

ENTERED

March 19, 2025

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
TREESAP FARMS, LLC, <i>et al.</i> ,	§	
	§	Case No. 25-90017 (ARP)
Debtors. ¹	§	
	§	(Jointly Administered)
	§	
	§	

ORDER (I) APPROVING BIDDING PROCEDURES; (II) AUTHORIZING THE DEBTORS TO SELECT STALKING HORSE BIDDER(S) AND APPROVING BIDDING PROTECTIONS FOR SUCH STALKING HORSE BIDDER(S); (III) SCHEDULING AN AUCTION AND A SALE HEARING; (IV) APPROVING THE FORM AND MANNER OF NOTICE THEREOF; (V) APPROVING ASSUMPTION AND ASSIGNMENT PROCEDURES FOR EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (VI) GRANTING RELATED RELIEF
[Relates to Motion at Docket No. 71]

Upon the motion (the “Motion”) of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of: (a)(i) an order (this “Bidding Procedures Order”), (A) authorizing the Debtors to select one or more Stalking Horse Bidders and to enter into and perform under one or more Stalking Horse APA(s) with such Stalking Horse Bidder(s), and (B) authorizing, but not directing, the Debtors to offer, in the exercise of their business judgment and in consultation with the Consultation Parties, the Bidding Protections to such Stalking Horse Bidders, if any, and subject to the Court’s entry of a Stalking Horse Order; (ii) authorizing and approving the bidding procedures attached hereto as Exhibit 1 (the “Bidding Procedures”)² in

1 The Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers are as follows: TreeSap Farms, LLC (5183); TSH Opco, LLC (4697); TSV Opco, LLC (5418); TSV Reco, LLC (4953); and TreeSap Florida, LLC (5331). The location of the Debtors’ principal place of business and the Debtors’ service address in these chapter 11 cases is TreeSap Farms, LLC, 5151 Mitchelldale St., Suite B-2, Houston, TX 77292-5279.

2 Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion or the Bidding Procedures, as applicable.

connection with one or more sales or dispositions (each such sale or disposition, a “Sale Transaction” and, collectively, the “Sale”) of all or any portion of the Debtors’ assets (the “Assets”); (iii) establishing certain dates and deadlines for the sale process, including scheduling an auction for the Assets (the “Auction”), if applicable, in accordance with the Bidding Procedures, and the hearing with respect to the approval of the Sale (the “Sale Hearing”); (iv) approving the form and manner of notice of the Auction, if any, the Sale and the Sale Hearing, attached hereto as Exhibit 2 (the “Sale Notice”), (v) approving the Assumption and Assignment Procedures and approving the form and manner of notice thereof, attached hereto as Exhibit 3 (the “Cure Notice”), and (vi) granting related relief; and (b) one or more orders (each, a “Sale Order”), as applicable, authorizing and approving: (i) the Sale of the Assets to the Successful Bidder(s), such Successful Bidder(s) following entry of the Sale Order the “Purchaser”), free and clear of all liens, claims, interests, and encumbrances to the extent set forth in the applicable asset purchase agreement(s) with the Successful Bidder(s) (the “Asset Purchase Agreement”), (ii) the assumption and assignment of the Assigned Contracts as set forth in the Asset Purchase Agreement, and (iii) granting related relief, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b); and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given under the circumstances and no further notice need be provided; and the Court having determined that the

legal and factual bases set forth in support of the Motion establish just cause for the relief granted herein; and the Court having held a hearing on the Motion (the “Bidding Procedures Hearing”); and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:³

A. Bidding Procedures. The Debtors have articulated good and sufficient reasons for authorizing and approving the Bidding Procedures, which are fair, reasonable, and appropriate under the circumstances, comply with all applicable requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and are designed to maximize the recovery on, and realizable value of, the Assets, as determined by the Debtors in an exercise of their business judgment.

B. Stalking Horse Bidder(s), Stalking Horse APA(s) and the Bidding Protections. In accordance with the Bidding Procedures, the Debtors may select one or more Stalking Horse Bidders(s) and enter into one or more Stalking Horse APA(s), subject to higher or otherwise better offers at the Auction, with such Stalking Horse Bidder(s) to enable the Debtors to establish a minimum Qualified Bid at the Auction. The Stalking Horse APA(s) may provide for payment of the Bid Protections, which include the Break-Up Fee, the Expense Reimbursement, and the Minimum Overbid. In the event that the Debtors select one or more parties to serve as a Stalking Horse Bidder, upon such selection, but in any event no later than 4:00 p.m. (prevailing Central time) on Wednesday, April 9, 2025 (the “Stalking Horse Designation Deadline”), the Debtors shall file a Stalking Horse Notice with the Court and provide such Stalking Horse Notice to: (a) all parties identified in Section E of the Complex Case Procedures; (b) counsel to the DIP Lender and

3 The findings and conclusions set forth herein constitute this Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this 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.

the Prepetition Agent; (c) counsel to the Official Committee of Unsecured Creditors (the Committee) that was appointed in the Chapter 11 Cases (the “Committee”); and (d) all parties reasonably known to the Debtors to assert an Interest in the Assets. Parties in interest shall then have until 4:00 p.m. (prevailing Central Time) on the day that is five (5) days after the filing of the applicable Stalking Horse Notice the Stalking Horse Designation Deadline (the “Stalking Horse Objection Deadline”) to object to the Debtors’ designation of any Stalking Horse Bidder(s) and any Bid Protections offered to such Stalking Horse Bidder(s) in the applicable Stalking Horse Notice. To the extent an objection to a Stalking Horse Notice is timely received, the Court will hold a hearing on [Thursday, April, 17, 2025, at 12 noon (CT) by telephone and video conference at which hearing the Court will determine whether the Debtors are permitted to designate the Stalking Horse Bidder(s) identified in any Stalking Horse Notice(s), including whether the Debtors are permitted to offer any Bid Protections identified for such Stalking Horse Bidder(s) in such Stalking Horse Notice(s). Absent objection, any Stalking Horse Bidder(s) identified by the Debtors in timely filed Stalking Horse Notice(s), and any Bid Protection(s) offered to such Stalking Horse Bidder(s), if any, shall be deemed automatically approved by the Court without any further action by the Debtors. If a timely objection, conforming to the requirements set forth herein, is filed to any Stalking Horse Notice(s), the Debtors selection of the Stalking Horse Bidder(s) subject to such objection, and any Bid Protection(s) offered to such Stalking Horse Bidder(s), shall not be approved unless and until the Court enters an order approving the Debtors’ designation of the Stalking Horse Bidder(s) subject to the objection, and any Bid Protection(s) offered to such Stalking Horse Bidder(s), all as set forth in the applicable Stalking Horse Notice(s), the (“Stalking Horse Order”) at the hearing set forth in this Sale Notice. The Sale Notice is reasonably calculated to provide all interested

parties with timely and proper notice of the proposed Sale, including: (1) the date, time, and place of the Auction (if one is held); (2) the Bidding Procedures and certain dates and deadlines related thereto; (3) the objection deadline for the Sale and the date, time, and place of the Sale Hearing; (4) reasonably specific identification of the Assets for sale; (5) representations describing 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 subject to customary exceptions for permitted liens; and (6) notice of the proposed assumption and assignment of the Potentially Assigned Contracts and the rights, procedures, and deadlines for objecting thereto, and no other or further notice of the Sale shall be required.

D. Auction. The Debtors are authorized, but not directed, to hold the Auction, in the exercise of their business judgment, if one or more Qualified Bids is received.

E. Assumption and Assignment Procedures. The Cure Notice is reasonably calculated to provide counterparties to the Potentially Assigned Contracts with proper notice of the intended assumption and assignment of their executory contracts, any Cure Costs (as defined below) and the Assumption and Assignment Procedures (as defined below).

IT IS THEREFORE ORDERED THAT:

SALE TIMELINE

Event	Proposed Date
Non-Binding Indication of Interest Deadline	Wednesday, March 26, 2025, at 4:00 p.m. (prevailing Central Time)
Cure Notice Deadline	Friday, April 4, 2025
Stalking Horse Designation Deadline	Wednesday, April 9, 2025, at 4:00 p.m. (prevailing Central Time)

Event	Proposed Date
Stalking Horse Objection Deadline	Monday, April 14, 2025, at 4:00 p.m. (prevailing Central Time)
Contract Objection Deadline	By 4:00 p.m. (prevailing Central Time) on the day that is fourteen (14) days after service of the Cure Notice or the Supplemental Cure Notice, as applicable.
Bid Deadline and Sale Objection Deadline⁴	Thursday, April 24, 2025, at 4:00 p.m. (prevailing Central Time)
Auction (if necessary)	Wednesday, April 30, 2025, at 10:00 a.m. (prevailing Central Time)
Deadline to File Notice of Successful Bidder⁵	As soon as reasonably practicable after the close of the Auction, and, in any event, no later than 5:00 p.m. (prevailing Central Time) on the date that is two (2) days after the close of the Auction.
Post-Auction Objection Deadline	The date that is two (2) days after the filing of the Notice of Successful Bidder.
Sale Hearing (subject to Court availability)	No later than Monday, 12, 2025
Sale Consummation Deadline	No later than Friday, May 23, 2025, the Sale shall be consummated (the “ <u>Sale Consummation Deadline</u> ”).

4 The Sale Objection Deadline applies to any objections to the Sale of all or any portion of the Assets, except: (i) objections to the proposed Cure Cost which are subject to the Contract Objection Deadline, and (ii) objections solely related to the identity of the Successful Bidder (other than with respect to a Stalking Horse Bidder which are subject to the Stalking Horse Objection Deadline) and adequate assurance of future performance by the Successful Bidder(s), which objections are subject to the Post-Auction Objection Deadline.

5 In the event that the Auction is cancelled, including, without limitation, because no Qualified Bids, other than one or more Stalking Horse Bid(s), have been received as of the Bid Deadline, the Debtors shall file a Notice of Successful Bidder promptly identifying one or more Stalking Horse Bidders as the Successful Bidder, or, if the Debtors have not selected a Stalking Horse Bidder, otherwise providing parties in interest with an update as to the next steps in the sale process.

1. Non-Binding Indication of Interest Deadline and Bid Deadline. (a) March 26, 2025, at 4:00 p.m. (prevailing Central Time), shall be the deadline by which all Non-Binding Indications of Interest must be **actually received** by the Debtors' Advisors and (b) April 24, 2025, at 4:00 p.m. (prevailing Central Time), shall be the deadline by which all Qualified Bids must be **actually received** by the Debtors' Advisors. Notwithstanding the foregoing, the Debtors shall, in consultation with the Consultation Parties, retain the ability to consider a Qualified Bid that is submitted by the Qualified Bid Deadline by an Interested Party who did not submit a Non-Binding Indication of Interest by the Non-Binding Indication of Interest Deadline.

2. Auction. The Auction, if any, shall be held on April 30, 2025, at 10:00 a.m. (prevailing Central Time). The Auction shall be held in accordance with the Bidding Procedures at the offices of Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002. In the event that the Auction cannot be held at a physical location, the Auction will be conducted via a virtual meeting (either telephonic or via videoconference), and the information necessary to join such virtual meeting shall be provided by the Debtors to each Qualified Bidder before the Auction. The Debtors shall send written notice of the date, time, and place of the Auction to the Qualified Bidders no later than two (2) business days before such Auction, and will post notice of the date, time, and place of the Auction no later than two (2) business days before such Auction on the website of the Debtors' claims and noticing agent, Donlin, Recano & Company, LLC ("Donlin"), at <https://www.donlinrecano.com/tsf>.

3. Sale Objection Deadline. Any and all objections to a Sale of the Assets and entry of a Sale Order must (a) be in writing and specify the nature of such objection; (b) comply with the Bankruptcy Code; the Bankruptcy Rules, the Local Rules and all orders of this Court entered in the Chapter 11 Cases; (c) be filed with this Court by (i) April 24, 2025 at 4:00 p.m. (prevailing

Central Time) (the “Sale Objection Deadline”), or (ii) with respect to objections solely related to the identity of the Successful Bidder(s) (other than a Stalking Horse Bidder), adequate assurance of future performance by the Successful Bidder(s) (other than a Stalking Horse Bidder), or the conduct of the Auction the that is two (2) days after the filing of the Notice of Successful Bidder (the “Post-Auction Objection Deadline”); and (d) be served upon the following parties (collectively, the “Objection Notice Parties”): (i) proposed counsel to the Debtors Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002 (Attn: Timothy A. (“Tad”) Davidson II (taddavidson@Hunton.com) and Joseph P. Rovira (josephrovira@Hunton.com)); (ii) counsel to the Prepetition Agent and the DIP Lender, Porter Hedges LLP, 1000 Main Street, 36th Floor, Houston, Texas 77002 (Attn: Eric M. English (eenglish@porterhedges.com)); (iii) counsel to the Committee; (iv) the Office of the United States Trustee for the Southern District of Texas (the “U.S. Trustee”), 515 Rusk Street, Suite 3516, Houston, Texas 77002; and (v) any Successful Bidders. Any party or entity who fails to timely file an objection, conforming with the requirements set forth herein, to the Sale on or before the Sale Objection Deadline shall be forever barred from asserting any objection to the Sale, including with respect to the transfer of the Assets free and clear of all liens, claims, encumbrances, and other interests.

4. Sale Hearing. The Sale Hearing to approve the Sale of the Assets shall be held on or May 12, 2025, at 1:00 p.m. (prevailing Central Time); *provided, however*, that the Sale Hearing may be continued by the Debtors, in consultation with the Consultation Parties and in accordance with the Bidding Procedures, from time to time, without further notice to creditors or parties in interest; *provided, further*, that the Debtors reserve the right to seek an expedited Sale Hearing.

5. The dates and deadlines set forth in this Bidding Procedures Order are subject to modification by the Debtors in accordance with the Bidding Procedures.

6. Notwithstanding anything to the contrary in the Motion or this Bidding Procedures Order, the Committee shall have until April, 4, 2025, at 5:00 p.m. (prevailing Central Time) (the “Committee Reconsideration Deadline”) to file a motion seeking reconsideration of the relief granted in this Bidding Procedures Order, including, but not limited to, the deadlines related to the sale process and any related deadlines (the “Sale Timeline”). Provided the Committee seeks reconsideration by the Committee Reconsideration Deadline, the Debtors shall not challenge the Committee’s right to seek reconsideration, *provided, however*, all parties’ rights are reserved as to the merits of such request for reconsideration.

STALKING HORSE APA

7. Stalking Horse APA. The Debtors are authorized to select one or more Stalking Horse Bidder(s), to offer such Stalking Horse Bidder(s) Bid Protections, and to enter into one or more Stalking Horse APA(s), subject to higher or otherwise better offers at the Auction, with such Stalking Horse Bidder(s), all subject to and in accordance with the process and procedures set forth in paragraph B of this Bidding Procedures Order. Any Stalking Horse Bidder(s) shall be deemed a Qualified Bidder, and the bid of any Stalking Horse Bidder(s) contemplated by the applicable Stalking Horse APA(s) (a “Stalking Horse Bid”) shall be deemed a Qualified Bid, and subject to the Court’s entry of the Stalking Horse Order, if necessary pursuant to paragraph B of this Bidding Procedures Order, the Debtors are authorized, but not required, to offer, in the exercise of the Debtors’ business judgment and in consultation with the Consultation Parties, any Stalking Horse Bidder the Bid Protections.

THE BIDDING PROCEDURES

8. The Bidding Procedures, substantially in the form attached hereto as Exhibit 1 are incorporated herein and are hereby approved in their entirety, and the Bidding Procedures shall govern the submission, receipt, and analysis of all indications of interest and Bids relating to any proposed Sale Transaction. Any party desiring to submit a Non-Binding Indication of Interest and/or a Bid shall comply with the Bidding Procedures and this Bidding Procedures Order. The Debtors are authorized to take any and all reasonable actions necessary to implement the Bidding Procedures.

9. Other than a Stalking Horse Bidder's right to Bid Protections, if any, offered by the Debtors, and approved by the Court's entry of the Stalking Horse Order (if necessary pursuant to paragraph B of this Bidding Procedures Order), no person or entity shall be entitled to any expense reimbursement, break-up fee, "topping," termination, or other similar fee or payment in connection with any Sale, and by submitting a bid, such person or entity is deemed to have waived their right to request or to file with this Court any request for expense reimbursement or any fee of any nature, whether by virtue of section 503(b) of the Bankruptcy Code or otherwise.

NOTICE OF THE AUCTION, SALE AND SALE HEARING

10. The Sale Notice, substantially in the form attached hereto as Exhibit 2, is hereby approved. As soon as reasonably practicable following the entry of this Bidding Procedures Order, the Debtors will cause this Bidding Procedures Order, the Bidding Procedures, and Sale Notice to be served upon the following parties, and their respective counsel, if known (collectively, the "Sale Notice Parties"): (a) the Objection Notice Parties; (b) all taxing and regulatory authorities having jurisdiction over any of the Assets; (c) the Federal Trade Commission; (d) the United States Attorney General/Antitrust Division of Department of Justice; (e) all parties who have expressed a written interest to the Debtors in acquiring all or a substantial portion of the Debtors' Assets in

the twelve months prior to the Petition Date; (f) all non-Debtor counterparties to Potentially Assigned Contracts; and (g) all of the other known creditors and equity security holders of the Debtors.

11. In addition, as soon as practicable, after entry of this Bidding Procedures Order, the Debtors will publish the Sale Notice, with any modification necessary for ease of publication, once in the national editions of *The Wall Street Journal* and the *Houston Chronicle*, and on one occasion in the weekly circulation of the *Sun Sentinel* and the *Palm Beach Post* to provide notice to any other potential interested parties.

THE ASSUMPTION AND ASSIGNMENT PROCEDURES

12. 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 Successful Bidder(s), pursuant to section 365(f) of the Bankruptcy Code in connection with the Sale (the “Assumption and Assignment Procedures”) are hereby approved to the extent set forth herein.

13. These Assumption and Assignment Procedures shall govern the assumption and assignment of all of the Debtors’ executory contracts and unexpired leases to be assumed and assigned in connection with the Sale, subject to the payment of any payments necessary to cure any defaults arising under any Assigned Contract (as defined below) (the “Cure Costs”):

- (a) **Contracts Schedule and Cure Notice.** No later than April 4, 2025 (the “Cure Notice Deadline”), the Debtors will file with the Court, and cause to be published on the Debtors’ website maintained by Donlin, the Cure Notice, which will specify: (i) each potential contract or lease that may be assumed and assigned in connection with the Sale (each, a “Potentially Assigned Contract” and, collectively, the “Potentially Assigned Contracts”), including the name of each counterparty; and (ii) the proposed Cure Cost with respect to such Potentially Assigned Contract ((i)-(ii), together, the “Contracts Schedule”). The Cure Notice shall also be served on each counterparty listed on the Contracts Schedule via first-class mail, and will: (1) state the Cure Cost for each of the Potentially Assigned Contracts; (2) notify each counterparty to a Potentially Assigned Contract listed on the Contract Schedule that such party’s

contract or lease may be assumed and assigned to the Purchaser of the Assets at the conclusion of the Sale Hearing; (3) state the date of the Sale Hearing and that objections to any Cure Cost or to assumption and assignment of any of the Potentially Assigned Contracts will be heard at the Sale Hearing or at a later hearing, as determined by the Debtors; and (4) state a deadline by which objections to the Cure Cost or to the assumption and assignment of any of the Potentially Assigned Contracts must be filed; provided, however, that the inclusion of a contract, lease, or agreement on the Cure Notice or the Contracts Schedule will not constitute an admission that such contract, lease, or agreement is an executory contract or lease.

- (b) **Modifications to Contract Schedule.** Any time after the Cure Notice Deadline and before the date two (2) days prior to the Sale Hearing, the Debtors reserve the right, in consultation with the Successful Bidder(s) once selected, and are authorized, but not directed, to (i) add previously omitted contracts or leases to the Contract Schedule, (ii) remove contracts or leases from the Cure Schedule, or (iii) modify the previously stated Cure Cost associated with any contract or lease identified on the Contract Schedule. Those Potentially Assigned Contracts remaining on the Contract Schedule following the date that is two (2) days prior to the Sale Hearing (each an “Assigned Contract” and, collectively, the “Assigned Contracts”).
- (c) **Supplemental Contracts.** In the event that any contract or lease is added to the Contract Schedule or any previously-stated Cure Costs are modified, the Debtors will promptly, and in any event no later than two (2) days after the Debtors determine to add a contract or lease to the Contract Schedule or modify any previously-stated Cure Costs, serve a supplemental cure notice (each, a “Supplemental Cure Notice”) on each impacted counterparty. Each Supplemental Cure Notice will include the same information with respect to the applicable contract or lease as is required to be included in the Cure Notice.
- (d) **Objections.** The deadline to object to any Cure Cost or to assumption and assignment on any basis (except objections solely related to adequate assurance of future performance by a Successful Bidder other a Stalking Horse Bidder) is the date that is 14 days after service of the Cure Notice or Supplemental Cure Notice, as applicable (the “Contract Objection Deadline”), and any such objection shall: (1) be in writing, (2) state the basis for such objection, (3) if such objection is to the Cure Cost, state with specificity what Cure Cost the counterparty believes is required (in all cases, with appropriate documentation in support thereof), (4) comply with the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and (5) be filed with the Court and served on the Objection Notice Parties by the Contract Objection Deadline. Any objections to the assumption and assignment of the Potentially Assigned Contracts will be heard at the Sale Hearing (to the extent such hearing has not occurred as of the applicable Contract Objection Deadline) or at a later hearing, as determined by the Debtors. The Debtors further request the ability to settle on a consensual basis any dispute regarding Cure Costs without further order of the Court.
- (e) **Post-Auction Objection.** If, following the Auction, one or more Stalking Horse Bidder(s) are not the Successful Bidder(s), then the Debtors shall serve the Notice of Successful Bidder on each counterparty to a Potentially Assigned Contract that received the Cure Notice or any Supplemental Cure Notice at the same time as such

Notice of Successful Bidder is filed with the Court and published on the Debtors' website maintained by Donlin. Objections of any counterparty to a Potentially Assigned Contract related solely to the identity of the Successful Bidder(s) (other than a Stalking Horse Bidder) or adequate assurance of future performance provided by the Successful Bidder(s) must (1) be in writing, (2) comply with the Bankruptcy Code, Bankruptcy Rules and the Local Rules, (3) state, with specificity, the legal and factual bases thereof, (4) be filed by the Post-Auction Objection Deadline, and (5) be served on the Objection Notice Parties.

- (f) **Reservation of Rights.** The inclusion of a Potentially Assigned Contract, or Cure Costs with respect thereto on a Cure Notice, any Supplemental Cure Notice, or the Contracts Schedule shall not constitute or be deemed a determination or admission by the Debtors or any other party in interest that such Potentially Assigned Contract is an executory contract or unexpired lease of the Debtors within the meaning of section 365 of the Bankruptcy Code. The Debtors reserve all of their rights, claims, and causes of action with respect to each Potentially Assigned Contract listed on the Cure Notice, any Supplemental Cure Notice, or the Contracts Schedule. The Debtors' inclusion of any Potentially Assigned Contract on a Cure Notice, any Supplemental Cure Notice or the Contracts Schedule shall not be a guarantee that such contract or lease ultimately will be an Assigned Contract.

14. Unless a counterparty to a Potentially Assigned Contract files an objection to the Cure Cost of its Assigned Contract by the Contract Objection Deadline, such counterparty will be (a) deemed to have consented to such Cure Cost, and (b) forever barred and estopped from objecting to the Cure Costs.

15. Unless a counterparty to an Assigned Contract files an objection to the proposed assumption and assignment of its Assigned Contract by the Contract Objection Deadline or, solely with respect to objections related to the identity of the Successful Bidder(s) (other than a Stalking Horse Bidder) or adequate assurance of future performance provided by the Successful Bidder(s) (other than a Stalking Horse Bidder), the Post-Auction Objection Deadline, as applicable, such counterparty shall be (i) deemed to have consented to (a) the assumption and assignment of such Potentially Assigned Contract, and (b) the related relief requested in the Motion, and (ii) forever barred and estopped from objecting to the assumption and assignment of the Potentially Assigned Contract, 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 Buyer for purposes of section 365(c)(1) of the Bankruptcy Code, and from asserting any additional cure or other amounts against the Debtors or the Buyer with respect to such party's Assigned Contract.

RELATED RELIEF

16. Nothing in this Bidding Procedures Order is intended to, or shall be deemed to, modify, waive or impair any of the provisions of the then-operative DIP Order (as defined in the DIP Motion), the DIP Loan Documents (as defined in the DIP Motion), or the rights and obligations of the Debtors, the DIP Lender, or any other party in interest thereunder.

17. Notwithstanding anything to the contrary contained herein or in the Bidding Procedures, (a) the right of any party to credit bid (including the Stalking Horse Bidder) is subject to the provisions of section 363(k) of the Bankruptcy Code, (b) nothing in this Bidding Procedures Order shall be construed as a waiver of, or a finding that any credit bid satisfies the requirements of, section 363(k) of the Bankruptcy Code, and (c) nothing in this Bidding Procedures Order shall prejudice any party in interest's rights to object to a credit bid (subject to the limitations set forth in this Bidding Procedures Order, the Bidding Procedures, and any order(s) approving the DIP Motion, or any other party's right to oppose such objection; *provided, however*, the DIP Lender, the Prepetition Agent and the Prepetition Lenders shall have the right to credit bid all or any portion of the DIP Facility Loans and Prepetition Loans pursuant to section 363(k) of the Bankruptcy Code, and any such credit bid will be considered a Qualified Bid to the extent such bid is received by the Bid Deadline and complies with section 363(k) of the Bankruptcy Code and shall not be prohibited, whether for "cause" under section 363(k) of the Bankruptcy Code or otherwise, from credit bidding; *provided further* that if the DIP Lender, the Prepetition Agent and/or the Prepetition Lenders submit a credit bid, including any credit bid by an Agent Assignee (as defined in the

interim DIP order [Docket No. 32 ¶ 28]), all or a portion of the Prepetition Obligations or the DIP Obligations, then the DIP Lender, the Prepetition Agent and/or the Prepetition Lenders shall cease to be Consultation Parties.

18. To the extent any member of the Debtors' management team, including, but not limited to, Jonathan A. Saperstein, either as an individual or through an entity affiliated with the respective member of the Debtors' management, is participating in a bid to purchase the Assets, the respective member of the Debtors' management shall be excluded from evaluating bids from other parties and shall not advise the Debtors on the same; *provided, however*, Mr. Saperstein's participation in a bid to purchase the Assets shall not preclude him from being involved in and/or participating in management presentations or discussions with bidders as part of the sale process.

19. All rights of the Debtors, as they may reasonably determine to be in the best interest of their estates, in consultation with the Consultation Parties, to modify the Bidding Procedures in good faith, to further the goal of attaining the highest or otherwise best offer for the Assets, or impose, at or prior to selection of the Successful Bidder(s), additional customary terms and conditions on the Sale of the Assets, are reserved to the extent set forth in the Bidding Procedures; *provided* that any change to the dates or deadlines set forth herein shall comply with the milestones agreed upon the then-operative DIP Order, including, without limitation, the Sale Consummation Deadline. The Debtors shall provide reasonable notice of any such modification to any Qualified Bidder, including any Stalking Horse Bidder(s).

20. The failure to include or reference a particular provision of the Bidding Procedures specifically in this Bidding Procedures Order shall not diminish or impair the effectiveness or enforceability of such a provision.

21. Nothing in this Bidding Procedures Order or the Bidding Procedures shall require the board of directors, board of managers, or such similar governing body of a Debtor to take any action, or to refrain from taking any action, with respect to the Bidding Procedures, to the extent such board of directors, board of managers, or such similar governing body reasonably determines in good faith, after consultation with the Debtors' advisors, that taking such action, or refraining from taking such action, as applicable, would be inconsistent with applicable law or its fiduciary obligations under applicable law.

22. In the event of any inconsistencies between this Bidding Procedures Order and the Motion, this Bidding Procedures Order shall govern in all respects. In the event of any inconsistencies between this Bidding Procedures Order and the Bidding Procedures, the Bidding Procedures shall govern in all respects. In the event of any inconsistencies between the Bidding Procedures and the then-operative DIP Order, the applicable DIP Order shall govern in all respects.

23. All persons or entities (whether or not Qualified Bidders) that participate in the bidding process shall be deemed to have knowingly and voluntarily (a) consented to the entry of a final order by this Court in connection with the Motion, and (b) waived any right to jury trial in connection with any disputes relating to the any of the foregoing matters.

24. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of the Bankruptcy Rules and the Local Rules are satisfied by such notice.

25. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 6006(d), 7052, 9014 or otherwise, the terms and conditions of this Bidding Procedures Order shall be immediately effective and enforceable upon its entry.

26. The Debtors are authorized to take all reasonable actions necessary to effectuate the relief granted in this Bidding Procedures Order in accordance with the Motion.

27. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Bidding Procedures Order, including, but not limited to, any matter, claim or dispute arising from or relating to the Bidding Procedures, any Stalking Horse APA(s) (or the Asset Purchase Agreement with the otherwise Successful Bidder(s)).

Signed: March 19, 2025


Alfredo R Pérez
United States Bankruptcy Judge

EXHIBIT 1

Bidding Procedures

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
TREESAP FARMS, LLC, <i>et al.</i> ,	§	
	§	Case No. 25-90017 (ARP)
Debtors. ¹	§	
	§	(Jointly Administered)
	§	
	§	

BIDDING PROCEDURES

On February 24, 2025 (the “Petition Date”), the above captioned debtors and debtors in possession (collectively, the “Debtors”) filed voluntary petitions for relief under title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (this “Court”), commencing the above-captioned chapter 11 cases (the “Chapter 11 Cases”).

On March 19, 2025, the court held a hearing (the “Bidding Procedures Hearing”) on the Debtors’ *Emergency Motion for Entry of Orders (I) Approving Bidding Procedures; (II) Authorizing the Debtors to (A) Select One or More Stalking Horse Bidders, and (B) to Offer Bid Protections to Such Stalking Horse Bidders; (III) Scheduling an Auction and a Sale Hearing; (IV) Approving the Form and Manner of Notice Thereof; (V) Approving Assumption and Assignment Procedures for Executory Contracts and Unexpired Leases; and (VI) Granting Related Relief* [Docket No. ●]] (the “Bidding Procedures Motion”).

On March 19, 2025, the Court entered an order [Docket No. [●]] (the “Bidding Procedures Order”),² which, among other things, authorized the Debtors to: (i) solicit bids in accordance with the procedures outlined herein (collectively, the “Bidding Procedures”) for a sale or disposition (each sale or disposition, a “Sale Transaction,” and collectively, the “Sale”) of all or any portion for the Assets (as defined below), and (ii) select one or more potential bidders to act as stalking horse bidders (each a “Stalking Horse Bidder”), to enter into and perform under asset purchase agreement(s) with such Stalking Horse Bidder(s) (each such asset purchase agreement, a “Stalking Horse APA”) and to offer any such Stalking Horse Bidder(s) customary bid protections, including a market-driven break-up fee in an amount not to exceed 3% of the proposed cash purchase price under the applicable Stalking Horse APA (the “Break-Up Fee”), expense reimbursement in an

1 The Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers are as follows: TreeSap Farms, LLC (5183); TSH Opco, LLC (4697); TSV Opco, LLC (5418); TSV Reco, LLC (4953); and TreeSap Florida, LLC (5331). The location of the Debtors’ principal place of business and the Debtors’ service address in these chapter 11 cases is TreeSap Farms, LLC, 5151 Mitchelldale St., Suite B-2, Houston, TX 77292-5279.

2 Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Bidding Procedures Motion or the Bidding Procedures Order.

amount not to exceed \$500,000 (the “Expense Reimbursement”), and a minimum overbid requirement at the Auction (defined below), if any, in the amount of \$500,000 (the “Minimum Overbid” and together with the Break-Up Fee and the Expense Reimbursement, collectively, the “Bid Protections”).

The Bidding Procedures set forth the process by which the Debtors are authorized to solicit the highest or otherwise best Bid (as defined below) for all or any portion of the Debtors’ assets (the “Assets”), culminating in an auction (the “Auction”) solely if competing Qualified Bids (as defined below) are received. The Sale is contemplated to be implemented pursuant to the terms and conditions of the applicable asset purchase agreement(s), which asset purchase agreement(s) may be one or more Stalking Horse APA(s), upon the receipt of a Successful Bid (as defined herein) that the Debtors have determined in their business judgment and in consultation with the Consultation Parties (as defined below) is the highest and otherwise best offer for the Assets in accordance with the Bidding Procedures.

Copies of the Bidding Procedures Order and any other documents in the Debtors’ Chapter 11 Cases are available upon request to Donlin, Recano & Company, LLC, by calling 1 (877) 322-4952 (Domestic) or 1 (212) 771-1128 (International), or by visiting <https://www.donlinrecano.com/tsf>.

KEY DATES

The key dates for the sale process are as follows. The Debtors, in consultation with the Consultation Parties and solely subject to the then-operative DIP Order (as defined in the DIP Motion³) and the DIP Credit Agreement (as defined in the DIP Motion), may extend any of the deadlines, or delay any of the applicable dates, set forth herein or in the Bidding Procedures Order.

Event	Proposed Date
Non-Binding Indication of Interest Deadline	Wednesday, March 26, 2025, at 4:00 p.m. (prevailing Central Time)
Cure Notice Deadline	Friday, April 4, 2025
Stalking Horse Designation Deadline	Wednesday, April 9, 2025, at 4:00 p.m. (prevailing Central Time)

³ As such term is defined in *Debtors’ Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Use Cash Collateral; (II) Granting Senior Secured Priming Liens and Superpriority Administrative Expense Claims; (III) Granting Adequate Protection to Prepetition Lenders; (IV) Modifying the Automatic Stay; (V) Scheduling a Final Hearing; and (VI) Granting Related Relief* [Docket No. 16] (the “DIP Motion”).

Event	Proposed Date
Stalking Horse Objection Deadline	Monday, April 14, 2025, at 4:00 p.m. (prevailing Central Time)
Contract Objection Deadline	By 4:00 p.m. (prevailing Central Time) on the day that is fourteen (14) days after service of the Cure Notice or the Supplemental Cure Notice, as applicable.
Bid Deadline and Sale Objection Deadline⁴	Thursday, April 24, 2025, at 4:00 p.m. (prevailing Central Time)
Auction (if necessary)	Wednesday, April 30, 2025, at 10:00 a.m. (prevailing Central Time)
Deadline to File Notice of Successful Bidder⁵	As soon as reasonably practicable after the close of the Auction, and, in any event, no later than 5:00 p.m. (prevailing Central Time) on the date that is two (2) days after the close of the Auction.
Post-Auction Objection Deadline	The date that is two (2) days after the filing of the Notice of Successful Bidder.
Sale Hearing (subject to Court availability)	No later than Monday 12, 2025
Sale Consummation Deadline	No later than Friday, May 23, 2025, the Sale shall be consummated (the “ <u>Sale Consummation Deadline</u> ”).

4 The Sale Objection Deadline applies to any objections to the Sale of all or any portion of the Assets, except: (i) objections to the proposed Cure Cost which are subject to the Contract Objection Deadline, and (ii) objections solely related to the identity of the Successful Bidder (other than with respect to a Stalking Horse Bidder which are subject to the Stalking Horse Objection Deadline) and adequate assurance of future performance by the Successful Bidder(s), which objections are subject to the Post-Auction Objection Deadline.

5 In the event that the Auction is cancelled, including, without limitation, because no Qualified Bids, other than one or more Stalking Horse Bid(s), have been received as of the Bid Deadline, the Debtors shall file a Notice of Successful Bidder promptly identifying one or more Stalking Horse Bidders as the Successful Bidder, or, if the Debtors have not selected a Stalking Horse Bidder, otherwise providing parties in interest with an update as to the next steps in the sale process.

PARTICIPATION REQUIREMENTS

1. Prospective Bidders

In order to participate in the bidding process or otherwise be considered for any purpose hereunder, a person or entity interested in the Assets or any portion of the Assets (other than a Stalking Horse Bidder) (an “Interested Party”) must deliver to the following parties (collectively, the “Debtors’ Advisors”): (i) proposed counsel to the Debtors Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002 (Attn: Timothy A. (“Tad”) Davidson II (taddavidson@Hunton.com) and Joseph P. Rovira (josephrovira@Hunton.com)); and (ii) proposed investment banker to the Debtors, Armory Securities, LLC (“Armory”), 200 North Pacific Coast Highway, Suite 1525, El Segundo, CA 90245 (Attn: Douglas McDonald (dmcdonald@armorysecurities.com) and Ron Papile (rpapile@armorysecurities.com)), the following documents and information (collectively, the “Preliminary Bid Documents”):

- (a) the identification of the Interested Party and any principals and representatives thereof (including counsel), including by identifying those principals and representatives who are authorized by the Interested Party to appear and act on such Interested Party’s behalf for all purposes under the Bidding Procedures regarding the Interested Party’s contemplated Sale Transaction;
- (b) a description of any and all connections that the Interested Party (including its affiliates and any related persons) may have to (a) the Debtors, (b) any current or former directors and officers of the Debtors, (c) the Debtors’ non-Debtor affiliates, and (d) the Debtors’ primary creditors as identified by the Debtors;
- (c) preliminary proof of such Interested Party’s financial capacity to close a proposed Sale Transaction, which may include current unaudited or verified financial statements of, or verified financial commitments obtained by, such Interested Party (or, if the Interested Party is an entity formed for the purpose of acquiring all or a portion of the Assets to be sold, the party that will bear liability for a breach by the Interested Party of an asset purchase agreement or other agreement entered into in respect of the proposed Sale Transaction) the adequacy of which the Debtors and their advisors will determine in their sole discretion; and
- (d) an executed confidentiality agreement in form and substance acceptable to the Debtors (a “Confidentiality Agreement”).⁶

Each Interested Party shall comply with all reasonable requests for information from the Debtors (including their advisors) regarding the ability of such Interested Party to consummate its contemplated Sale Transaction.

If the Debtors, in consultation with their advisors, determine that an Interested Party has timely delivered adequate Preliminary Bid Documents, such Interested Party shall be eligible to receive due diligence information as described below (each such Interested Party after timely delivering adequate Preliminary Bid Documents, a “Prospective Bidder”); *provided* that the

⁶ Interested Parties may obtain a copy of a Confidentiality Agreement by requesting a copy from the Debtors’ Advisors.

Debtors will notify any Interested Party that has not submitted adequate Preliminary Bid Documents so that such Interested Party has the opportunity to remedy any inadequacies and become a Prospective Bidder. The Debtors, in consultation their advisors, will determine and notify each Interested Party whether it has submitted adequate Preliminary Bid Documents.

2. Non-Binding Indications of Interest

In addition to receiving the information noted above in Section 1, prior to the Non-Binding Indication of Interest Deadline, a Prospective Bidder is required to submit a non-binding written indication of interest (a “Non-Binding Indication of Interest”) specifying the following terms for an indicative bid (an “Indicative Bid”):

- (a) the specific Assets sought by the Indicative Bid;
- (b) the amount and type of consideration (including a breakdown of the cash and non-cash components of the consideration and any liabilities to be assumed) to be offered, and any material Assets and/or liabilities excluded by such Indicative Bid;
- (c) whether any external financing is required in connection with the Indicative Bid and, if so, the sources of such external financing and status of commitments (including the expected timing and process) from such sources for the amount of financing required to complete the Sale Transaction contemplated by such Indicative Bid;
- (d) the level of review that the Indicative Bid has received within your organization and any additional approvals (board, shareholders, investment committee, legal, regulatory or otherwise) needed to be obtained to complete the Sale Transaction by such Indicative Bid, including an outline of the process and expected timing for obtaining all internal and external approvals, execution of definitive documentation, and consummation of the proposed Sale Transaction;
- (e) a description of any other material conditions or contingencies needed to be satisfied after execution of definitive documentation prior to closing the proposed Sale Transaction;
- (f) the names of any advisors (including financial, legal, and accounting advisors) that have been or will be retained to provide assistance in connection with the proposed Sale Transaction;
- (g) any other material information, assumptions or conditions;
- (h) to the extent the Assets targeted by such bid are located in different regions of the Debtors’ businesses (i.e., Southwest, Northwest, or Southeast region) an allocation of the consideration offered by such Indicative Bid by region; and
- (i) to the extent an Indicative Bid covers more than one of the Assets, identifying whether such bid is contingent upon obtaining all or, a specific subset, of the Assets targeted by such bid.

Notwithstanding the foregoing, the Debtors shall, in consultation with the Consultation Parties, retain the ability to consider a timely Bid submitted by a Prospective Bidder that did not submit a Non-Binding Indication of Interest by the Non-Binding Indication of Interest Deadline or otherwise.

3. Due Diligence

Only Prospective Bidders (as well as, for the avoidance of doubt, any Stalking Horse Bidder(s)) shall be eligible to receive due diligence information and reasonable access to the Debtors' confidential electronic data room concerning the Assets (the "Data Room"). The Debtors, with the aid of their advisors, shall coordinate all reasonable requests from Prospective Bidders for additional information and due diligence access; *provided* that the Debtors may withhold or limit access by any Prospective Bidder (including its affiliates and any related persons) to the Data Room or other due diligence materials at any time and for any reason, including, without limitation, if (a) any due diligence information is determined to be business sensitive, proprietary, or otherwise not appropriate for disclosure to a Prospective Bidder by the Debtors, including, but not limited to, Prospective Bidders who are customers or competitors of the Debtors or affiliates thereof, and other industry participants, (b) the Prospective Bidder does not become, or the Debtors determine that the Prospective Bidder is not likely to become, a Qualified Bidder (as defined below), (c) the Prospective Bidder violates the terms of its Confidentiality Agreement, (d) the Debtors become aware that the information set forth on the Preliminary Bid Documents is inaccurate or misleading or of any other reason to doubt such Prospective Bidder's ability to close its contemplated transaction, (e) the Prospective Bidder (including its affiliates and any related persons) uses information obtained from the Data Room or the diligence process in connection with, or related to, any litigation or other legal action related to any Debtor, any current or former directors and officers of the Debtors, the Debtors' non-Debtor affiliates, and the Debtors' primary creditors as identified by the Debtors, (f) such disclosure would jeopardize protections afforded any Debtor or primary creditor as identified by the Debtors under the attorney-client privilege or the attorney work product doctrine, or (g) the bidding process is terminated in accordance with its terms.

Notwithstanding any prepetition limitations, including, without limitation, any non-disclosure, confidentiality or similar provisions relating to any due diligence information, the Debtors and their respective estates will be authorized to provide due diligence information to each Prospective Bidder that has delivered an executed Confidentiality Agreement. Notwithstanding anything to the contrary herein, the Debtors reserve the right to withhold any diligence materials that the Debtors believe in good faith and in the exercise of their business judgment are sensitive or otherwise not appropriate for disclosure.

Each Interested Party or Prospective Bidder shall comply with all reasonable requests by the Debtors or the Debtors' advisors with respect to information, documentation, and due diligence access regarding such Interested Party or Prospective Bidder, as applicable, and its contemplated Sale Transaction.

The due diligence period will end on the Bid Deadline (as defined below) and, subsequent to the Bid Deadline, the Debtors shall have no obligation to furnish any due diligence information. Additional due diligence will not be provided after the Bid Deadline, unless otherwise deemed reasonably appropriate by the Debtors in consultation with the Consultation Parties.

The Debtors have designated Armory to coordinate all reasonable requests for additional information and due diligence access. Contact information for Armory is as follows:

**Armory Securities, LLC
200 North Pacific Coast Highway, Suite 1525
El Segundo, California 90295
Attn: Douglas McDonald (dmcDonald@armorysecurities.com)
Ron Papile (rpapile@armorysecurities.com)**

4. No Communications Among Bidders

There shall be no communications regarding the Debtors' sale process between and amongst Prospective Bidders (including, for the avoidance of doubt, any Stalking Horse Bidder(s)), Qualified Bidders (including for the avoidance of doubt, any Stalking Horse Bidder(s)), or between Prospective Bidders and/or Qualified Bidders, on the one hand, and the Consultation Parties, on the other hand, unless the Debtors have previously authorized such communication in writing (email being sufficient) and that any communications authorized by the Debtors, in accordance with this paragraph, shall require such parties to include a representative (identified by the Debtors or the Debtors' Advisors in the writing authorizing such communications) be copied or included in all such communications. The Debtors reserve the right, in their reasonable business judgment and in consultation with the Consultation Parties, to disqualify any Prospective Bidders that have communications between and amongst themselves, or with a Consultation Party, without the Debtors' written consent.

STALKING HORSE BIDS

Subject to the Bidding Procedures and the Bidding Procedures Order, and after consultation with the Consultation Parties, the Debtors may, in the exercise of their business judgment, select one or more Stalking Horse Bidder(s) and enter into and perform under Stalking Horse APA(s), subject to higher or otherwise better offers at the Auction, if held, with such Stalking Horse Bidders to establish a minimum Qualified Bid at the Auction. Notwithstanding anything to the contrary herein, subject to approval by the Court in accordance with the below, the Debtors may provide, in the exercise of their business judgment and in consultation with the Consultation Parties, Bid Protections to any Stalking Horse Bidder(s).

In the event that the Debtors (in consultation with the Consultation Parties) select one or more parties to serve as a Stalking Horse Bidder, upon such selection, but in any event no later than 4:00 p.m. (prevailing Central Time) on Wednesday, April 9, 2025 (the "Stalking Horse Designation Deadline"), the Debtors shall file a Stalking Horse Notice with the Court and provide such Stalking Horse Notice to: (a) all parties identified in Section E of the Complex Case Procedures; (b) counsel to the DIP Lender and the Prepetition Agent; (c) counsel to any statutory committee appointed in the Chapter 11 Cases; and (d) all parties reasonably known to the Debtors to assert an Interest in the Assets. Parties in interest shall then have until 4:00 p.m. (prevailing Central Time) on the day that is five days after the filing of the applicable Stalking Horse Notice

(the “Stalking Horse Objection Deadline”) to object to the Debtors’ designation of such Stalking Horse Bidder(s) and any Bid Protections offered to such Stalking Horse Bidder(s).

To the extent an objection to a Stalking Horse Notice is timely received, the Court will, subject to the Court’s availability, hold a hearing five (5) days after the Stalking Horse Objection Deadline at which hearing the Court will determine whether the Debtors are permitted to designate the Stalking Horse Bidder(s) identified in any Stalking Horse Notice(s), including whether the Debtors are permitted to offer any Bid Protections identified for such Stalking Horse Bidder(s) in such Stalking Horse Notice(s).

Absent objection, any Stalking Horse Bidder(s) identified by the Debtors in timely filed Stalking Horse Notice(s), and any Bid Protection(s) offered to such Stalking Horse Bidder(s), if any, shall be deemed automatically approved by the Court without any further action by the Debtors. If a timely objection, conforming to the requirements set forth herein, is filed to any Stalking Horse Notice(s), the Debtors selection of any Stalking Horse Bidder(s) subject to such objection, and any Bid Protection(s) offered to such Stalking Horse Bidder(s), shall not be approved unless and until the Court enters an order approving the Debtors’ designation of the Stalking Horse Bidder(s) subject to the objection, and any Bid Protection(s) offered to such Stalking Horse Bidder(s), all as set forth in the applicable Stalking Horse Notice(s), (the order resolving such objection, the “Stalking Horse Order”).

Any Stalking Horse APA(s) executed by the Debtors and the Sale Transaction contemplated thereby will be deemed a Qualified Bid for all purposes, and any Stalking Horse Bidder(s) party to a Stalking Horse APA(s) executed by the Debtors will be deemed to be a Qualified Bidder.

Other than as provided by order of the Court, no party submitting a Bid shall be entitled to a break-up fee, expense reimbursement, termination fee, or any other similar form of compensation except for the Bid Protections, if any, offered to Stalking Horse Bidder(s). Any substantial contribution claims by any Bidder are deemed waived, to the extent based on solely on such Bidder’s submission of a Bid hereunder.

QUALIFIED BID REQUIREMENTS

To be eligible to participate in the Auction, each offer, solicitation, or proposal to acquire Assets (each, a “Bid”), other than any Stalking Horse Bid, must be delivered or transmitted via email (in .pdf or similar format) so as to be **actually received** by the Debtors’ Advisors no later than **4:00 p.m. (prevailing Central Time) on Thursday, April 24, 2025** (the “Bid Deadline”), or such other date as may be agreed to by the Debtors after consulting with the Consultation Parties.

In order to constitute a Qualified Bid (as defined below), a Bid must satisfy each of the following conditions:

1. **Irrevocability of Bid.** The Bid must include a letter stating that the Prospective Bidder’s offer is irrevocable and binding until the closing of the Sale if such Prospective Bidder is the Successful Bidder, and that the Prospective Bidder agrees to serve as a Backup Bidder (as defined below) if such bidder’s Bid is

selected as the next highest or otherwise next best bid after the Successful Bid (as defined below).

2. **Assets and Liabilities.** The Bid must clearly identify the following: (a) the Assets to be purchased; and (b) the liabilities and obligations to be assumed, including any indebtedness to be assumed, if any.
3. **Designation of Assigned Contracts and Leases.** The Bid must identify any and all executory contracts and unexpired leases of the Debtors that the bidder wishes to be assumed and assigned to the bidder at closing. The Bid must confirm that 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 may be provided by the Debtors).
4. **Purchase Price.** The Bid must clearly set forth the cash purchase price, and any other non-cash consideration (with the form of such consideration specified), to be paid.
5. **Employment and Employee Obligations.** The Bid must (a) specify whether the Prospective Bidder intends to hire any or all of the Debtors' employees and (b) expressly propose the treatment of the Debtors' prepetition compensation, incentive, retention, bonus or other compensatory arrangements, plans, or agreements, including, offer letters, employment agreements, consulting agreements, severance arrangements, retention bonus agreements, change in control agreements, retiree benefits, and any other employment related agreements.
6. **Minimum Bid.** In the event the Debtors have selected one or more Stalking Horse Bidders, each Bid submitted each Bid submitted must either: (a) (i) provide for the payment of aggregate consideration, in the Debtors' good-faith business judgment, the value of which is in excess of at least the sum of (x) the purchase price under the applicable Stalking Horse APA) and (y) any Bid Protections approved by the Court; or (b) propose an alternative transaction that, in the Debtors' good faith business judgment, in consultation with the Consultation Parties, provides higher value or better terms than any Stalking Horse Bid, if any, and, after taking into account, in light of the Bids submitted for the Assets, is determined by the Debtors, in consultation with the Consultation Parties, to be in the best interests of the Debtors' estates.
7. **Deposit.** Each Bid (except for a Stalking Horse Bid) must be accompanied by a good faith deposit in the form of cash in an amount equal to not less than ten percent (10%) of the aggregate purchase price of the Bid to be held in an escrow account to be identified and established by the Debtors (the "Deposit"). For the avoidance of doubt, to the extent the Purchase Price of a Bid is increased, at any time or from time to time, whether prior to commencement of the applicable Auction (if any) or during the applicable Auction (if any), the amount of the Deposit shall automatically increase accordingly (i.e., to become equal to 10% of any increased Purchased Price) and the corresponding bidder will promptly pay into escrow the amount of such increase, and in any event within one (1) business day, following such increase. Without limiting the foregoing, if a

Purchase Price is increased in order to make a bid into a Qualified Bid, the Debtors may, in consultation with the Consultation Parties, condition participation of the applicable bidder at the applicable Auction (if any) on such bidder paying the then full amount of the Deposit into escrow prior to the commencement of such Auction or such participation.

8. **Asset Purchase Agreement.** Each Bid must include duly executed, non-contingent transaction documents necessary to effectuate the transactions contemplated in the Bid (the “Bid Documents”). The Bid Documents shall include a copy of the asset purchase agreement, including a complete set of all disclosure schedules and exhibits thereto, marked to show the specific changes to the applicable Stalking Horse APA, if any, or form asset purchase agreement (the “Form APA”), made available to Prospective Bidders in the Data Room, that the Prospective Bidder requests, as well as all other material documents integral to such Bid.
9. **Adequate Assurance Information.** The Bid must include sufficient financial or other information (the “Adequate Assurance Information”) to establish adequate assurance of future performance with respect to any lease or contract to be assigned to the Qualified Bidder (as defined below) in connection with the proposed Sale which shall include: (i) audited and unaudited financial statements, (ii) tax returns, (iii) bank account statements, (iv) a description of the manner in which the Bidder plans to capitalize and manage the business going forward, and (v) any such other documentation or information as the Debtors may request (the foregoing clauses (i)-(v), and/or such other documentation and information satisfactory to the Debtors to demonstrate an Prospective Bidder's adequate assurance of future performance, collectively, the “Adequate Assurance Package”). The Bid shall also identify a contact person (with relevant contact information) that counterparties to any lease or contract can contact to obtain additional Adequate Assurance Information. The Adequate Assurance Package must be submitted to the Debtors and their advisors at the time of the Bid's submission in its own compiled PDF document. Any requests made by the Debtors or their advisors thereafter for further or supplemental information or documentation must be promptly provided to the Debtors and their advisors.
10. **Proof of Financial Ability to Perform.** Each Bid must include written evidence that the Debtors reasonably conclude, in consultation with the Consultation Parties, demonstrates that the bidder has the necessary financial ability to timely close the proposed Sale Transaction in accordance with the Bidding Procedures. Such information must include: (i) contact names, telephone numbers, and email addresses for verification of financing sources; (ii) evidence of the bidder's internal financing resources and, if applicable, proof of fully executed and effective financing commitments with limited conditionality customary for transactions of the proposed Sale Transaction's type from one or more reputable financing sources in an aggregate amount equal to the Cash portion of such Bid (including, if applicable, the payment of Cure Costs), in each case, as are required to timely close the Sale Transaction; (iii) a description of the bidder's

pro forma capital structure; and (iv) any other financial disclosure or credit-quality support information or enhancement requested by the Debtors demonstrating that such bidder has the ability to timely close the proposed Sale Transaction in accordance with the Bidding Procedures.

11. **Contingencies; No Financing or Diligence Outs.** A Bid shall not be conditioned on the obtaining or the sufficiency of financing or any internal approval, or on the outcome or review of due diligence.
12. **Identity.** The Bid must fully disclose the identity of the party submitting the Bid (and any equity holders, limited partners, or other financial backer), its full legal name, jurisdiction of incorporation or formation and its location in the Prospective Bidder's corporate structure, and the representatives thereof who are authorized to appear and act on its behalf for all purposes regarding the contemplated Sale.
13. **As-Is, Where-Is.** The Bid must include the following representations and warranties: (a) expressly state that the Prospective Bidder has had an opportunity to conduct any and all due diligence regarding the Debtors' businesses and the Assets prior to submitting its Bid, (b) a statement that the Prospective Bidder has relied solely upon its own independent review, investigation, and/or inspection of any relevant documents and the Assets in making its Bid and did not rely on any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express or implied, by operation of law or otherwise, by the Debtors, Armory, or the Debtors' other advisors regarding the Debtors' businesses or the Assets or the completeness of any information provided in connection therewith, except, solely with respect to the Debtors, as expressly stated in the representations and warranties contained in the Prospective Bidder's proposed asset purchase agreement ultimately accepted and executed by the Debtors, and (c) the Prospective Bidder's agreement to not use information obtained from the Data Room or the diligence process in connection with, or related to, any litigation or other legal actions between such Potential Bidder (including its affiliates and any related persons) and any Debtor, any current or former directors and officers of the Debtors, the Debtors' non-Debtor affiliates, and/or the Debtors' primary creditors as identified by the Debtors.
14. **Authorization.** The Bid must include evidence that the Prospective Bidder has obtained authorization or approval from its board of directors (or comparable governing body) acceptable to the Debtors with respect to the submission, execution, and delivery of its Bid and Bid Documents, participation in the Auction, and closing of the proposed transaction(s) contemplated in such Bid. The Bid shall further state that any necessary filings under applicable regulatory, antitrust, and other laws will be made in a timely manner and that payment of the fees associated therewith shall be made by the Prospective Bidder.
15. **Disclaimer of Fees.** Each Bid (other than a Stalking Horse Bid) must disclaim any right to receive a fee analogous to a break-up fee, expense reimbursement, "topping" or termination fee, or any other similar form of compensation. For the

avoidance of doubt, no Qualified Bidder (other than a 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, and by submitting its Bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis, including under section 503(b) of the Bankruptcy Code.

16. **Time Frame for Closing.** A Bid by a Prospective Bidder must be reasonably likely (based on antitrust or other regulatory issues, experience, and other considerations in the Debtors' business judgment) to be consummated, if selected as the Successful Bid, within a time frame reasonably acceptable to the Debtors (in consultation with the Consultation Parties) and, in any event, unless the DIP Lender agrees to extend the Milestones must be consummated by the Sale Consummation Deadline. The Prospective Bidder must commit to closing the proposed Sale(s) contemplated by the Bid as soon as practicable and provide perspective on any potential regulatory issues that may arise in connection with such Prospective Bidder's acquisition of the Assets including timing for resolution thereof.
17. **Adherence to Bidding Procedures.** Each Bid must include (a) a statement that the Prospective Bidder has acted in good faith consistent with section 363(m) of the Bankruptcy Code; and (b) a statement that the Prospective Bidder agrees to be bound by, and has complied with, the Bidding Procedures.
18. **Joint Bids.** The Debtors are authorized to approve joint bids, in the exercise of their business judgment and in consultation with the Consultation Parties, on a case-by-case basis; *provided* that the foregoing is subject to the restrictions on communications amongst bidders set forth herein, and that the Debtors authorize any joint bids in writing (email being sufficient).
19. **No Collusion.** The Prospective Bidder must acknowledge in writing that (a) in connection with submitting its Bid, it has not engaged in any collusion that would be subject to section 363(n) of the Bankruptcy Code with respect to any Bids or the Sale, specifying that it did not agree with any Prospective Bidders or Qualified Bidders to control price; and (b) it agrees not to engage in any collusion that would be subject to section 363(n) of the Bankruptcy Code with respect to any Bids, the Auction, or the Sale.
20. **Irrevocable Bid.** Each Bid must contain a statement acknowledging and agreeing that such Bid and each of its provision is binding upon the Prospective Bidder and irrevocable in all respects.
21. **Other Information.** The Bid contains such other information as may be reasonably requested by the Debtors and the Consultation Parties with such requests made through the Debtors.

A Bid received that meets the above requirements, as determined by the Debtors, in consultation with their advisors and the Consultation Parties, in the Debtors' reasonable business judgment will constitute a "Qualified Bid" for such Assets (and the Prospective Bidder

submitting such Qualified Bid will constitute a “Qualified Bidder”); *provided* that, if the Debtors receive a Bid that does not meet the requirements for a Qualified Bid, the Debtors may provide the Prospective Bidder with the opportunity to remedy any deficiencies before the Auction in order to render such Bid a Qualified Bid; *provided, further*, that, if any Qualified Bidder fails to comply with reasonable requests for additional information and due diligence access requested by the Debtors to the satisfaction of the Debtors, the Debtors may, after consulting with the Consultation Parties, disqualify any Qualified Bidder and Qualified Bid and such Qualified Bidder will not be entitled to attend or participate in the Auction. The Debtors may also, after consulting with the Consultation Parties, waive or modify any of the above requirements in the exercise of their reasonable business judgment.

The Debtors reserve the right, in the exercise of their business judgment and in consultation with the Consultation Parties, to (A) work with Prospective Bidders to aggregate two or more Bids into a single consolidated Bid prior to the Bid Deadline and (B) Qualified Bidders to aggregate two or more Qualified Bids into a single Qualified Bid prior to the conclusion of the Auction (if any); *provided, however*, the Debtors reserve the right, in the exercise of their business judgment, to condition any pairing or combination of Bids as set forth in this paragraph on conditions, pertaining to the ultimate disposition of any Assets sought by the relevant Bid(s) or otherwise, as the Debtors believe, in consultation with their advisors and the Consultation Parties, is in the best interests of the Debtors and their estates.

Notwithstanding anything to the contrary in the Bidding Procedures, any Stalking Horse Bidder(s) shall be deemed to be a Qualified Bidder, and any Stalking Horse Bid(s) shall be deemed to be a Qualified Bid, such that any Stalking Horse Bidder(s) shall not be required to submit an additional Qualified Bid. If any Stalking Horse Bid(s) are chosen as the Successful Bid, the rights and obligations of the applicable Stalking Horse Bidder shall be as set forth in the applicable Stalking Horse APA. If any Stalking Horse Bid(s) are selected as the Backup Bid (as defined below), it must remain irrevocable only for so long as is required under the applicable Stalking Horse APA.

QUALIFIED BIDDERS

Prior to the commencement of the Auction, the Debtors shall notify each Prospective Bidder whether such party is a Qualified Bidder. Promptly upon designating the Qualified Bidders, the Debtors shall provide the Adequate Assurance Information received from the applicable Qualified Bidder to the Consultation Parties pursuant to such Qualified Bidder’s proposed transaction. If any Bid is determined by the Debtors (in consultation with the Consultation Parties) not to be a Qualified Bid, the Debtors will refund such Prospective Bidder’s Deposit on or before the date that is five business days after the Bid Deadline.

Between the date that the Debtors notify a Prospective 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 (email being sufficient), 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 the Bidding Procedures; *provided* that any 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 the Bidding Procedures.

Each Qualified Bidder shall comply with all reasonable requests for additional information and due diligence access requested by the Debtors or their advisors (in consultation with the Consultation Parties) regarding the ability of such Qualified Bidder to consummate its contemplated transaction. Failure by a Qualified Bidder to comply with such reasonable requests for additional information and due diligence access may be a basis for the Debtors (in consultation with the Consultation Parties) to determine that such bidder is no longer a Qualified Bidder or that a Bid made by such bidder is not a Qualified Bid.

The Debtors, in consultation with the Consultation Parties, will evaluate whether a Bid constitutes a Qualified Bid using any and all factors that the Debtors deem reasonably pertinent, including, without limitation, (i) the amount of the purchase price set forth in the Bid, including, for the avoidance of doubt, whether the purchase price provides for the satisfaction of the DIP Obligations and/or the Prepetition Debt; (ii) the risks and timing associated with consummating a sale transaction(s) with the Prospective Bidder; (iii) any Assets included in or excluded from the Bid, including any proposed assumed contracts or leases; (iv) any liabilities and obligations assumed as part of the Bid; (v) the ability to obtain any and all necessary regulatory approvals for the proposed sale transaction, (vi) the net benefit to the Debtors' estates, (vii) the tax consequences of such Bid, and (viii) the impact on employees and the proposed treatment of employee obligations.

If no Qualified Bids, other than a Stalking Horse Bid, are received by the Bid Deadline, then the Auction will not occur, and the applicable Stalking Horse Bidder(s) shall be deemed the Successful Bidder, and the Debtors shall immediately pursue entry of an order by the Court, in form and substance acceptable to the Stalking Horse Bidder, approving the Stalking Horse APA and authorizing the Sale to the Stalking Horse Bidder at the Sale Hearing (as defined herein).

RIGHT TO CREDIT BID

Any Qualified Bidder who has a valid and perfected lien on any Assets of the Debtors' estates (a "Secured Creditor") shall have the right to credit bid all or a portion of the value of such Secured Creditor's claims within the meaning of section 363(k) of the Bankruptcy Code; *provided* that a Secured Creditor shall have the right to credit bid its claim only with respect to the collateral by which such Secured Creditor is secured; *provided further* that, excluding the DIP Lender, the Prepetition Agent, and the Prepetition Lenders, the Debtors' rights to contest the right of any Secured Creditor to credit bid are fully preserved.

Notwithstanding anything to the contrary contained herein, the DIP Lender, the Prepetition Agent and the Prepetition Lenders shall be deemed Qualified Bidders for all purposes and shall have the right to bid and/or credit bid all or any portion of the DIP Facility Loans and Prepetition Loans pursuant to section 363(k) of the Bankruptcy Code, and any such bid will be considered a Qualified Bid to the extent such bid is received by the Bid Deadline and shall not be prohibited, whether for "cause" under section 363(k) of the Bankruptcy Code or otherwise, from credit bidding; *provided* that if the DIP Lender, the Prepetition Agent and/or the Prepetition Lenders

submit a credit bid, including any credit bid by an Agent Assignee (as defined in the Interim DIP Order [Docket No. 32 ¶ 28]), all or any portion of the DIP Loans or the Prepetition Loans, then the DIP Lender, the Prepetition Agent and/or the Prepetition Lenders shall cease to be Consultation Parties; *provided* further that, excluding any credit bid by the DIP Lender, the Prepetition Agent or the Prepetition Lenders, a credit bid shall not constitute a Qualified Bid if the bid does not include a cash component sufficient to pay in full, all claims for which there are valid, perfected, and unavoidable liens on any assets included in such Bid that are senior in priority to those of the party seeking to credit bid, which, for the avoidance of doubt, shall include, among other things, satisfaction of the DIP Facility Loans and the Prepetition Loans and (a) comply with the terms of any order approving the DIP Motion, the DIP Loan Documents, and the Prepetition Loan Documents, and (b) the Bidding Procedures and the Bidding Procedures Order.

AUCTION

If one or more Qualified Bids is received by the Bid Deadline, the Debtors will conduct the Auction with respect to the Debtors' Assets. If the Debtors do not receive any Qualified Bids (other than a Stalking Horse Bid), the Debtors will not conduct the Auction and will designate such Stalking Horse Bid(s), if any, as the Successful Bid.

Prior to the commencement of the Auction, the Debtors will notify all Qualified Bidders of the highest or otherwise best Qualified Bid, as determined in the Debtors' reasonable business judgment (in consultation with the Consultation Parties) (the "Baseline Bid"), and provide copies of the Bid Documents supporting the Baseline Bid to all Qualified Bidders. The determination of which Qualified Bid constitutes the Baseline Bid and which Qualified Bid constitutes the Successful Bid shall take into account any factors the Debtors (in consultation with the Consultation Parties) reasonably deem relevant to the value of the Qualified Bid to the Debtors' estates, including, among other things, the following: (i) the amount and nature of the consideration, including any obligations to be assumed; (ii) the executory contracts and unexpired leases of the Debtors, if any, for which assumption and assignment or rejection is required, and the costs and delay associated with any litigation concerning executory contracts and unexpired leases necessitated by such bid; (iii) the number, type and nature of any changes to the applicable Stalking Horse APA, if any and as applicable, requested by each Qualified Bidder; (iv) the extent to which such modifications are likely to delay closing of the sale of the Assets and the cost to the Debtors of such modifications or delay; (v) the likelihood of the Qualified Bidder being able to close the proposed transaction (including obtaining any required regulatory approvals) and the timing thereof; (vi) the net benefit to the Debtors' estates; and (vii) the tax consequences of such Qualified Bid.

The Auction shall take place on **Wednesday, April 30, 2025 at 10:00 a.m. (prevailing Central Time)**, at the offices of Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002, or such later date, time and location as designated by the Debtors (in consultation with the Consultation Parties), after providing notice to the following parties (collectively, the "Notice Parties"): (i) counsel to the Prepetition Agent and the DIP Lender, Porter Hedges LLP, 1000 Main Street, 36th Floor, Houston, Texas 77002 (Attn: Eric M. English (eenglish@porterhedges.com)); (ii) the United States Trustee for the Southern District of Texas; and (iii) counsel to any official committee appointed in the Chapter 11 Cases. In the event that the Auction cannot be held at a physical location, the Auction will be conducted via a virtual meeting

(either telephonic or via videoconference) the information to join which virtual meeting shall be provided by the Debtors to each Qualified Bidder prior to the Auction.

I. Participation and Attendees

The Debtors, with the assistance of their advisors, shall direct and preside over the Auction. At the start of the Auction, the Debtors shall describe the terms of the Baseline Bid. All incremental Bids made thereafter shall be Overbids and shall be made and received on an open basis, and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders. The Debtors shall maintain a written transcript of the Auction and of all Bids made and announced at the Auction, including the Baseline Bid, all Overbids, and the Successful Bid.

Only Qualified Bidders that have submitted Qualified Bids by the Bid Deadline are eligible to participate in the Auction, subject to other limitations as may be reasonably imposed by the Debtors (in consultation with the Consultation Parties) in accordance with the Bidding Procedures. Qualified Bidders participating in the Auction must appear in person (or through a duly authorized representative), telephonically, or through a video teleconference.

Each Qualified Bidder participating in the Auction will be required to confirm in writing and on the record at the Auction that (i) it has not engaged in any collusion with respect to the submission of any bid or the Auction and (ii) each Qualified Bid it submits at the Auction is a binding, good faith and bona fide offer to purchase the Assets identified in such bid.

II. Auction Procedures

The Auction shall be governed by the following procedures, subject to the Debtors' right to modify such procedures in their reasonable business judgment (in consultation with the Consultation Parties):

1. **Baseline Bids.** Bidding shall commence at the amount of the Baseline Bid.
2. **Minimum Overbid.** Qualified Bidders may submit successive bids higher than the previous bid, based on and increased from the Baseline Bid for the relevant Assets (each such bid, an "Overbid"). Any Qualified Bidder's initial Overbid shall be made in increments of at least \$500,000 in cash, cash equivalents, or such other consideration that the Debtors deem equivalent (in consultation with the Consultation Parties). The Debtors may, in their reasonable business judgment (in consultation with the Consultation Parties), announce increases or reductions to initial or subsequent Overbids at any time during the Auction.
3. **Highest or Best Offer.** After the first round of bidding and between each subsequent round of bidding, the Debtors (in consultation with the Consultation Parties) shall announce the bid that they believe in their reasonable business judgment to be the highest or otherwise best offer for the relevant Assets (the "Leading Bid") and describe the material terms thereof. Each round of bidding will conclude after each participating Qualified Bidder has had the opportunity to submit a subsequent bid with full knowledge of the Leading Bid. To the extent not previously provided (which is determined by the Debtors), a Qualified Bidder submitting a subsequent bid must submit, as part of its subsequent bid, written

evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors, in consultation with the Consultation Parties, which availability is not otherwise conditioned on obtaining financing or any internal approval other than customary conditions in financing commitments) demonstrating such Qualified Bidder's ability to close the transaction at the purchase price contemplated by such subsequent bid.

4. **Rejection of Bids.** The Debtors may, in their reasonable business judgment (in consultation with the Consultation Parties) reject, at any time before entry of an order of the Court approving a Qualified Bid, any bid that the Debtors determine is (a) inadequate or insufficient, (b) not in conformity with the requirements of the Bankruptcy Code, the Bidding Procedures, or the terms and conditions of the Sale, or (c) contrary to the best interests of the Debtors, their estates, their creditors, and other stakeholders.
5. **No Round-Skipping.** Round-skipping, as described herein, is explicitly prohibited. To remain eligible to participate in the Auction, in each round of bidding, (i) each Qualified Bidder must submit a Bid in such round of bidding that is a higher or otherwise better offer than the immediately preceding Bid submitted by a Qualified Bidder in such round of bidding; and (ii) to the extent a Qualified Bidder fails to bid in such round of bidding or to submit a Bid in such round of bidding that is a higher or otherwise better offer than the immediately preceding Bid submitted by a Qualified Bidder in such round of bidding, as determined by the Debtors in their reasonable business judgment (in consultation with the Consultation Parties), such Qualified Bidder shall be disqualified from continuing to participate in the Auction for such Assets; provided that with the consent of the Consultation Parties, the Debtors may adopt and utilize the Auction procedures other than the foregoing procedure for any round of bidding.
6. **Additional Information.** The Debtors (in consultation with the Consultation Parties) shall have the right to request any additional financial information that will allow the Debtors to make a reasonable determination as to a Qualified Bidder's financial and other capabilities to consummate the transactions contemplated by their proposal and any further information that the Debtors believe is reasonably necessary to clarify and evaluate any bid made by a Qualified Bidder during the Auction.
7. **Modification of Procedures.** The Debtors may announce at the Auction modified or additional procedures for conducting the Auction, or otherwise modify the Bidding Procedures; *provided* that at no point may the form of currency be in a form other than cash unless a hybrid offer is made that provides for sufficient cash to result in the satisfaction of the DIP Obligations and the Prepetition Obligations. All such modifications and additional rules will be communicated in advance to each of the Consultation Parties and Qualified Bidders; *provided*, that, to the extent such modifications occur at the Auction, disclosure of such modifications shall be limited to those in attendance at the Auction.

The Auction shall include open bidding in the presence of all other Qualified Bidders. All Qualified Bidders shall have the right to submit additional bids and make modifications to any prior Qualified Bid or Overbid at the Auction to improve their bids; *provided* that any Overbid made by a Qualified Bidder (including with respect to any Backup Bid) must remain open and binding on the Qualified Bidder until the close of the Auction, and, if selected as either a Successful Bid or a Backup Bid, until the closing of the Sale Transaction contemplated by such Successful

Bid or Backup Bid. The Debtors may, in their reasonable business judgment (in consultation with the Consultation Parties), negotiate with any and all Qualified Bidders participating in the Auction.

III. Adjournment of the Auction

The Debtors reserve the right, in their reasonable business judgment (in consultation with the Consultation Parties), consistent with, and subject to, any order(s) approving the DIP Motion and the DIP Loan Documents, including, without limitation, the Sale Consummation Deadline or any other milestones thereunder, to adjourn the Auction one or more times to, among other things, (i) facilitate discussions between the Debtors and Qualified Bidders, (ii) allow Qualified Bidders to consider how they wish to proceed, and (iii) provide Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors, in their reasonable business judgment and in consultation with the Consultation Parties, may require, that the Qualified Bidder has sufficient internal resources or has received sufficient non-contingent debt or equity funding commitments to consummate the proposed Sale Transaction(s) at the prevailing bid amount.

SUCCESSFUL BIDDER

Immediately prior to the conclusion of the Auction, the Debtors shall (i) determine (in consultation with the Consultation Parties) consistent with the Bidding Procedures, which bid constitutes the highest or otherwise best bid for the Assets (each such bid, a “Successful Bid”); and (ii) notify all Qualified Bidders at the Auction for the Assets of the identity of the bidder that submitted the Successful Bid (each such bidder, the “Successful Bidder”) and the amount of the purchase price and other material terms of the Successful Bid.

The Debtors shall file a notice identifying the Successful Bidder and Backup Bidder (if selected) (the “Notice of Successful Bidder”) by 5:00 p.m. (prevailing Central Time) as soon as reasonably practicable after closing of the Auction, if any, and in any event not later than two (2) days after the closing of the Auction.

The Debtors’ presentation of a particular Qualified Bid to the Court for approval does not constitute the Debtors’ acceptance of such Qualified Bid. The Debtors will be deemed to have accepted a Bid only when the Bid has been approved by the Court at the Sale Hearing. The Debtors shall seek approval by the Court to consummate the Backup Bid, solely in the event the Successful Bidder fails to close the transaction as provided in the Successful Bid and with all rights reserved against the Successful Bidder.

Any success or other fee earned by and owed to Armory as a result of the closing of any Sale Transaction (the “Armory Success Fee”) shall be segregated and escrowed (for the exclusive benefit of Armory), until, and subject to, the Court’s approval (as provided below) of the payment of the Armory Success Fee to Armory, from the proceeds of such Sale Transaction, prior to any other use or distribution of such proceeds. If any Sale Transaction is the result of a Successful Bid (including on account of any successful credit bid) without a cash component sufficient to pay the corresponding Armory Success Fee due to Armory in full, then any resulting unpaid portion of the Armory Success Fee due to Armory shall be segregated and escrowed (for the exclusive benefit of Armory) at the closing of such Sale Transaction from the available cash of the Debtors; *provided* that if the Debtors do not have sufficient cash to pay the unpaid portion of such Armory Success

Fee in full, or any portion thereof, then the Successful Bidder (including on account of any successful credit bid) shall immediately set aside from its own funds and escrow (for the exclusive benefit of Armory) any such amount necessary to pay Armory such unpaid portion of the Armory Success Fee in full. For the avoidance of doubt, the amount and terms of any Armory Success Fee payable to Armory are subject to this Court's approval and no Armory Success Fee shall be paid to Armory absent an order of this Court approving a fee application filed on notice to parties in interest in the Chapter 11 Cases. Additionally, notwithstanding anything to the contrary in the Bidding Procedures or the Bidding Procedures Order, the foregoing may not be modified, amended, or waived without the consent of Armory.

BACKUP BIDDER

Notwithstanding anything in the Bidding Procedures to the contrary, if an Auction is conducted, the Qualified Bidder with the next-highest or otherwise second-best Qualified Bid as compared to the Successful Bid at the Auction for the Assets, as determined by the Debtors in the exercise of their reasonable business judgment (in consultation with the Consultation Parties) (the "Backup Bid"), shall be required to serve as a backup bidder (the "Backup Bidder"), and each Qualified Bidder shall agree and be deemed to agree to be the Backup Bidder if so designated, *provided* that if any Stalking Horse Bidder(s) are selected as the Backup Bid, such bid must remain irrevocable only for so long as is required under the applicable Stalking Horse APA.

The identity of the Backup Bidder and the amount and material terms of the Qualified Bid of the Backup Bidder shall be announced by the Debtors at the conclusion of the Auction at the same time the Debtors announce the identity of the Successful Bidder.

The Backup Bid shall remain binding on the Backup Bidder until the closing of a Sale Transaction for the applicable Assets pursuant to the Successful Bid. If a Successful Bidder fails to consummate the approved transactions contemplated by its Successful Bid, the Debtors may select the Backup Bidder as the Successful Bidder, and such Backup Bidder shall be deemed a Successful Bidder for all purposes.

RETURN OF DEPOSIT

The Deposit of the Successful Bidder, if applicable, shall be applied to the purchase price of such transaction at closing. The Deposits for each Qualified Bidder shall be held in one or more accounts on terms acceptable to the Debtors (in consultation with the Consultation Parties), and shall be returned (other than with respect to the Successful Bidder, and the Backup Bidder) on or before the date that is five (5) business days after the Auction. The Backup Bidder's Deposit shall be held in escrow until the closing of the Sale with the Successful Bidder. In the event the Successful Bidder fails to close and the Debtors opt to close on the Sale Transaction(s) set forth in the Backup Bid, the Backup Bidder's Deposit shall be applied to the purchase price of such transaction(s) at closing. In the event of a breach or failure to consummate a Sale by the Successful Bidder or the Backup Bidder, as applicable, the defaulting Successful Bidder's Deposit or Backup Bidder's Deposit, as applicable, shall be forfeited to the Debtors, and the Debtors specifically reserve the right to seek all available remedies against the defaulting Successful Bidder or Backup Bidder, as applicable.

CONSULTATION BY THE DEBTORS

The Debtors shall consult with the Consultation Parties as explicitly provided for in the Bidding Procedures. Each reference in the Bidding Procedures to "consultation" (or similar phrase) with the Consultation Parties shall mean consultation in good faith. The term "Consultation Parties" as used in the Bidding Procedures shall mean: (i) the DIP Lender; (ii) the Prepetition Lenders; (iii) the Prepetition Agent; and (iv) counsel to any official committee appointed in the Chapter 11 Cases. Notwithstanding the foregoing, if either the DIP Lender, the Prepetition Agent or the Prepetition Lenders submit a credit bid, including any credit bid by an Agent Assignee, all or a portion of the DIP Obligations and/or the Prepetition Obligations, then the DIP Lender, the Prepetition Agent and/or the Prepetition Lenders shall cease to be Consultation Parties.

FREE AND CLEAR OF ANY AND ALL ENCUMBRANCES

All rights, titles and interests in and to the Assets subject thereto shall be sold free and clear of all liens, claims, interests, and encumbrances (collectively, the "Encumbrances"), subject only to the assumed liabilities and permitted encumbrances (each as defined in the applicable Successful Bidder(s)' asset purchase agreement), if any, in accordance with Bankruptcy Code section 363(f), with such Encumbrances to attach to the net proceeds (if any) received by the Debtors from the Sale of the Assets in accordance with the Bankruptcy Code, applicable non-bankruptcy law and any prior orders of the Court.

RESERVATION OF RIGHTS

The Debtors reserve the right to, in their reasonable business judgment (in consultation with the Consultation Parties) to modify the Bidding Procedures in good faith, and consistent with, and subject to, any order(s) approving the DIP Motion and the DIP Loan Documents, including, without limitation, the Sale Consummation Deadline and any other milestones thereunder, to further the goal of attaining the highest or otherwise best offer for the Assets, or impose, at or prior to selection of the Successful Bidder, additional customary terms and conditions on the Sale of the Assets, including, without limitation: (a)

extending the deadlines set forth in the Bidding Procedures; (b) adjourning the Auction (if held) without further notice; (c) adding or modifying procedural rules that are reasonably necessary or advisable under the circumstances for conducting the Auction and/or adjourning the Sale Hearing in open court (if held); (d) canceling the Auction or electing not to hold an Auction; (e) rejecting any or all Bids or Qualified Bids; (f) adjusting the applicable Minimum Overbid increment, including by requesting that Qualified Bidders submit last or final bids on a “blind basis”; and (g) other than with respect to a Stalking Horse APA, selecting a draft purchase agreement agreed to by a Qualified Bidder in connection with a Qualified Bid to serve as the purchase agreement that will be executed by the Successful Bidder or Successful Bidders, as applicable, and with any necessary adjustments for the assets and liabilities being purchased and assumed, upon conclusion of the Auction, if held (provided, it is understood that, notwithstanding this Reservation of Rights or anything else in the Bidding Procedures, the final paragraph of the Successful Bidder section above may not be modified, amended, or waived without the consent of Armory). The Debtors shall provide reasonable notice of any such modification to any Qualified Bidder, including any Stalking Horse Bidder.

CONSENT TO JURISDICTION

All Interested Parties, Prospective Bidders, and Qualified Bidders shall be deemed to have consented to the exclusive jurisdiction of the Court for any and all matters related to, or in connection with, the Bidding Procedures, including, without limitation, any finding or determination that such Interested Parties, Prospective Bidders, and/or Qualified Bidders have waived any right to a jury trial in connection with any disputes relating to the Auction, the construction and enforcement of the Bidding Procedures, any credit bid, and/or the Bid Documents, as applicable.

SALE HEARING

A hearing to consider approval of the sale of the Debtors’ Assets to the Successful Bidder(s), Backup Bidder(s) (if applicable), or to approve any Stalking Horse APA(s), if any, if no Auction is held (the “Sale Hearing”), is currently scheduled to take place on **May 12, 2025 at 1:00 p.m. (prevailing Central Time)**, before the Honorable Alfredo R. Perez at the United States Bankruptcy Court for the Southern District of Texas, 515 Rusk Street, Courtroom No. 400, Houston, Texas 77002.

Consistent with, and subject to, any order(s) approving the DIP Motion and the DIP Loan Documents, including, without limitation, the Sale Consummation Deadline and any other milestones thereunder, the Sale Hearing may be continued to a later date by the Debtors (in consultation with the Consultation Parties) by sending notice prior to, or making an announcement at, the Sale Hearing. No further notice of any such continuance will be required to be provided to any party (including any Stalking Horse Bidder(s)).

At the Sale Hearing, the Successful Bidder(s) and the Backup Bidder(s) must acknowledge on the record at the start of the hearing that in connection with submitting their Bids, they did not engage in any collusion that would be subject to section 363(n) of the Bankruptcy Code with respect to any Bids, the Auction or the Sale, specifying that they did not agree with any Interested

Parties, Prospective Bidders, or Qualified Bidders to control the price or any other terms of the Sale.

Objections to the sale of any Assets free and clear of liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code, any of the relief requested in the Motion, and entry of any order approving the sale (the “Sale Order”) must (i) be in writing and specify the nature of such objection, (ii) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and all orders of the Court entered in the Chapter 11 Cases, (iii) be filed with the Court by (a) **Thursday, April 24, 2025 at 4:00 p.m. (prevailing Central Time)** (the “Sale Objection Deadline”) or (b) with respect to objections solely related to the identity of the Successful Bidder(s) (other than any Stalking Horse Bidder(s)) or adequate assurance of future performance by the Successful Bidder(s), **by the date that is two (2) days after the filing of the Notice of Successful Bidder** (the “Post-Auction Objection Deadline”), and (iv) be served upon the following parties (collectively, the “Objection Notice Parties”): (a) proposed counsel to the Debtors Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002 (Attn: Timothy A. (“Tad”) Davidson II (taddavidson@HuntonAK.com) and Joseph P. Rovira (josephrovira@HuntonAK.com)); (b) counsel to the Prepetition Agent and the DIP Lender, Porter Hedges LLP, 1000 Main Street, 36th Floor, Houston, Texas 77002 (Attn: Eric M. English (eenglish@porterhedges.com)); (c) counsel to any statutory committee appointed in the Chapter 11 Cases; (d) the Office of the United States Trustee for the Southern District of Texas (the “U.S. Trustee”), 515 Rusk Street, Suite 3516, Houston, Texas 77002; and (e) any Successful Bidders.

FIDUCIARY OUT

Nothing in the Bidding Procedures will require the board of directors, board of managers, or such similar governing body of a Debtor to take any action, or to refrain from taking any action, with respect to the Bidding Procedures, to the extent such board of directors, board of managers, or such similar governing body reasonably determines in good faith, after consultation with the Debtors’ advisors, that taking such action, or refraining from taking such action, as applicable, would be inconsistent with applicable law or its fiduciary obligations under applicable law.

* * * * *

EXHIBIT 2

Sale Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
TREESAP FARMS, LLC, <i>et al.</i> ,	§	
	§	Case No. 25-90017 (ARP)
Debtors. ¹	§	
	§	(Jointly Administered)
	§	
	§	

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

PLEASE TAKE NOTICE that, on February 24, 2025 (the “Petition Date”), the above captioned debtors and debtors in possession (collectively, the “Debtors”) filed voluntary petitions for relief under title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (this “Court”), commencing the above-captioned chapter 11 cases (the “Chapter 11 Cases”).

PLEASE TAKE FURTHER NOTICE that, on March 3, 2025, the Debtors filed a motion [Docket No. 71] (the “Bidding Procedures Motion”) seeking entry of (a) an order (the “Bidding Procedures Order”), (i) (x) authorizing the Debtors to select one or more Stalking Horse Bidders and to enter into and perform under one or more Stalking Horse APA(s) with such Stalking Horse Bidder(s), and (y) authorizing, but not directing, the Debtors to offer, in the exercise of their business judgment and in consultation with the Consultation Parties, the Bidding Protections to such Stalking Horse Bidders, if any, and subject to the Court’s entry of a Stalking Horse Order; (ii) authorizing and approving the bidding procedures attached as Exhibit 1 to the Bidding Procedures Order (the “Bidding Procedures”)² in connection with one or more sales or dispositions (each such sale or disposition, a “Sale Transaction” and, collectively, the “Sale”) of all or any portion of the Debtors’ assets (the “Assets”); (iii) establishing certain dates and deadlines for the sale process, including scheduling an auction for the Assets (the “Auction”), if applicable, in accordance with the Bidding Procedures, and the hearing with respect to the approval of the Sale (the “Sale Hearing”); (iv) approving the form and manner of notice of the Auction, if any, the Sale and the Sale Hearing; (v) approving procedures for the assumption and assignment of certain executory contracts and unexpired leases in connection with the Sale and approving the form and manner of notice thereof, and (vi) granting related relief; and (b) one or more orders (each, a “Sale

¹ The Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers are as follows: TreeSap Farms, LLC (5183); TSH Opco, LLC (4697); TSV Opco, LLC (5418); TSV Reco, LLC (4953); and TreeSap Florida, LLC (5331). The location of the Debtors’ principal place of business and the Debtors’ service address in these chapter 11 cases is TreeSap Farms, LLC, 5151 Mitchelldale St., Suite B-2, Houston, TX 77292-5279.

² Capitalized terms used, but not otherwise defined herein, have the meaning assigned in the Bidding Procedures Motion or, if not defined therein, the Bidding Procedures.

Order”), as applicable, authorizing and approving: (i) the Sale of the Assets to the Successful Bidder(s), such Successful Bidder(s) following entry of the Sale Order (the “Purchaser”), free and clear of all liens, claims, interests, and encumbrances to the extent set forth in the applicable Stalking Horse APA(s) or asset purchase agreement(s) with the otherwise Successful Bidder(s), as applicable (the “Asset Purchase Agreement”), (ii) the assumption and assignment of the Assigned Contracts as set forth in the Asset Purchase Agreement, and (iii) granting related relief.

PLEASE TAKE FURTHER NOTICE that, on March 19, 2025, the Court entered the Bidding Procedures Order [Docket No. [●]], approving, among other things, the Bidding Procedures, which establish key dates and times relating to the Sale and the Auction. All interested bidders should carefully read the Bidding Procedures Order and the Bidding Procedures in their entirety.³

Contact Persons for Parties Interested in Submitting a Bid

The Bidding Procedures set forth in detail the requirements for submitting Preliminary Bid Documents, Bids and Qualified Bids, and any person interested in making an offer to purchase the Assets must comply strictly with the Bidding Procedures. Only Bids and Qualified Bids that are submitted in accordance with the Bidding Procedures will be considered by the Debtors.

Any persons interested in making an offer to purchase the Assets should contact the Debtors’ investment banker as soon as possible:

**Armory Securities, LLC,
200 North Pacific Coast Highway, Suite 1525, El Segundo, California 90295
(Attn: Douglas McDonald (dmcdonald@armorysecurities.com) and Ron Papile (rpapile@armorysecurities.com)).**

Important Dates and Deadlines⁴

Event	Proposed Date
Non-Binding Indication of Interest Deadline	Wednesday, March 26, 2025, at 4:00 p.m. (prevailing Central Time)
Bid Deadline and Sale Objection Deadline ⁵	Thursday, April 24, 2025, at 4:00 p.m. (prevailing Central Time)

³ To the extent of any inconsistencies between the Bidding Procedures and the summary descriptions of the Bidding Procedures in this notice, the terms of the Bidding Procedures shall control in all respects.

⁴ The following dates and deadlines may be extended by the Debtors, in consultation with the Consultation Parties, or the Court pursuant to the terms of the Bidding Procedures and the Bidding Procedures Order.

⁵ The Sale Objection Deadline applies to any objections to the Sale of all or any portion of the Assets, except: (i) objections to the proposed Cure Cost which are subject to the Contract Objection Deadline, and (ii) objections solely related to the identity of the Successful Bidder (other than with respect to a Stalking Horse Bidder which

Event	Proposed Date
Auction (if necessary)	Wednesday, April 30, 2025, at 10:00 a.m. (prevailing Central Time)
Post-Auction Objection Deadline	The date that is two (2) days after the filing of the Notice of Successful Bidder.
Sale Hearing (subject to Court availability)	No later than Wednesday, May 12, 2025, at 1:00 p.m. (prevailing Central Time)
Sale Consummation Deadline	No later than Friday, May 23, 2025, the Sale shall be consummated (the “ <u>Sale Consummation Deadline</u> ”).

Filing Objections

Objections to the Sale or conduct of the Auction, if any, must (i) be in writing and specify the nature of such objection, (ii) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and all orders of the Court entered in these Chapter 11 Cases, (iii) be filed with the Court by the Sale Objection Deadline or Post-Auction Objection Deadline, as applicable, and (iv) be served upon the following parties (collectively, the “Objection Notice Parties”): (a) proposed counsel to the Debtors Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002 (Attn: Timothy A. (“Tad”) Davidson II (taddavidson@Hunton.com) and Joseph P. Rovira (josephrovira@Hunton.com)); (b) counsel to the Prepetition Agent and the DIP Lender, Porter Hedges LLP, 1000 Main Street, 36th Floor, Houston, Texas 77002 (Attn: Eric M. English (eenglish@porterhedges.com)); (c) counsel to any statutory committee appointed in the Chapter 11 Cases; (d) the Office of the United States Trustee for the Southern District of Texas (the “U.S. Trustee”), 515 Rusk Street, Suite 3516, Houston, Texas 77002; and (e) with respect to Post-Auction Objection Deadline objections, any Successful Bidders.

Consequences of Failing to Timely File an Objection

ANY PARTY WHO FAILS TO MAKE A TIMELY SALE OBJECTION ON OR BEFORE THE SALE OBJECTION DEADLINE OR, SOLELY WITH RESPECT TO OBJECTIONS RELATED TO THE IDENTITY OF THE SUCCESSFUL BIDDER(S) (OTHER THAN A STALKING HORSE BIDDER) OR ADEQUATE ASSURANCE OF FUTURE PERFORMANCE PROVIDED BY THE SUCCESSFUL BIDDER(S), POST-AUCTION OBJECTION DEADLINE, AS APPLICABLE, IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY SALE OBJECTION, INCLUDING WITH RESPECT TO THE

are subject to the Stalking Horse Objection Deadline) and adequate assurance of future performance by the Successful Bidder(s), which objections are subject to the Post-Auction Objection Deadline.

TRANSFER OF THE ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS.

Sale Free and Clear

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 Buyer will not be a successor to any of the Debtors by reason of any theory of law or equity, and the Buyer will have no liability, except as expressly provided in the Buyer'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.

Obtaining Additional Information

Copies of the Bidding Procedures Motion, the Bidding Procedures, the Bidding Procedures Order, and all other documents filed with the Court, are available free of charge on the Debtors' case information website, located at <https://www.donlinrecano.com/tsf>, or can be requested by calling the Debtors' claims and noticing agent, Donlin, Recano & Company, LLC, at 1 (877) 322-4952 (Domestic) or 1 (212) 771-1128 (International).

FAILURE TO ABIDE BY THE BIDDING PROCEDURES, THE BIDDING PROCEDURES ORDER, OR ANY OTHER ORDER OF THE COURT IN THE CHAPTER 11 CASES MAY RESULT IN THE REJECTION OF YOUR BID.

EXHIBIT 3

Cure Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
TREESAP FARMS, LLC, <i>et al.</i> ,	§	
	§	Case No. 25-90017 (ARP)
Debtors. ¹	§	
	§	(Jointly Administered)
	§	
	§	

**NOTICE OF POSSIBLE ASSUMPTION AND ASSIGNMENT OF
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

PLEASE TAKE NOTICE that, on February 24, 2025 (the “Petition Date”), the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (the “Court”), commencing the above-captioned chapter 11 cases (the “Chapter 11 Cases”).

PLEASE TAKE FURTHER NOTICE that, on March 3, 2025, the Debtors filed a motion [Docket No. [●]] (the “Bidding Procedures Motion”) seeking entry of (a) an order (the “Bidding Procedures Order”), (i) (x) authorizing the Debtors to select one or more Stalking Horse Bidders and to enter into and perform under one or more Stalking Horse APA(s) with such Stalking Horse Bidder(s), and (y) authorizing, but not directing, the Debtors to offer, in the exercise of their business judgment and in consultation with the Consultation Parties, the Bidding Protections to such Stalking Horse Bidders, if any, and subject to the Court’s entry of a Stalking Horse Order; (ii) authorizing and approving the bidding procedures attached as Exhibit 1 to the Bidding Procedures Order (the “Bidding Procedures”)² in connection with one or more sales or dispositions (each such sale or disposition, a “Sale Transaction” and, collectively, the “Sale”) of all or any portion of the Debtors’ assets (the “Assets”); (iii) establishing certain dates and deadlines for the sale process, including scheduling an auction for the Assets (the “Auction”), if applicable, in accordance with the Bidding Procedures, and the hearing with respect to the approval of the Sale (the “Sale Hearing”); (iv) approving the form and manner of notice of the Auction, if any, the Sale and the Sale Hearing; (v) approving procedures for the assumption and assignment of certain executory contracts and unexpired leases in connection with the Sale and approving the form and manner of notice thereof, and (vi) granting related relief; and (b) one or more orders (each, a “Sale

¹ The Debtors in these chapter 11 cases and the last four digits of their federal tax identification numbers are as follows: TreeSap Farms, LLC (5183); TSH Opco, LLC (4697); TSV Opco, LLC (5418); TSV Reco, LLC (4953); and TreeSap Florida, LLC (5331). The location of the Debtors’ principal place of business and the Debtors’ service address in these chapter 11 cases is TreeSap Farms, LLC, 5151 Mitchelldale St., Suite B-2, Houston, TX 77292-5279.

² Capitalized terms used, but not otherwise defined herein, have the meaning assigned in the Bidding Procedures Motion, or if not defined therein, the Bidding Procedures.

Order”), as applicable, authorizing and approving: (i) the Sale of the Assets to the Successful Bidder(s), such Successful Bidder(s) following entry of the Sale Order (the “Purchaser”), free and clear of all liens, claims, interests, and encumbrances to the extent set forth in the applicable Stalking Horse APA(s) or asset purchase agreement(s) with the otherwise Successful Bidder(s), as applicable (the “Asset Purchase Agreement”), (ii) the assumption and assignment of the Assigned Contracts as set forth in the Asset Purchase Agreement, and (iii) granting related relief.

PLEASE TAKE FURTHER NOTICE that, on March 19, 2025, the Court entered the Bidding Procedures Order [Docket No. [●]], approving, among other things, the Bidding Procedures, which establish key dates and times relating to the Sale and the Auction. All interested bidders should carefully read the Bidding Procedures Order and the Bidding Procedures in their entirety.³

PLEASE TAKE FURTHER NOTICE that, upon the closing of the Sale, the Debtors intend to assume and assign the Assigned Contracts to the Purchaser. A schedule listing the contracts and leases that may potentially be assumed and assigned as part of the Sale is attached hereto as Exhibit 1 (the “Contracts Schedule”) and may also be viewed free of charge on the Debtors’ case information website, located at <https://www.donlinrecano.com/tsf>, or can be requested by calling the Debtors’ claims and noticing agent, Donlin, Recano & Company, LLC, at 1 (877) 322-4952 (Domestic) or 1 (212) 771-1128 (International).

PLEASE TAKE FURTHER NOTICE that Cure Costs, if any, for the assumption and assignment of such contracts and leases are also set forth on the Contracts Schedule. Each Cure Cost listed on the Contracts Schedule represents all liabilities of any nature of the Debtors arising under a contract or lease prior to the closing of the Sale or other applicable effective date of the assumption and assignment of such contract or lease, whether known or unknown, whether due or to become due, whether accrued, absolute, contingent or otherwise, so long as such liabilities arise out of or relate to events occurring prior to the closing of the Sale or other applicable effective date of the assumption and assignment of such contract or lease.

YOU ARE RECEIVING THIS NOTICE BECAUSE YOU HAVE BEEN IDENTIFIED AS A COUNTERPARTY TO A CONTRACT OR LEASE THAT MAY BE ASSUMED AND ASSIGNED AS PART OF THE SALE. Under the terms of the Assumption and Assignment Procedures, any time after the Cure Notice Deadline and before the date two (2) days prior to the Sale Hearing, the Debtors reserve the right, in consultation with the Successful Bidder(s) once selected, and are authorized, but not directed, to (i) add previously omitted contracts or leases to the Contracts Schedule, (ii) remove contracts or leases from the Cure Schedule, or (iii) modify the previously stated Cure Cost associated with any contract or lease identified on the Contracts Schedule. ***The presence of a contract or lease listed on Exhibit 1 attached hereto does not constitute an admission that such contract or lease is an executory contract or unexpired lease or that such contract or lease will ultimately be an Assigned Contract assumed and assigned as part of the Sale. The Debtors reserve all of their rights, claims and causes of action with respect to the contracts and leases listed on Exhibit 1 attached hereto.***

³ To the extent of any inconsistencies between the Bidding Procedures and the summary descriptions of the Bidding Procedures in this notice, the terms of the Bidding Procedures shall control in all respects.

Filing Objections

Pursuant to the Assumption and Assignment Procedures, objections to the proposed assumption and assignment of a contract or lease on any basis (other than objections related solely to the identity of the Successful Bidder(s), other than a Stalking Horse Bidder, or to adequate assurance of future performance by Successful Bidder(s), other than a Stalking Horse Bidder), including any objection relating to Cure Costs or adequate assurance of the Stalking Horse Bidder's future ability to perform, must (1)(a) be in writing; (b) state the basis for such objection; and (c) if such objection is to the Cure Cost, state with specificity what Cure Cost the counterparty believes is required (in all cases, with appropriate documentation in support thereof), and (2) be filed with the Court and served no later than 4:00 p.m. (prevailing Central Time) on the date that is fourteen (14) days after the filing and service of the Cure Notice, or Supplemental Cure Notice, as applicable on the following parties (the "Objection Notice Parties"): (a) proposed counsel to the Debtors Hunton Andrews Kurth LLP, 600 Travis Street, Suite 4200, Houston, Texas 77002 (Attn: Timothy A. ("Tad") Davidson II (taddavidson@Hunton.com) and Joseph P. Rovira (josephrovira@Hunton.com)); (b) counsel to the Prepetition Agent and the DIP Lender, Porter Hedges LLP, 1000 Main Street, 36th Floor, Houston, Texas 77002 (Attn: Eric M. English (eenglish@porterhedges.com)); (c) counsel to any statutory committee appointed in the Chapter 11 Cases; (d) the Office of the United States Trustee for the Southern District of Texas (the "U.S. Trustee"), 515 Rusk Street, Suite 3516, Houston, Texas 77002; and (e) solely with respect to Post-Auction Objection Deadline objections, any Successful Bidders.

The Debtors shall file a notice identifying the Successful Bidder(s) and Backup Bidder(s) (if selected) (the "Notice of Successful Bidder") and shall serve the Notice of Successful Bidder on each counterparty to a Potentially Assigned Contract as soon as reasonably practicable following the close of the Auction and, in any event, not later than 5:00 p.m. (prevailing Central Time) on the Post-Auction Objection Deadline (defined below). Each counterparty to a Potentially Assigned Contract will then have an opportunity to object to the identity of the Successful Bidder(s) (other than a Stalking Horse Bidder) or adequate assurance of future performance with respect to such counterparty's contract or lease provided by the Successful Bidder(s), which must (i) be in writing, (ii) comply with the Bankruptcy Code, Bankruptcy Rules and the Local Rules, (iii) state, with specificity, the legal and factual bases thereof, (iv) be filed with the Court by **the date that is two (2) days after the filing of the Notice of Successful Bidder** (the "Post-Auction Objection Deadline"), and (v) be served on the Objection Notice Parties.

The Court will hear and determine any objections to the assumption and assignment of the Assigned Contracts to the Buyer at the Sale Hearing or at a later hearing, as determined by the Debtors. The Sale Hearing to consider the proposed Sale shall be held before the Honorable Judge Alfredo R. Perez on **May 12, 2025, at 1:00 p.m. (prevailing Central Time)**, or such other date as determined by the Court, at the United States Bankruptcy Court for the Southern District of Texas, 515 Rusk Street, Courtroom No. 400, Houston, Texas 77002.

Consequences of Failing to Timely Assert an Objection

UNLESS YOU FILE AN OBJECTION TO THE CURE COST AND/OR THE ASSUMPTION OR ASSIGNMENT OF YOUR CONTRACT OR LEASE IN ACCORDANCE WITH THE INSTRUCTIONS AND DEADLINES SET FORTH HEREIN,

YOU SHALL BE (A) BARRED FROM OBJECTING TO THE CURE COST SET FORTH ON EXHIBIT 1, (B) ESTOPPED FROM ASSERTING OR CLAIMING ANY CURE COST AGAINST THE DEBTORS, OR THE SUCCESSFUL BIDDER(S) THAT IS GREATER THAN THE CURE COST SET FORTH ON EXHIBIT 1 AND (C) DEEMED TO HAVE CONSENTED TO THE ASSUMPTION AND/OR ASSIGNMENT OF YOUR CONTRACT OR LEASE.

Obtaining Additional Information

Copies of the Bidding Procedures Motion, the Bidding Procedures, the Bidding Procedures Order, and all other documents filed with the Court, are available free of charge on the Debtors' case information website, located at <https://www.donlinrecano.com/tsf>, or can be requested by calling the Debtors' claims and noticing agent, Donlin, Recano & Company, LLC, at 1 (877) 322-4952 (Domestic) or 1 (212) 771-1128 (International).

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