressly finds that there is no just reason for delay in the implementation of this Sale Order and expressly directs entry of this Sale Order as set forth herein which shall not be subject to any stay.

**Notice of the Transaction, the Purchase Agreement,
Sale Hearing, Bid Deadline, and Cure Amounts**

E. As evidenced by the affidavits or declarations of service previously filed with this Court, [Docket No. ●], proper, timely, adequate, and sufficient notice of the Motion, the Bid Deadline (as defined below), the Sale Hearing, the Purchase Agreement (as defined below), the Transaction, and the proposed form of this Sale Order have been provided in accordance with sections 102(1), 363 and 365 of the Bankruptcy Code, and Bankruptcy Rules 2002, 6004, 6006, and 9014. The Debtors have complied with all obligations to provide notice of the Motion, the Bid Deadline, the Sale Hearing, the Purchase Agreement (as defined below), the Transaction, and the proposed form of this Sale Order as required by the Bid Procedures Order. The aforementioned notices are good, sufficient, and appropriate under the circumstances, and no other or further notice of the Motion, the Bid Deadline, the Sale Hearing, the Purchase Agreement (as defined below), or the Transaction is required for the entry of this Sale Order.

F. A reasonable opportunity to object or to be heard regarding the relief requested in the Motion was afforded to all interested persons and entities.

G. In accordance with the Bid Procedures Order, and as evidenced by the affidavits or declarations of service and publication previously filed with this Court [Docket No. ●], the Debtors filed and have served the *Notice of Possible Assumption and Assignment and Cure*

Amounts with Respect to Certain Executory Contracts and Unexpired Leases [Docket No. ●] on [●], 2024 (the “**Cure and Possible Assumption and Assignment Notice**”) regarding the potential assumption and assignment of the Assumed Contracts and of the amount necessary to cure any defaults pursuant to section 365(b) of the Bankruptcy Code (all such amounts in connection with any Assumed Contract, the “**Cure Amounts**”) upon the non-Debtor counterparties to the Assumed Contracts. The service of the Cure Notice was timely, good, sufficient, and appropriate under the circumstances and consistent with applicable sections and rules of the Bankruptcy Code and Bankruptcy Rules and no further notice need be given in respect of assumption and assignment of the Assumed Contracts, including with respect to adequate assurance of future performance or establishing a Cure Amount for the respective Assumed Contracts. All non-Debtor counterparties to each Assumed Contract set forth in the Cure Notice have had an adequate opportunity to object to assumption and assignment of the applicable Assumed Contract and the Cure Amount set forth in the Cure Notice, and including objections related to the adequate assurance of future performance and objections based on whether applicable law excuses the non-Debtor counterparty from accepting performance by, or rendering performance to, the Purchaser for purposes of section 365(c)(1) of the Bankruptcy Code. The deadline to file an objection to the Cure Amounts or to the assumption and assignment to the Purchaser of any Assumed Contract (a “**Contract Objection**”) has expired, and to the extent, any such entity timely filed a Contract Objection, all such Contract Objections have been resolved, withdrawn or overruled. To the extent that any such party did not timely file a Contract Objection by the Contract Objection deadline, such party shall be deemed to have consented to (i) the assumption and assignment of the Assumed Contract, and (ii) the proposed Cure Amount set forth on the Contract Notice.

The Stalking Horse Bid

H. On October 8, 2024, the Purchaser and the Debtors entered into that certain Asset Purchase Agreement that is attached to this Sale Order as Exhibit A (including all schedules, exhibits, supplements, and related agreements and documents, the “**Purchase Agreement**”), which provided for, among other things, (a) a credit bid pursuant to Section 363(k) of the Bankruptcy Code of (i) all DIP Obligations outstanding as of the Closing and (ii) all Prepetition Loan Obligations outstanding as of the Closing (collectively, the “**Credit Bid**”); and (b) the assumption of Assumed Liabilities (collectively, the “**Stalking Horse Bid**”).

I. As provided in the Bid Procedures, the Stalking Horse Bid constitutes a Qualified Bid (as defined in the Bidding Procedures).

Highest or Otherwise Best Offer

J. As demonstrated by the evidence proffered or adduced at the Sale Hearing and the representations of counsel made on the record at the Sale Hearing, the Debtors have complied in all respects with the Bid Procedures Order. The sale was duly noticed and conducted in a non-collusive, fair, and good faith manner and the process set forth in the Bid Procedures Order afforded a full, fair, and reasonable opportunity for any person or entity to make a higher or otherwise better offer to purchase the Assets and assume the Assumed Liabilities. The bid deadline was [●], 2024 at 5:00 p.m. (Prevailing Eastern Time) (the “**Bid Deadline**”). No Qualified Bid other than the Stalking Horse Bid was received prior to the Bid Deadline.

K. The Acquired Assets were adequately marketed by the Debtors and their advisors, and the consideration provided by the Purchaser under the Purchase Agreement constitutes the highest and best offer and provides fair and reasonable consideration to the Debtors for the Acquired Assets and the assumption of the Assumed Liabilities. The Stalking Horse Bid presents

the best opportunity to maximize and realize the value of the Acquired Assets for the benefit of the Debtors, their estates, and their creditors. The Debtors' determination that the consideration provided by the Purchaser under the Purchase Agreement constitutes the highest and best offer for the Acquired Assets is a valid and sound exercise of the Debtors' business judgment.

L. Approval of the Motion and the Purchase Agreement, and the consummation of the Transaction contemplated thereby, are in the best interests of the Debtors, their creditors, their estates, and other parties in interest. The Debtors have demonstrated good, sufficient, and sound business reasons and justifications for entering into the Transaction and the performance of their obligations under the Purchase Agreement.

M. Entry of this Sale Order approving the Purchase Agreement, and all of the provisions thereof, in form and substance consistent with and as required by the terms of the Purchase Agreement, is a condition precedent to the Purchaser's consummation of the Transaction.

N. The Purchase Agreement was not entered into, and neither the Debtors nor the Purchaser has entered into the Purchase Agreement, or proposes to consummate the Transaction, for the purpose of hindering, delaying, or defrauding the Debtors' present or future creditors. Neither the Debtors nor the Purchaser is entering into the Purchase Agreement, or proposing to consummate the Transaction, fraudulently, for the purpose of statutory or 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.

O. The terms and conditions set forth in the Purchase Agreement, including the form and amount of total consideration to be realized by the Debtors pursuant to the Purchase Agreement: (i) are in the best interests of the Debtors' creditors and estates; and (ii) constitute fair

value, full and adequate consideration, reasonably equivalent value, and reasonable market value for the Acquired Assets.

P. The Purchaser is the Successful Bidder for the Acquired Assets in accordance with the Bid Procedures Order. The Purchaser has complied in all respects with the Bid Procedures Order and any other applicable order of this Court in negotiating and entering into the Purchase Agreement, and the sale and the Purchase Agreement likewise comply with the Bid Procedures Order and any other applicable order of this Court.

Good Faith of the Debtors and the Purchaser

Q. The sale process conducted by the Debtors, including, without limitation, the Bid Procedures set forth in the Bid Procedures Order and the Purchaser's participation in that process, was at arm's length, non-collusive, and in good faith.

R. The Purchase Agreement and the Transaction contemplated thereunder were proposed, negotiated, and entered into by and among the Debtors and the Purchaser without collusion, in good faith, and at arm's length.

S. The Purchaser is entering into the Transaction in good faith and is a good faith buyer within the meaning of section 363(m) of the Bankruptcy Code, and is therefore entitled to the full protection of that provision, and otherwise has proceeded in good faith in all respects in connection with the Chapter 11 Cases and the Transaction. Neither the Debtors, the Purchaser, nor any Affiliate of either have engaged in any action or inaction that would cause or permit the Purchase Agreement or the Transaction to be avoided or impose any costs or damages under section 363(n) of the Bankruptcy Code.

T. The Purchaser is a "good faith purchaser" and is acting in good faith within the meaning of Section 363(m) of the Bankruptcy Code and, as such, is entitled to all the protections

afforded thereby and would not consummate the Transaction without such protections. The Purchaser has proceeded in good faith in all respects in that, among other things: (i) the Purchaser recognized that the Debtors were free to deal with any other party interested in acquiring the Acquired Assets; (ii) the Purchaser complied with the provisions of the Bid Procedures Order; (iii) the Purchaser's bid was subjected to an open marketing process and competitive Bidding Procedures as set forth in the Bid Procedures Order; and (iv) all payments to be made by the Purchaser and all other material agreements or arrangements entered into by the Purchaser and the Debtors in connection with the Transaction have been disclosed and are appropriate. The sale price in respect of the Acquired Assets was not controlled by any agreement among potential bidders and neither the Debtors nor the Purchaser has engaged in collusion or any conduct that would cause or permit the Purchase Agreement to be avoided or costs and damages to be imposed under Section 363(n) of the Bankruptcy Code.

Credit Bid

U. Pursuant to the Final DIP Order, the Bid Procedures, and applicable law, including sections 363(b) and 363(k) of the Bankruptcy Code, the Purchaser was authorized to credit bid, in its discretion, all or a portion of (a) outstanding DIP Loan Obligations as of the Closing Date and (b) outstanding Prepetition Obligations as part of the Purchase Price offered for the Acquired Assets under the Purchase Agreement. The Purchaser exercised its discretion to submit a credit bid in satisfaction of the aggregate amount of \$72,500,000.00 of outstanding Prepetition Obligations. Such credit bid was deemed a Qualified Bid because the Prepetition Obligations represent an allowed claim against the Debtors that is secured by valid and perfected liens on and security interests in the Acquired Assets.

The Requirements of Section 363 Are Satisfied

V. The Debtors have demonstrated a sufficient basis and compelling circumstances requiring the Debtors to (i) enter into the Purchase Agreement; (ii) sell the Acquired Assets; and (iii) assume and assign the Assumed Contracts, and such actions are appropriate exercises of the Debtors' business judgment and in the best interests of the Debtors, their estates, and their creditors. Such business reasons include, without limitation, the fact that: (i) the Purchase Agreement constitutes the highest and best offer for the Acquired Assets; (ii) the Purchase Agreement presents the best opportunity to maximize and realize the value of the Acquired Assets for the benefit of the Debtors, their estates and their creditors; and (iii) unless the sale is concluded expeditiously, the recoveries to the Debtors' estates and constituencies are likely to be adversely affected and there is a significant risk that a substantial amount of liabilities that will be assumed by the Purchaser under the Purchase Agreement will not be satisfied.

W. The Purchase Agreement and any related documents are valid and binding contracts between the Debtors and the Purchaser and shall be enforceable pursuant to their terms.

X. The Acquired Assets constitute property of the Debtors' estates within the meaning of section 541(a) of the Bankruptcy Code and title thereto is presently vested in the Debtors' estates.

Y. The sale of all Acquired Assets to the Purchaser under the terms of the Purchase Agreement satisfies the applicable provisions of section 363(f) of the Bankruptcy Code, and except as expressly provided in the Purchase Agreement: (i) the transfer of the Acquired Assets to the Purchaser and (ii) the assumption or assignment to the Purchaser or an Affiliate of the Purchaser of the Assumed Contracts and the Assumed Liabilities, in each case, will be free and clear of any and all Liens, Claims, Excluded Liabilities (each as defined in the Purchase Agreement) and other

interests of any kind or nature whatsoever, whether arising prior to or subsequent to the commencement of these Chapter 11 Cases, whether known or unknown, and whether imposed by agreement, understanding, law, equity or otherwise arising under or out of, in connection with, or in any way related to the Debtors, the Acquired Assets, the operation of the Debtors' businesses on or prior to the Closing pursuant to the Purchase Agreement, or the transfer of the Acquired Assets to the Purchaser, because, in each case, one or more of the standards set forth in Section 363(f)(1)-(5) of the Bankruptcy Code have been satisfied, (provided, however, that nothing herein shall be deemed or construed as a ruling or determination that the Assumed Liabilities encumber the Acquired Assets) and will not subject the Purchaser, any Affiliates of Purchaser or any their respective officers, directors, representatives, controlling persons, members, employees, agents, representatives, shareholders, partners, successors and assigns or any of their respective assets (including the Acquired Assets), to any liability for any Liens or Claims whatsoever (including, without limitation, under any theory of equitable law, antitrust, setoff (except with respect to setoffs that were effected prior to the Petition Date), or successor or transferee liability. Those holders of Claims, Encumbrances and Interests and non-Debtor counterparties to the Assumed Contracts who did not object, or who withdrew their objections, to the Transaction, the Motion or the Cure and Possible Assumption and Assignment Notice are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code.

Z. The Purchaser would not have entered into the Purchase Agreement and would not consummate the Transaction, thus adversely affecting the Debtors, their estates, their creditors, their employees, and other parties in interest, if the sale of the Acquired Assets was not free and clear of any and all Liens and Claims (other than Permitted Liens), or if the Purchaser would be, or in the future could be, liable for any Liens or Claims, including, without limitation and as applicable, certain liabilities that expressly are not assumed by the Purchaser as set forth in the

Purchase Agreement or in this Sale Order. A sale of the Acquired Assets other than one free and clear of all such Liens and Claims would adversely impact the Debtors and their estates and creditors, and would yield substantially less value for the Debtors' estates, with less certainty than the Transaction.

AA. The transfer of the Acquired Assets to the Purchaser under the Purchase Agreement is a legal, valid, and effective transfer of all of the legal, equitable, and beneficial right, title, and interest in and to the Acquired Assets free and clear of any and all Liens and Claims (other than Permitted Liens and Assumed Liabilities).

BB. The Purchaser is not deemed to be a successor to the Debtors or their estates by reason of any theory of law or equity, and the Purchaser shall not assume or in any way be responsible for any liability or obligation of any of the Debtors or their estates by reason thereof. The Purchaser is not deemed to be a continuation or substantial continuation of the Debtors or their estates, and there is no continuity between the Purchaser and the Debtors. The Purchaser does not have a common identity of incorporators, directors, or officers, with the Debtors.

CC. There is no legal or equitable reason to delay the Transaction. The Transaction must be approved and consummated promptly to preserve and maximize the value of the Debtors' Assets.

DD. The Debtors have demonstrated both (i) good, sufficient, and sound business purposes and justifications, and (ii) compelling circumstances for the Transaction pursuant to section 363(b) of the Bankruptcy Code prior to, and outside of, a plan of reorganization in that, among other things, absent the immediate consummation of the Transaction, the value of the Acquired Assets will be harmed. To maximize the value of the Acquired Assets, it is essential that the Transaction occur within the timeframe set forth in the Purchase Agreement. Time is of the essence in consummating the Transaction. Accordingly, there is good cause to waive the stay

contemplated by Bankruptcy Rules 6004(h) and 6006(d). In addition, the Court finds that there are no unresolved objections that might form the basis for an appealable issue.

EE. The sale and assignment of the Acquired Assets outside of a Chapter 11 plan pursuant to the Purchase Agreement neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates the terms of a liquidating plan for the Debtors. Neither the Purchase Agreement nor the Transaction contemplated thereby constitutes a *sub rosa* chapter 11 plan.

Assumption and Assignment of the Assumed Contracts

FF. The assumption and assignment of the Assumed Contracts (as such Assumed Contracts may be amended, supplemented, or otherwise modified as provided in the Purchase Agreement) that are designated for assumption and assignment pursuant to the terms of the Purchase Agreement is integral to the Purchase Agreement, is in the best interests of the Debtors and their estates, creditors, and other parties in interest, and represents the reasonable exercise of sound and prudent business judgment by the Debtors.

GG. The Debtors have met all requirements of section 365 of the Bankruptcy Code for each of the Assumed Contracts. The Debtors will have (i) cured or provided adequate assurance of cure of any default existing prior to the consummation of the Transaction contemplated by the Purchase Agreement (the "**Closing**") under all of the Assumed Contracts, within the meaning of section 365(b)(1)(A) of the Bankruptcy Code and (ii) provided compensation or adequate assurance of compensation to any counterparty to an Assumed Contract for actual pecuniary loss to such entity resulting from a default prior to the Closing under any of the Assumed Contracts, within the meaning of section 365(b)(1)(B) of the Bankruptcy Code. The assignment of each of

the Assumed Contracts is free and clear of any and all Liens and Claims, except as expressly permitted in the Purchase Agreement.

HH. The Purchaser has demonstrated adequate assurance of future performance under the relevant Assumed Contracts within the meaning of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code. Pursuant to section 365(f) of the Bankruptcy Code, the Assumed Contracts to be assumed and assigned under the Purchase Agreement shall be assigned and transferred to the Purchaser (in accordance with the timing specified in the Purchase Agreement), and remain in full force and effect for the benefit of the Purchaser, notwithstanding any provision in the contracts or other prohibitions or restrictions, including applicable non-bankruptcy law, prohibiting or conditioning their assignment or transfer.

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

IT IS HEREBY ORDERED THAT:

General Provisions

1. The Motion is granted and approved as set forth herein. The Debtors are authorized and directed to (a) sell the Acquired Assets to the Purchaser and (b) transfer, assign and convey the Acquired Assets, including the Assumed Contracts to the Purchaser, in each case in accordance with the Purchase Agreement.

2. All objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled as announced to the Court at the Sale Hearing, or by stipulation filed with the Court, or as resolved in this Sale Order, and all reservations of rights included therein, are

hereby overruled on the merits with prejudice. All non-Debtor counterparties to the Assumed Contracts that failed to timely object thereto are deemed to consent to the relief sought therein. All holders of Liens and Claims who did not object, or withdrew their objections to the Transaction, are deemed to have consented to the Transaction pursuant to section 363(f)(2) of the Bankruptcy Code, and all holders of Liens and Claims are adequately protected – thus satisfying section 363(e) of the Bankruptcy Code.

Approval of the Purchase Agreement

3. The Purchase Agreement, all of the terms and conditions thereof, and the Transaction contemplated therein, including, without limitation, the Credit Bid, and the assumption and assignment of the Assumed Contracts, are approved in all respects. The failure specifically to include any particular provision of the Purchase Agreement in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent that the Purchase Agreement be authorized and approved in its entirety. The transfer of the Acquired Assets by the Debtors to the Purchaser shall be a legal, valid, and effective transfer of the Acquired Assets. The consummation of the Transaction is hereby approved and authorized under sections 363(b), (f), and (k) of the Bankruptcy Code. The automatic stay pursuant to section 362 of the Bankruptcy Code, to the extent applicable, is hereby modified to allow the Purchaser to enforce its rights pursuant to the Purchase Agreement and this Sale Order.

4. The Debtors are authorized to (a) take any and all actions necessary or appropriate to perform, consummate, implement, and close the Transaction, including the sale to the Purchaser of the Acquired Assets, in accordance with the terms and conditions set forth in the Purchase Agreement and this Sale Order, including, without limitation, 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, any or all of the Acquired Assets, and entering into any other agreements related to implementing the Transaction, and (b) to assume and assign all Assumed Contracts to the Purchaser in accordance with the timing set forth in the Purchase Agreement.

Sale and Transfer Free and Clear of all Liens and Claims

5. Except as otherwise expressly provided in the Purchase Agreement solely with respect to Permitted Liens, if any, the Acquired Assets shall be sold to the Purchaser free and clear of any and all Liens and Claims, liabilities, interests, rights, and encumbrances of any kind whatsoever, including, without limitation, any escheat claims or obligations of the Debtors arising prior to the Closing, rights of setoff (except with respect to setoffs that were validly effected prior to the Petition Date), and all other matters of any kind and nature, whether known or unknown, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, whether arising prior to or subsequent to the commencement of the Chapter 11 Cases (but, for the avoidance of doubt, in each case arising from the ownership or the operation of the Acquired Assets prior to the date of the Closing (the “**Closing Date**”)), and any consensual or nonconsensual lien, statutory lien, real or personal property lien, mechanics’ lien, materialmans’ lien, warehousemans’ lien, tax lien, and any and all “liens” as that term is defined and used in the Bankruptcy Code, including section 101(37) thereof. All Liens and Claims, and interests from which the Acquired Assets are sold free and clear shall attach to the proceeds of the sale of the Acquired Assets to be received by the Debtors in the same order and priority that such Liens and Claims and interests had prior to the Closing.

6. All of the Debtors' right, title, and interest in and to, and possession of, the Acquired Assets shall be immediately vested in the Purchaser as set forth in the Purchase Agreement, pursuant to sections 105(a), 363(b), 363(f), and 365 of the Bankruptcy Code free and clear of any and all Liens and Claims except for Assumed Liabilities and Permitted Liens. Such transfer shall constitute a legal, valid, binding, and effective transfer of such Acquired Assets to Purchaser.

7. This Sale Order: (i) shall be effective as a determination that as of the Closing, (a) no Liens or Claims (other than Assumed Liabilities and Permitted Liens) will be capable of being asserted against the Purchaser, any Affiliates of Purchaser or any their respective officers, directors, representatives, controlling persons, members, employees, agents, representatives, shareholders, partners, successors and assigns or any of their respective assets (including the Acquired Assets), (b) the Acquired Assets shall have been transferred to the Purchaser free and clear of any and all Liens and Claims, except for Assumed Liabilities and Permitted Liens, if any, and as provided for in the Purchase Agreement, and (c) the conveyances described herein have been effected; and (ii) 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, or other intellectual property, 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, or who may be required to report or insure any title or state of title; and each of the foregoing persons and entities is hereby authorized and directed to accept for filing any and all of the documents and instruments necessary or appropriate to consummate the transactions contemplated by the Purchase Agreement.

8. Except as otherwise expressly provided in the Purchase Agreement and with respect to the Assumed Liabilities and Permitted Liens, if any, all persons and entities (and their respective successors and assigns), including, without limitation, all debt security holders, equity security holders, Affiliates, governmental, tax and regulatory authorities, lenders, customers, vendors, employees, trade creditors, litigation claimants, and other creditors holding Liens or Claims arising under or out of, in connection with, or in any way relating to, the Debtors, the Acquired Assets, the ownership, sale, or operation of the Acquired Assets prior to Closing or the transfer of the Acquired Assets to the Purchaser are hereby forever barred and estopped from asserting such Liens and Claims against the Purchaser, any Affiliates of Purchaser or any their respective officers, directors, representatives, controlling persons, members, employees, agents, representatives, shareholders, partners, successors or assigns or any of their respective assets (including the Acquired Assets).

9. If any person or entity that has filed financing statements, mortgages, *lis pendens* or other documents or agreements evidencing Liens or Claims against or in the Acquired Assets shall not have delivered to the Debtors prior to the Closing of the Transaction, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Encumbrances that the person or entity has with respect to the Acquired Assets or otherwise, then only with regard to the Acquired Assets that are purchased by the Purchaser pursuant to the Purchase Agreement and this Sale Order: (i) 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 Acquired Assets; (ii) the Purchaser is hereby authorized to file, register, or otherwise record a certified copy of this Sale Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all Liens and Claims against the Purchaser and the Acquired Assets; and (iii) the Purchaser may seek in this

Court or any other court to compel appropriate parties to execute termination statements, instruments of satisfaction, and releases of all Liens and Claims with respect to the Acquired Assets other than Assumed Liabilities and Permitted Liens, if any. This Sale 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. Notwithstanding the foregoing, the provisions of this Sale Order authorizing the sale and assignment of the Acquired Assets free and clear of any and all Liens and Claims shall be self-executing, and neither the Debtors nor the Purchaser shall be required to execute or file releases, termination statements, assignments, consents, or other instruments to effectuate, consummate, and implement the provisions of this Sale Order.

10. To the maximum extent permitted by applicable law, the Purchaser shall be authorized, as of the Closing Date, to operate under any license, permit, registration, and governmental authorization or approval (collectively, the “**Licenses**”) of the Debtors with respect to the Acquired Assets, and all Licenses are deemed to have been, and hereby are directed to be, transferred to the Purchaser pursuant to the Purchase Agreement. To the extent any Licenses cannot be transferred to the Purchaser in accordance with the previous sentence, such Licenses: (i) shall be in effect while the Purchaser, with assistance from the Debtors, works promptly and diligently to apply for and secure all necessary government approvals for the transfer or issuance of new Licenses to the Purchaser; and (ii) shall terminate on a license-by-license basis following issuance of a new License to the Purchaser.

11. Nothing in this Sale Order or the Purchase Agreement releases, nullifies, precludes or enjoins the enforcement of any police or regulatory liability to a governmental unit that any entity would be subject to as owner or operator of property sold or transferred pursuant to this Sale Order after the occurrence of the Closing Date (with respect to such property), *provided, however,*

that the foregoing shall not limit, diminish or otherwise alter the Debtors' or the Purchaser's defenses, claims, causes of action, or other rights under applicable non-bankruptcy law with respect to any liability that may exist to a governmental unit at such owned or operated property. Nothing in this Sale Order or the Purchase Agreement authorizes the transfer or assignment of any governmental (i) license, (ii) permit, (ii) registration, (iv) authorization, or (v) approval, or the discontinuation of any obligation thereunder, without compliance with all applicable legal requirements and approvals under police or regulatory law. To the extent provided by section 525 of the Bankruptcy Code, a governmental unit may not deny, revoke, suspend, or refuse to renew any permit, license, or similar grant to a person that is or has been a bankrupt or a debtor under the Bankruptcy Code, or another person with whom such bankrupt or debtor has been associated, solely because such bankrupt or debtor is or has been a bankrupt or debtor under the Bankruptcy Code, has been insolvent before the commencement of the case under the Bankruptcy Code, or during the case but before the debtor is granted or denied a discharge, or has not paid a debt that is dischargeable in the case under the Bankruptcy Code or that was discharged under the Bankruptcy Code. Nothing in this Sale Order divests any tribunal of any jurisdiction it may have under police or regulatory law to interpret this Sale Order or to adjudicate any defense asserted under this Sale Order, subject to the Debtors' and the Purchaser's rights to assert in that forum or before this Court that any such laws are not in fact police or regulatory law or that the matter should be heard by the Bankruptcy Court.

12. Unless otherwise provided herein or the Purchase Agreement, all persons and entities that are in possession of some or all of the Acquired Assets as of the Closing Date are directed to surrender possession of such Acquired Assets to the Purchaser on the Closing Date. All persons or entities are prohibited from taking any action to adversely affect or interfere with

the ability of the Debtors to transfer the Acquired Assets to the Purchase in accordance with the Purchase Agreement.

No Successor or Transferee Liability

13. Neither the Purchaser, nor any Affiliate, successor, or assignee of the Purchaser, shall be deemed, as a result of any action taken in connection with the Purchase Agreement, the consummation of the Transaction contemplated by the Purchase Agreement, or the transfer or operation of the Acquired Assets, including the Assumed Contracts, to: (i) be a legal successor, or otherwise be deemed a successor to the Debtors; (ii) have, *de facto* or otherwise, merged with or into the Debtors; (iii) be an alter ego or a mere continuation or substantial continuation of the Debtors including, without limitation, 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**”), the 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 (iv) be liable for any environmental liabilities, debts, claims, or obligations arising from conditions first existing on or prior to Closing (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, any liabilities, 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), any escheat liabilities arising prior to the Closing, or

under any products liability or consumer protection law or doctrine with respect to the Debtors' liability under such law, rule, or regulation or doctrine.

14. Other than as expressly set forth in the Purchase Agreement solely with respect to Assumed Liabilities and Permitted Liens, if any, neither the Purchaser, nor any Affiliate, successor, or assignee of the Purchaser shall have any responsibility for (i) any liability or other obligation of the Debtors or related to the Acquired Assets or (ii) any Liens or Claims against the Debtors, any of their predecessors or Affiliates, or the Acquired Assets. Other than as expressly set forth in the Purchase Agreement solely with respect to Assumed Liabilities and Permitted Liens, if any, neither the Purchaser, nor any Affiliate, successor, or assignee of the Purchaser, shall have any liability whatsoever with respect to the Debtors' (or their predecessors' or Affiliates') 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 based upon any theory of antitrust, environmental, successor or transferee liability, *de facto* merger or substantial continuity, labor and employment or products liability, whether known or unknown as of the Closing, now existing or hereafter arising, asserted or unasserted, fixed or contingent, liquidated or unliquidated, including, without limitation, (i) liabilities on account of any taxes arising, accruing or payable under, out of, in connection with, or in any way relating to the ownership or operation of the Acquired Assets prior to the Closing; (ii) liabilities or obligations under WARN; (iii) escheat liabilities arising prior to Closing; or (iv) liabilities or obligations under CERCLA, or any foreign, federal, state, or local labor, employment, or environmental law whether of similar import or otherwise by virtue of the Purchaser's purchase of the Acquired Assets or assumption of the Assumed Liabilities by the Purchaser or an Affiliate of the Purchaser (all liabilities described in paragraph 13 and paragraph 14 of this Sale Order, **"Successor or Transferee Liability"**).

15. Effective upon the Closing, except with respect to Assumed Liabilities and Permitted Liens, if any, all persons and entities are forever prohibited from commencing or continuing in any matter any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral, or other proceeding against the Purchaser, any Affiliates of Purchaser or any their respective officers, directors, representatives, controlling persons, members, employees, agents, representatives, shareholders, partners, successors and assigns or any of their respective assets (including the Acquired Assets), with respect to any (i) Lien or Claim or (ii) Successor or Transferee Liability, including, without limitation, the following actions with respect to clauses (i) and (ii): (a) commencing or continuing any action or other proceeding pending or threatened; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order; (c) creating, perfecting, or enforcing any Lien or Claim; (d) asserting any setoff (except with respect to setoffs that were effected prior to the Petition Date), right of subrogation, or recoupment of any kind; (e) commencing or continuing any action, in any manner or place, that does not comply with, or is inconsistent with, the provisions of this Sale Order or other orders of this Court, or the agreements or actions contemplated or taken in respect hereof; or (f) revoking, terminating, or failing or refusing to renew any license, permit, or authorization to operate any of the Acquired Assets or conduct any of the businesses operated with such Acquired Assets.

16. This Sale Order shall be effective as a determination that, as of Closing, all Liens and Claims (other than Permitted Liens and Assumed Liabilities) have been unconditionally released, discharged, and terminated as to the Purchaser and Acquired Assets.

Good Faith of the Purchaser

17. The Purchaser is a good faith purchaser within the meaning of section 363(m) of the Bankruptcy Code and, as such, is entitled to the full protections of section 363(m) of the

Bankruptcy Code. The Transaction contemplated by the Purchase Agreement is undertaken by the Purchaser without collusion and in good faith, as that term is defined in section 363(m) of the Bankruptcy Code.

18. Neither the Debtors, the Purchaser nor any Affiliate of either the Debtors or the Purchaser have engaged in any collusion with other bidders or other parties or have taken any other action or inaction that would cause or permit the Transaction to be avoided or costs or damages to be imposed under section 363(n) of the Bankruptcy Code or otherwise. The consideration provided by the Purchaser for the Acquired Assets under the Purchase Agreement is fair and reasonable and is not less than the value of such Acquired Assets, and the Transaction may not be avoided under section 363(n) of the Bankruptcy Code.

Assumption and Assignment of Assumed Contracts

19. To the extent that any entity did not timely file a Contract Objection by the Contract Objection Deadline with respect to any Assumed Contract set forth on the Cure and Possible Assumption and Assignment Notice, such entity shall forever be barred and estopped from objecting: (i) to the Cure Amounts as the amount to cure all defaults to satisfy section 365 of the Bankruptcy Code and from asserting that any additional amounts are due or defaults exist; (ii) that any conditions to assumption and assignment must be satisfied under such Contract or Lease before it can be assumed and assigned or that any required consent to assignment has not been given; or (iii) that the Purchaser has not provided adequate assurance of future performance as contemplated by section 365 of the Bankruptcy Code.

20. The assumption and assignment of the Assumed Contracts is approved, including, for the avoidance of doubt, the timing set forth in the Purchase Agreement. The Debtors are authorized to assume and assign each of the Assumed Contracts to the Purchaser or an Affiliate of

the Purchaser upon the Closing of the Transaction (or thereafter, in accordance with the Purchase Agreement and this Sale Order), free and clear of all Liens and Claims, other than Assumed Liabilities and Permitted Liens, if any. The payment of the applicable Cure Amounts, if any, by the Purchaser, in accordance with the Purchase Agreement shall, in accordance with section 365(b) of the Bankruptcy Code, (i) cure all defaults under the Assumed Contracts as contemplated by section 365 of the Bankruptcy Code as of the Closing Date, (ii) compensate for any actual pecuniary loss to such non-Debtor counterparty resulting from such default, and (iii) together with the assumption of the Assumed Contracts by the Debtors and the assignment of the Assumed Contracts to the Purchaser or an Affiliate of the Purchaser, constitute adequate assurance of future performance thereof. The Cure Amounts, if any, and any payments made to the counterparties under the Assumed Contracts prior to the assumption of the Assumed Contracts shall be deemed payments that were required to be made in full as part of the obligation to assume and assign the Assumed Contracts under this Sale Order and the Purchase Agreement.

21. Pursuant to section 365(f) of the Bankruptcy Code, subject to the payment of the applicable Cure Amounts by the Purchaser, if any, the Assumed Contracts to be assumed and assigned under the Purchase Agreement shall be assigned and transferred to, and remain in full force and effect for the benefit of, the Purchaser notwithstanding any provision in the contracts or other restrictions, whether under applicable non-bankruptcy law or otherwise, prohibiting or conditioning their assignment or transfer. Any provisions in any Assumed Contract that prohibit or condition the assignment of such Assumed Contract or allow the counterparty to such Assumed Contract to terminate, recapture, impose any penalty or fee or other financial accommodation to the non-debtor counterparty, accelerate, increase any rate, condition on renewal or extension, or modify any term or condition upon the assignment of such Assumed Contract, constitute unenforceable anti-assignment provisions that are void and of no force and effect. Subject to the

payment of the applicable Cure Amounts, if any, by the Purchaser, all other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Debtors and assignment to the Purchaser or an Affiliate of the Purchaser of the Assumed Contracts have been satisfied.

22. Upon taking assignment of the Assumed Contracts and the payment of the relevant Cure Amounts, if any, the Purchaser shall be deemed to be substituted for the Debtors as a party to the applicable Assumed Contracts and the Debtors shall be released, pursuant to section 365(k) of the Bankruptcy Code, from any liability under the Assumed Contracts. There shall be no assignment fees, increases, or any other fees charged to the Purchaser or the Debtors as a result of the assumption and assignment of the Assumed Contracts. The failure of the Debtors or the Purchaser to enforce at any time one or more terms or conditions of any Assumed Contract shall not be a waiver of such terms or conditions or of the right of the Debtors or the Purchaser, as the case may be, to enforce every term and condition of such Assumed Contract. The validity of the assumption and assignment of any Assumed Contract to the Purchaser shall not be affected by any existing dispute between the Debtors and any counterparty to such Assumed Contract.

23. The assignments of each of the Assumed Contracts are made in good faith under sections 363(b) and (m) of the Bankruptcy Code and shall be free and clear of any and all Liens and Claims pursuant to section 363(f) of the Bankruptcy Code.

Other Provisions

24. The Debtors, including their professionals and advisors, and Purchaser shall cooperate in good faith subsequent to the closing of the transactions contemplated under the Purchase Agreement to (i) effectuate the sale and transfer of the Acquired Assets, including without limitation the assignment of the Assumed Contracts, (ii) undertake accounting, tax,

employee and human resource matters attendant to the sale and the Debtors' winding up their affairs and closing their estates, and (iii) address certain payables associated with the Assumed Liabilities and Assumed Contracts that may need to be paid at or shortly after Closing but where Purchaser is not yet able to make such payments directly to the corresponding counterparties.

25. The terms and provisions of the Purchase Agreement, including any ancillary or related documents, and this Sale Order shall be binding in all respects upon the Debtors, the Debtors' estates, their creditors, any affected third parties, all holders of equity interests in the Debtors, all holders of any claims, whether known or unknown, against the Debtors, any holders of Liens against or on all or any portion of the Acquired Assets, including, but not limited to all contract counterparties, leaseholders, governmental units, and any trustees, examiners, administrators, responsible officers, estate representatives, or similar entities for the Debtors, if any, subsequently appointed in any of the Debtors' Chapter 11 Cases or upon a conversion of any of the Debtors' Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code, and each of their respective Affiliates, successors and assigns. The Purchase Agreement and this Sale Order shall inure to the benefit of the Debtors, the Debtors' estates, creditors, the Purchaser, and their respective successors or assigns. The Purchase Agreement, the Transaction and this Sale Order shall not be subject to rejection or avoidance by the Debtors, the Debtors' estates, creditors, its equity interest holders, or any trustee, examiner or receiver.

26. The Purchase Agreement 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.

27. The Court shall retain exclusive jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Sale Order and the Purchase Agreement,

all amendments thereto, and any waivers and consents thereunder and each of the agreements executed in connection therewith to which the Debtors are a party and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Transaction or this Order. This Court retains jurisdiction to compel delivery of the Acquired Assets, to protect the Purchaser (and its assets, including the Acquired Assets) and its Affiliates, designees, assignees, or successors (or their assets), against any and all Liens and Claims and Successor and Transferee Liability and to enter orders, as appropriate, pursuant to sections 105, 363, or 365 of the Bankruptcy Code (or other applicable provisions) necessary to transfer the Acquired Assets and the Assumed Contracts to the Purchaser.

28. The requirements set forth in Bankruptcy Rules 6003(b), 6004, and 6006 have been satisfied or are otherwise hereby waived.

29. The terms and conditions of this Sale Order shall be effective immediately and shall not be subject to the stay provisions contained in Bankruptcy Rules 6004(h) and 6006(d).

30. No bulk sales law, bulk transfer law or similar law of any state or other jurisdiction (including those relating to Taxes, other than Transfer Taxes) shall apply in any way to the transactions contemplated by the Purchase Agreement, the Motion or this Sale Order. Except as otherwise expressly provided in the Purchase Agreement, all obligations of the Debtors relating to Taxes, whether arising under any law, by the Purchase Agreement, or otherwise shall be the obligation of and fulfilled and paid by the Debtors. For the avoidance of doubt, and notwithstanding any other provision in this Sale Order, nothing in this Sale Order or the Purchase Agreement shall create a tax exemption under Section 1146(a) of the Bankruptcy Code.

31. All time periods set forth in this Sale Order shall be calculated in accordance with Bankruptcy Rule 9006(a). In the event that there is a direct conflict between the terms of this Sale Order, the Purchase Agreement, and any documents executed in connection therewith, the

provisions contained in this Sale Order, the Purchase Agreement and any documents executed in connection therewith shall govern, in that order. Nothing contained in any chapter 11 plan hereinafter confirmed in any of these Chapter 11 Cases, any order confirming such plan(s), or in any other order of any type or kind entered in any of these Chapter 11 Cases (including, without limitation, any order entered after any conversion of any of these Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code) or in any related proceeding shall alter, conflict with or derogate from the provisions of the Purchase Agreement, any documents executed in connection therewith, or the terms of this Sale Order.

Exhibit A

Purchase Agreement

Exhibit D to Motion

Bid Procedures Notice

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

In re:

JORDAN HEALTH PRODUCTS I, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-12271 (TMH)

(Jointly Administered)

NOTICE OF BID PROCEDURES²

PLEASE TAKE NOTICE that on [●], 2024, the above-captioned debtors and debtors in possession (the “**Debtors**”) filed a motion [Docket No. ●] (the “**Bid Procedures and Sale Motion**”) with the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”).

PLEASE TAKE FURTHER NOTICE that on [●], 2024, the Bankruptcy Court entered an order [Docket No. ●] (the “**Bid Procedures Order**”) approving Bid Procedures (the “**Bid Procedures**”), which set key dates, times and procedures related to the sales of the Debtors’ assets (the “**Assets**”). **All interested bidders should carefully read the Bid Procedures.** To the extent there are any inconsistencies between the Bid Procedures and the summary description of the terms and conditions contained in this Notice, the terms of the Bid Procedures shall control.

PLEASE TAKE FURTHER NOTICE that the Debtors have been and will continue to market the Assets in advance of the Auction. To be eligible to participate in the Auction, each Bid and each Bidder must be determined by the Debtors, in consultation with the Creditors’ Committee (if any), to comply with the conditions set forth in the Bid Procedures. The deadline to submit a Qualified Bid is [●], 2024, at 5:00 p.m. (prevailing Eastern Time) or such later date as may be agreed to by the Debtors (the “**Bid Deadline**”). To be considered, any Bid must comply with the requirements set forth in the Bid Procedures.

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Bid Procedures Order, an auction (the “**Auction**”) may be held on [●], 2024, at 10:00 a.m. (prevailing Eastern Time) at the offices of Debtors’ counsel, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, DE 19801 or such later time on such day or other place as the Debtors shall notify all Bidders who have submitted Qualified Bids, or at another location as may be timely disclosed by

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: Jordan Health Products I, Inc. (9981); Global Medical Imaging, LLC (8828); D.R.E. Medical Group, Inc. (2356); Technical Options of Georgia, Inc. (5488); Jordan Health Products III, Inc. (9350); Transtate Equipment Company, Inc. (4201); Equipment Maintenance Solutions, Inc. (7216); Ultra Solutions Holdings, Inc. (2305); Ultra Solutions, LLC (3425); Pacific Medical Group, Inc. (4339); and Pacific Medical Holdings, Inc. (2135). The Debtors’ service address is 8700 W Bryn Mawr Ave., Suite 720S, Chicago, IL 60631. Debtor Jordan Health Products I, Inc. is doing business as Avante Health Solutions.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Bid Procedures or the Bid Procedures Order, as applicable.

the Debtors to all Qualified Bidders; provided, however, the Debtors reserve the right to permit Qualified Bidders to attend the Auction virtually in which case the Debtors shall provide virtual access information to Qualified Bidders who request it.

PLEASE TAKE FURTHER NOTICE that, by [●], 2024, the Debtors shall send a notice to each Contract Counterparty to an executory contract or unexpired lease setting forth the Debtors' calculation of the cure amount, if any, that would be owing to such counterparty if the Debtors decided to assume or assume and assign such executory contract or unexpired lease, and alerting such non-debtor party that their contract may be assumed and assigned to the applicable Successful Bidder (the "**Cure and Possible Assumption and Assignment Notice**"). Any Contract Counterparty that objects to the cure amount set forth in the Cure and Possible Assumption and Assignment Notice or the possible assignment of their executory contract or unexpired lease to the Successful Bidder must file an objection (a "**Contract Objection**") on or before **4:00 p.m. prevailing Eastern Time on [●], 2024**, which Contract Objection must be served on (i) counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) the investment bankers for the Debtors, Livingstone Partners, 443 North Clark St., Chicago, IL 60654, Attn: Joseph Greenwood (greenwood@livingstonepartners.com) and Adam Green (green@livingstonepartners.com), (iii) counsel for the Prepetition Lender, DIP Lender, and Stalking Horse Bidder, Schulte Roth and Zabel, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and Reuben Dizengoff (reuben.dizengoff@srz.com) and Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, Delaware 19801 Attn: Adam G. Landis (landis@lrclaw.com) and Matthew B. McGuire (mcguire@lrclaw.com); (iv) counsel for the Creditors' Committee, if any, (v) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Ste. 2207 – Lockbox #35, Wilmington, DE 19801, Attn: Hannah J. McCollum (Hannah.McCollum@usdoj.gov), and (vi) the Clerk of the Bankruptcy Court for the District of Delaware, 824 North Market Street, 3rd Floor, Wilmington, DE 19801. If a Contract Counterparty does not timely file and serve a Contract Objection, that party will be forever barred from objecting to (a) the Debtors' proposed cure amount, and (b) the assignment of that party's executory contract or unexpired lease to the applicable Successful Bidder.

PLEASE TAKE FURTHER NOTICE that a hearing will be held to confirm the results of the Auction and approve the transactions contemplated in the Bid Procedures and the Bid Procedures and Sale Motion to the applicable Successful Bidder at the Auction (the "**Sale Hearing**") before the Honorable ●, Courtroom #●, U.S. Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, DE 19801, on [●], 2024, at [●] (**prevailing Eastern Time**), or at such time thereafter as counsel may be heard. The Sale Hearing may be adjourned by the Bankruptcy Court or the Debtors without further notice other than such adjournment announced in open court or a notice of adjournment filed on the Bankruptcy Court's docket. **Objections to the sale of the Assets to the Stalking Horse Bidder must be filed and served so they are actually received by the Debtors no later than 4:00 p.m. (prevailing Eastern Time) on [●], 2024.**

PLEASE TAKE FURTHER NOTICE that this Notice is subject to the full terms and conditions of the Bid Procedures and the Bid Procedures Order, which shall control in the event of any conflict with this Notice. The Debtors encourage parties in interest to review such documents in their entirety. A copy of the Bid Procedures and the Bid Procedures Order may be

obtained (i) by contacting counsel for the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (ii) for free by accessing the website of the Debtors' noticing agent, Omni Agent Solutions, at <https://omniagentsolutions.com/Avante> or (iii) for a fee via PACER at <http://www.deb.uscourts.gov>.

Dated: _____, 2024
Wilmington, Delaware

Respectfully submitted,

POLSINELLI PC

/s/ Draft

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-and-

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*Proposed Counsel to the Debtors and
Debtors in Possession*