

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

In re

YOUFIT HEALTH CLUBS, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-12841 (MFW)

(Jointly Administered)

Hearing Date: December 23, 2020 at 10:30 a.m. (ET)

Objection Deadline: December 14, 2020 at 4:00 p.m. (ET)

**NOTICE OF PROPOSED SALE, BIDDING PROCEDURES,
AUCTION, AND SALE HEARING**

PLEASE TAKE NOTICE THAT the above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the “**Court**”) on November 9, 2020. At the same time, the Debtors filed a motion (the “**Sale Motion**”) with the Court seeking entry of orders, among other things, approving (a) the sale of the Debtor’s Assets² (the “**Sale**”) to YF FC Acquisition, LLC, a Delaware limited liability company (the “**Stalking Horse Bidder**”), subject to the submission of higher or better offers in an auction process (the “**Auction**”); (b) procedures for the solicitation of bids in connection with the Auction (the “**Bidding Procedures**”); (c) the form and manner of notices related to the Sale; and (d) procedures for the assumption and assignment of contracts and leases in connection with the Sale (the “**Assumption and Assignment Procedures**”).

PLEASE TAKE FURTHER NOTICE that approval of the Sale of the Assets to the Stalking Horse Bidder or other Successful Bidder may result in, among other things, the assumption, assignment, and/or transfer by the Debtors of certain executory contracts and unexpired leases. If you are counterparty to an executory contract or unexpired lease with the Debtors, you will receive a separate notice regarding the Assumption and Assignment Procedures that contains additional relevant dates and other information that may impact you as counterparty to such executory contract or unexpired lease.

PLEASE TAKE FURTHER NOTICE that on November 23, 2020, the Court entered an Order approving the Bidding Procedures [Docket No. 136] (the “**Bidding Procedures Order**”). All interested bidders should carefully read the proposed Bidding Procedures, attached to the

¹ The last four digits of YouFit Health Clubs, LLC’s tax identification number are 6607. Due to the large number of debtor entities in these chapter 11 cases, a complete list of the debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the claims and noticing agent at www.donlinrecano.com/yfhc. The mailing address for the debtor entities for purposes of these chapter 11 cases is: 1350 E. Newport Center Dr., Suite 110, Deerfield Beach, FL 33442.

² Capitalized terms used in this Notice and not immediately defined have the meanings given to such terms in the Bidding Procedures Order.

Bidding Procedures Order. The deadline by which all Bids must be actually received is **December 15, 2020, at 12:00 p.m. Eastern Time.**

CONTACT PERSONS FOR PARTIES INTERESTED IN SUBMITTING A BID

The Bidding Procedures set forth the requirements for submitting a Qualified Bid, and any person interested in making an offer to purchase the Assets **must** comply strictly with the Bidding Procedures. **Only Qualified Bids will be considered by the Debtors.** Any interested persons should contact:

Proposed Investment Banker to Debtors	Proposed Counsel to Debtors
FocalPoint Securities, LLC, 599 Lexington Avenue, Suite 1203 New York, NY 10022 Attn: Rich NeJame and Duane Stulich	Greenberg Traurig, LLP 77 West Wacker Dr., Suite 3100 Chicago, IL 60601 Attn: Nancy A. Peterman, Eric Howe, and Nicholas E. Ballen

OBTAINING ADDITIONAL INFORMATION

Copies of the Sale Motion, the Bidding Procedures Order, Bidding Procedures, as well as all related documents (including the Stalking Horse Purchase Agreement), are available: (a) free of charge upon request to Donlin Recano & Co., Inc. (the notice and claims agent retained in these chapter 11 cases) by calling 1 (866) 666-1597 (toll free) or emailing yfhcinfo@donlinrecano.com; (b) free of charge by visiting the Debtors' restructuring website at www.donlinrecano.com/yfhc; or (c) for a fee via PACER by visiting <https://ecf.deb.uscourts.gov>.

IMPORTANT DATES AND DEADLINES

The dates and deadlines set forth below have been approved by the Bidding Procedures Order:

1. The deadline to file an objection with the Court to the proposed assumption and assignment of the applicable Assumed Contract and/or the proposed Cure Costs (if any) is the later of: **(i) December 4, 2020, at 4:00 p.m., prevailing Eastern Time, and (ii) ten (10) calendar days after service of the Notice of Potential Assumption and Assignment on the applicable Assumed Contract Counterparty.**
2. The deadline to file an objection with the Court to the entry of an order approving the Sale is **December 14, 2020, at 4:00 p.m., prevailing Eastern Time.**
3. The deadline for Qualified Bidders to submit a binding Qualified Bid is **December 15, 2020, at 12:00 p.m., prevailing Eastern Time.**
4. In the event that the Debtors timely receive a Qualified Bid in addition to that of the Stalking Horse Bidder, the Debtors intend to conduct an Auction. The Auction

shall take place at **December 21, 2020, at 10:00 a.m., prevailing Eastern Time** on via remote video.

5. The deadline for objections to (i) the manner and conduct of the Auction (if applicable), and (ii) the identity the Successful Bidder or the Backup Bidder (in each case other than the Stalking Horse Bidder) is **December 22, 2020, at 4:00 p.m., prevailing Eastern Time.**
6. The hearing to consider the Sale will be held before the Honorable Mary F. Walrath of the Court on **December 23, 2020, at 10:30 a.m., prevailing Eastern Time,** at 824 North Market Street, 5th Floor, Courtroom #4, Wilmington, Delaware 19801.

OBJECTIONS

All Objections must (a) be in writing, (b) state, with specificity, the legal and factual bases thereof, and (c) be filed with the Court and served so as to be **actually received** no later than the applicable objection deadline by: (i) proposed counsel for the Debtors, Greenberg Traurig, LLP, (a) The Nemours Building, 1007 North Orange Street, Suite 1200, Wilmington, DE 19801 (Attn: Dennis A. Meloro (melorod@gtlaw.com) and (b) 77 West Wacker Dr., Suite 3100, Chicago, IL 60601 (Attn: Nancy A. Peterman (petermann@gtlaw.com), Eric Howe (howee@gtlaw.com), and Nicholas E. Ballen (ballenn@gtlaw.com)); (ii) the Office of the U.S. Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Hannah McCollum, Esq. (hannah.mccollum@usdoj.gov); (iii) counsel for the Debtors' prepetition and postpetition agent and lenders and the Stalking Horse Bidder, (a) Winston & Strawn LLP, 200 Park Avenue, New York, NY 10166, Attn: Carey D. Schreiber, Esq. (cschreiber@winston.com) and Gregory M. Gartland, Esq. (ggartland@winston.com), (b) Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, Delaware 19801, Attn: Joseph Barry, Esq. (jbarry@ycst.com) and Joseph M. Mulvihill, Esq. (jmulvihill@ycst.com), and (c) Holland & Knight LLP, 150 N. Riverside Plaza, Suite 2700, Chicago, IL 60606, Attn: Joshua Spencer (joshua.spencer@hklaw.com), Phillip W. Nelson (phillip.nelson@hklaw.com), and Anastasia Sotiropoulos (anastasia.sotiropoulos@hklaw.com); (iv) proposed counsel to the Official Committee of Unsecured Creditors: Berger Singerman, LLP, 1450 Brickell Avenue, Suite 1900, Miami, FL 33131 (Attn: Brian G Rich (brich@bergersingerman.com) and Michael Niles (mniles@bergersingerman.com)) and Pachulski Stang Ziehl & Jones LLP, 919 N. Market Street, 17th Floor, Wilmington, DE 19801 (Attn: Bradford Sandler (bsandler@pszjlaw.com) and Colin Robinson (crobinson@pszjlaw.com)); and (v) all parties that have requested notice in these Chapter 11 Cases (collectively (i)-(v), the "**Objection Notice Parties**").

CONSEQUENCES OF FAILING TO TIMELY ASSERT AN OBJECTION

ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION ON OR BEFORE THE APPLICABLE OBJECTION DEADLINE IN ACCORDANCE WITH THE ENTERED BIDDING PROCEDURES ORDER MAY BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE TRANSFERRED ASSETS OF THE DEBTOR ESTATES FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS EFFECTED THEREUNDER.

NO SUCCESSOR LIABILITY

THE SALE WILL BE FREE AND CLEAR OF, AMONG OTHER THINGS, ANY CLAIM ARISING FROM ANY CONDUCT OF THE DEBTORS PRIOR TO THE CLOSING OF THE SALE, WHETHER KNOWN OR UNKNOWN, WHETHER DUE OR TO BECOME DUE, WHETHER ACCRUED, ABSOLUTE, CONTINGENT OR OTHERWISE, SO LONG AS SUCH CLAIM ARISES OUT OF OR RELATES TO EVENTS OCCURRING PRIOR TO THE CLOSING OF THE SALE. ACCORDINGLY, AS A RESULT OF THE SALE, THE SUCCESSFUL BIDDER WILL NOT BE A SUCCESSOR TO ANY OF THE DEBTORS BY REASON OF ANY THEORY OF LAW OR EQUITY, AND THE SUCCESSFUL BIDDER WILL HAVE NO LIABILITY, EXCEPT AS EXPRESSLY PROVIDED IN THE SUCCESSFUL BIDDER'S ASSET PURCHASE AGREEMENT, FOR ANY LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS AGAINST OR IN ANY OF THE DEBTORS UNDER ANY THEORY OF LAW, INCLUDING SUCCESSOR LIABILITY THEORIES.

Dated: November 23, 2020

GREENBERG TRAURIG, LLP

/s/ Dennis A. Meloro

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-and-

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*Proposed Counsel for the Debtors and
Debtors in Possession*