Court File No. CL-26-00000372-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF DE CLOET GREENHOUSE MFG. LTD.

APPLICATION OF DE CLOET GREENHOUSE MFG. LTD. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

MOTION RECORD
ORDER (RECOGNITION OF FOREIGN ORDERS)

October 8, 2026

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TO: THE SERVICE LIST

Court File No. CL-26-00000372-0000

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Tab 1

Court File No. CL-26-00000372-0000

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NOTICE OF MOTION
(Recognition of Foreign Orders)

De Cloet Greenhouse Mfg. Ltd. (the "**Canadian Debtor**"), in its capacity as foreign representative (the "**Foreign Representative**") of itself and the other Debtors[1], will make a motion before the Honourable Justice Dunphy of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on October 15, 2026, at 9:30 a.m. (Eastern Time) or as soon after that time as the Motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard by videoconference at a Zoom link to be provided by the Court.

THE MOTION IS FOR:

1. An Order (the "**Third Recognition Order**"), substantially in the form set out at Tab 3 of the Motion Record, among other things, recognizing and enforcing the Second Interim DIP Order, the Final DIP Order and the Final Cash Management Order (each as defined below) (collectively,

[1] The "**Debtors**" include BFG Supply Co., LLC; Bamboo Purchaser, Inc.; BFG Purchaser Parent, Inc.; BFG Supply Holdings, Inc.; BFG Holdings I, Inc.; BFG Supply Canada Holdings, Inc.; BFG Kalamazoo, LLC; BFG Logistics, LLC; L&L Nursery Supply, Inc.; Gard'N-Wise Distributors, Inc.; International Greenhouse Contractors, LLC; Greenhouse Solutions, LLC; Greenhouse Contracting Services, LLC; Green-Tek, LLC; GROSouth, Inc.; BFG VG Supply Acquisition, LLC; and the Canadian Debtor.

the "**Foreign Orders**") pursuant to section 49 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"); and

2. Such further and other relief as to this Honourable Court may seem just.

THE GROUNDS FOR THIS MOTION ARE:[2]

Background

3. On August 18, 2026, the Debtors filed voluntary petitions for relief pursuant to chapter 11 of title 11 of the United States Code with the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**"). The cases commenced by the Debtors in the U.S. Bankruptcy Court are referred to herein as the "**Chapter 11 Cases**".

4. On August 19, 2026, the Canadian Debtor, in its capacity as proposed foreign representative, commenced proceedings under the CCAA (the "**Canadian Recognition Proceeding**") by way of application for an order (the "**Interim Stay Order**") pursuant to Section 106 of the *Courts of Justice Act*, R.S.O. 1990, c C.43 and Part IV of the CCAA. The Court granted the Interim Stay Order on August 19, 2026.

5. On August 20, 2026, the U.S. Bankruptcy Court entered various orders in the Chapter 11 Cases (the "**First Day Orders**"), including an Order authorizing the Canadian Debtor to act as the Foreign Representative for the purposes of the Canadian Recognition Proceeding.

6. On August 28, 2026, the Court granted an Order, among other things: (i) recognizing the Canadian Debtor as the Foreign Representative of itself and the other Debtors in respect of the Chapter 11 Cases; (ii) recognizing the United States of America as the centre of main interest for the Canadian Debtor; and (iii) recognizing the Canadian Debtor's Chapter 11 Case as a "foreign main proceeding". On the same day, the Court granted a second Order (the "**Supplemental**

[2] Capitalized terms not otherwise defined have the meanings given to them in the Affidavit of Adam Zalev sworn October 8, 2026 (the "**Fourth Zalev Affidavit**").

Order"), among other things, (i) recognizing certain of the First Day Orders, including an order authorizing the Debtors to obtain postpetition financing under the DIP Facility (as defined below) (the "**Interim DIP Order**") and an order authorizing the Debtors to continue to implement their cash management system (the "**Interim Cash Management Order**"); (ii) granting a stay of proceedings in respect of the Canadian Debtor and its directors and officers in Canada; (iii) granting an administration charge, a charge in favour of the directors and officers of the Canadian Debtor and a charge in favour of the lenders under the debtor-in-possession facility entered into by the Debtors (the "**DIP Facility**"); and (iv) appointing AlixPartners Restructuring, Inc. as information officer (the "**Information Officer**") in the Canadian Recognition Proceeding.

7. On September 18, 2026, the Court granted a further recognition Order (the "**Second Recognition Order**"), among other things, recognizing final versions of certain of the First Day Orders and certain additional orders granted in the Chapter 11 Cases, including an order establishing bidding procedures to be used in connection with the solicitation for sale of all, substantially all or one or more portions of the Debtors' assets and a second interim version of the Interim Cash Management Order (the "**Second Interim Cash Management Order**").

8. The Debtors have scheduled a hearing before the U.S. Bankruptcy Court for October 14, 2026, to seek entry of, among other orders, a final version of the Second Interim DIP Order (as defined below) (the "**Final DIP Order**") and a final version of the Second Interim Cash Management Order (the "**Final Cash Management Order**").

The Second Interim DIP Order and Final DIP Order

9. The Foreign Representative is seeking recognition of: (i) a second interim version of the Interim DIP Order (the "**Second Interim DIP Order**"); and (ii) if granted, the Final DIP Order.

10. The Second Interim DIP Order was granted by the U.S. Bankruptcy Court on September 28, 2026, without a hearing. The Second Interim DIP Order increased the principal availability

under the DIP Facility to $55 million, which reflects a roll-up of the remaining outstanding Prepetition Revolving Loans (as defined in the Final DIP Order), and reflects comments received from certain stakeholders on the Interim DIP Order.

11. The proposed Final DIP Order is a "final" version of the Second Interim DIP Order. The Final DIP Order amends the Second Interim DIP Order to, among other things: (i) reflect the relief being granted on a final basis; and (ii) waive certain rights related to marshalling and surcharging of collateral that would otherwise be available under the U.S. Bankruptcy Code.

12. Recognition of the Second Interim DIP Order and the Final DIP Order, if granted by the U.S. Bankruptcy Court, is a condition under the DIP Facility and is necessary to ensure the Debtors continue to have access to funding during the Chapter 11 Cases.

Final Cash Management Order

13. The Foreign Representative is also seeking recognition of the Final Cash Management Order, if entered by the U.S. Bankruptcy Court.

14. The Final Cash Management Order is an amended version of the Second Interim Cash Management Order, entered by the U.S. Bankruptcy Court and recognized by this Court pursuant to the Second Recognition Order.

15. The proposed Final Cash Management Order, amends the relief previously granted in the Second Interim Cash Management Order to, among other things: (i) reflect the relief being granted on a final basis rather than interim; (ii) remove the Debtors' obligation to cause applicable banks to execute a Uniform Depository Agreement (as defined in the Final Cash Management Order); and (iii) remove the limit on payments the Debtors are authorized to make for prepetition obligations.

The Third Recognition Order is Appropriate

16. The Foreign Representative is serving this motion in advance of certain of the Foreign Orders being entered to provide Canadian creditors with as much notice as possible. Copies of the Foreign Orders not yet entered will be served by way of supplemental affidavit if they are granted.

17. Recognition of the Foreign Orders, if granted, is necessary to protect the Canadian Debtor and preserve the value of the Canadian business for the benefit of a broad range of stakeholders.

Other Grounds

18. The provisions of the CCAA, including Part IV thereof;

19. The provisions of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, including Rules 1.04, 1.05, 2.03, 3.02, 16 and 37 thereof; and

20. Such further and other grounds as the lawyers may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

21. The Fourth Zalev Affidavit, and the exhibits attached thereto;

22. The First Gordon Affidavit, and the exhibits attached thereto;

23. The Second Report of the Information Officer; and

24. Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

October 8, 2026

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

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Tab 2

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AFFIDAVIT OF ADAM ZALEV
(sworn October 8, 2026)

I, Adam Zalev, of the City of Nashville, in the State of Tennessee, MAKE OATH AND SAY:

1. I am the Founding Member and Managing Director of Reflect Advisors LLC ("**Reflect**") and currently serve as the Chief Restructuring Officer ("**CRO**") of the Debtors[1]. In July 2026, the Debtors engaged Reflect to provide interim management services and I was appointed by the Debtors to act as CRO on July 22, 2026.

2. I swear this affidavit in support of the motion filed by the Canadian Debtor, in its capacity as foreign representative of the Debtors (in such capacity, the "**Foreign Representative**"), for certain relief pursuant to section 49 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, including an Order (the "**Third Recognition Order**") recognizing and giving full force and effect in Canada to certain orders, if entered by the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**"), in the cases (the "**Chapter 11 Cases**"

[1] The "**Debtors**" include BFG Supply Co., LLC; Bamboo Purchaser, Inc.; BFG Purchaser Parent, Inc.; BFG Supply Holdings, Inc.; BFG Holdings I, Inc.; BFG Supply Canada Holdings, Inc.; BFG Kalamazoo, LLC; BFG Logistics, LLC; L&L Nursery Supply, Inc.; Gard'N-Wise Distributors, Inc.; International Greenhouse Contractors, LLC; Greenhouse Solutions, LLC; Greenhouse Contracting Services, LLC; Green-Tek, LLC; GROSouth, Inc.; BFG VG Supply Acquisition, LLC; and De Cloet Greenhouse Mfg. Ltd. (the "**Canadian Debtor**").

and together with this recognition proceeding, the "**Restructuring Proceedings**") commenced by the Debtors under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**").

3. Specifically, the Foreign Representative is seeking recognition in Canada of the following orders of the U.S. Bankruptcy Court (collectively, the "**Foreign Orders**"), where applicable, to the extent such orders are formally entered by the U.S. Bankruptcy Court prior to the return of this motion:

(a) *Second Interim Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "**Second Interim DIP Order**"), an entered copy of which is attached hereto as **Exhibit "A"**;

(b) *Final Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "**Final DIP Order**"), in a form to be provided; and

(c) *Final Order (I) Authorizing Continued (A) Use of Existing Cash Management System, Bank Accounts, and Business Forms and Payment of Related Prepetition*

Obligations and (B) Performance of Intercompany Transactions in the Ordinary Course of Business, (II) Granting A Limited Waiver of Section 345(B) Deposit and Investment Requirements, and (III) Granting Related Relief (the "**Final Cash Management Order**"), a draft of which is attached hereto as **Exhibit "B"**.

4. The Final DIP Order and the Final Cash Management Order were originally scheduled to be heard by the U.S. Bankruptcy Court on September 14, 2026, with the other final versions of the First Day Orders (defined below). To allow the Debtors time to continue negotiations with their stakeholders, the U.S. Bankruptcy Court entered a Second Interim Cash Management Order on consent and adjourned the hearing in respect of the final orders to September 29, 2026 (the "**September US Hearing**").[2]

5. Objections to the relief sought in the Final DIP Order and the Final Cash Management Order were due on September 9, 2026. The deadline for objections in respect of the Final DIP Order and the Final Cash Management Order was extended to September 22, 2026 for the Official Committee of Unsecured Creditors (the "**UCC**"). The deadline for objections in respect of the Final Cash Management Order was extended to September 22, 2026 for the Office of the United States Trustee (the "**U.S. Trustee**").

6. Prior to the September US Hearing, the UCC filed an objection to the relief sought in the Final DIP Order (the "**UCC Objection**"). A copy of the publicly filed form of the UCC Objection is attached hereto as **Exhibit "C"**. To provide the Debtors additional time to address the UCC Objection, the September US Hearing was cancelled, and the U.S. Bankruptcy Court entered the Second Interim DIP Order on consent. A Certification of Counsel filed in the Chapter 11 Cases in

[2] The motion materials in connection with the Final DIP Order and the Final Cash Management Order were filed with the Court as Exhibits to the Affidavit of Joshua Gordon sworn August 21, 2026.

respect of the Second Interim DIP Order, including a blackline of the Second Interim DIP Order as against the Interim DIP Order, is attached hereto as **Exhibit "D"**.

7. A hearing before the U.S. Bankruptcy Court has been scheduled for October 14, 2026 (the "**October US Hearing**") at which the Debtors will seek entry of the Final DIP Order and the Final Cash Management Order, substantially in the form attached, subject to the ongoing negotiations discussed below. Each of the orders is the "final" version of an order previously recognized by this Court.

8. Recognition of the Foreign Orders is necessary for the preservation of the Canadian Debtor's business and going concern value. Recognition of the Final DIP Order is required under the DIP Agreement.

9. Unless otherwise indicated, capitalized terms used and not defined in this affidavit have the meaning given to them in the Affidavit of Adam Zalev sworn August 19, 2026 (the "**Initial Zalev Affidavit**") or the Affidavit of Adam Zalev sworn August 21, 2026 (the "**Second Zalev Affidavit**"), copies of which (without exhibits) are attached hereto as **Exhibit "E"** and **Exhibit "F"**, respectively.

10. Unless otherwise indicated, dollar amounts referenced in this affidavit are references to United States dollars.

11. Additional information on these proceedings is available on the Information Officer's website at https://cdncases.alixpartners.com/experience/case/DeCloet-Greenhouse. Copies of documents filed in the U.S. Bankruptcy Court in connection with the Chapter 11 Cases can be found on the Debtors' case website administered by Epiq Corporate Restructuring, LLC, the Debtors' claims, noticing and solicitation agent, https://dm.epiq11.com/case/bfgsupply/info.

I. OVERVIEW

A. Procedural Background

12. On August 18, 2026 (the "**Petition Date**"), the Debtors filed voluntary petitions for relief (the "**Petitions**") under the Bankruptcy Code in the U.S. Bankruptcy Court. Concurrently with the filing of the Petitions, the Debtors filed motions seeking various relief on an interim basis (such orders, the "**First Day Orders**"), requesting authority from the U.S. Bankruptcy Court to continue to operate the Debtors' businesses in compliance with the Bankruptcy Code.

13. On August 19, 2026, the Honourable Justice Dunphy of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granted an interim stay of proceedings in respect of the Canadian Debtor, pending the hearing on the Foreign Representative's initial application to, among other things, recognize the Canadian Debtor's Chapter 11 Case as a foreign main proceeding.

14. Following the First Day Hearing, the U.S. Bankruptcy Court entered the First Day Orders, including, among others, (i) an Order authorizing the Canadian Debtor to act as the Foreign Representative of itself and the other Debtors; (ii) an Order authorizing the Debtors to obtain post-petition financing under the DIP Facility (the "**Interim DIP Order**"); and (iii) an Order authorizing the Debtors to continue to implement their current cash management system (the "**Interim Cash Management Order**").

15. On August 28, 2026, the Court entered:

(a) an Initial Recognition Order, among other things: (i) recognizing the Canadian Debtor as the Foreign Representative of itself and the other Debtors in respect of the Chapter 11 Cases; (ii) recognizing the United States of America as the centre

of main interests for the Canadian Debtor; and (iii) recognizing the Canadian Debtor's Chapter 11 Case as a "foreign main proceeding"; and

(b) a Supplemental Recognition Order (Foreign Main Proceeding), among other things: (i) recognizing certain orders entered by the U.S. Bankruptcy Court in the Chapter 11 Cases, including the Interim DIP Order and the Interim Cash Management Order; (ii) granting a stay of proceedings in respect of the Canadian Debtor and its directors and officers in Canada; (iii) granting the Administration Charge, the D&O Charge and the DIP Lender's Charge; and (iv) appointing AlixPartners Restructuring, Inc. as Information Officer in the Canadian Recognition Proceeding.

16. On September 14, 2026, the U.S. Bankruptcy Court entered, among other orders: (i) certain of the First Day Orders on a final basis (such orders, the "**Final First Day Orders**"); (ii) an Order (the "**Bidding Procedures Order**"), among other things, authorizing and approving the bidding procedures to be used in connection with the sale of all, substantially all, or one or more portions of the Debtors' assets (the "**Bidding Procedures**"); (iii) an Order (the "**Sealing Order**") sealing unredacted copies of the Fee Letters (as defined in the Sealing Order) in connection with the DIP Facility; (iv) an Order approving the retention of Reflect; and (v) a second interim order authorizing the Debtors to continue to implement their cash management system (the "**Second Interim Cash Management Order**"). The Debtors' motions to approve the Final DIP Order and the Final Cash Management Order were adjourned to provide the Debtors additional time to address comments provided by the UCC and the U.S. Trustee.

17. On September 18, 2026, this Court granted an Order, recognizing and enforcing certain of the orders granted by the U.S. Bankruptcy Court on September 14, 2026.

18. On this motion, the Foreign Representative now seeks recognition of the Foreign Orders, including the Second Interim DIP Order (which has already been granted by the U.S. Bankruptcy Court) and the Final DIP Order and Final Cash Management Order, if entered by the U.S. Bankruptcy Court. In each case, the Debtors believe that recognition is necessary for the continued operation of the business and the Restructuring Proceedings.

B. The Debtors

19. The Debtors are a collection of complementary businesses, operating as a commercial enterprise to offer a shared customer base a broad suite of green industry-focused products and services. The Debtors operate one of North America's leading wholesale distribution platforms, serving as a critical intermediary in the professional green industry. The Debtors also operate several specialized businesses that complement the distribution platform.

20. As of the Petition Date, the Debtors employed approximately 461 employees, including approximately 30 employees in Canada, and operated out of nineteen facilities (one of which was located in Canada). In fiscal year 2026, the Debtors generated approximately $536.5 million in gross revenue ($12.2 million of which was attributable to the Canadian Debtor's operations) and, as of the Petition Date, were subject to approximately $342.6 million of secured indebtedness.

21. Further background regarding the Debtors' business operations, including the operations of the Canadian Debtor, and the Chapter 11 Cases is set out in the Initial Zalev Affidavit and the First Day Declaration.

C. Case Updates[3]

22. Although the Debtors obtained authorization to begin winding down their business, in light of the nature of the Canadian Debtor's operations and the intention to market the Canadian Debtor's business as a going concern, the Canadian Debtor has continued to operate since the Petition Date, including entering into new agreements for the design and manufacture of greenhouses.

23. Pursuant to the Bidding Procedures Order, the Debtors and SSG Advisors, LLC, the Debtors' investment banker, marketed the Debtors' business and assets to identify one or more going-concern transactions for all or part of the Debtors' business, including the Canadian Debtor's business.

24. In accordance with the Bidding Procedures, the Debtors identified Stalking Horse Bidders for three separate segments of the business. While the Debtors received offers in respect of other segments of the business, including the Canadian Debtor's business, they were unable to come to terms with any of those interested parties with respect to a stalking horse bid.

25. As of the Bid Deadline (October 2, 2026), there were no additional Qualified Bids for any of the Debtors' assets or operations. Accordingly, the Debtors, in consultation with the Consultation Parties, made the decision to cancel the Auction scheduled for October 6, 2026, and to seek approval of the Stalking Horse Bid transactions from the U.S. Bankruptcy Court at the October US Hearing. A copy of the notice of cancellation of the Auction (the "**Notice of Cancellation**") is attached hereto as **Exhibit "G"**.

[3] Capitalized terms used herein but not otherwise defined have the meaning given to them in the Bidding Procedures Order.

26. While the Debtors did not receive any Qualified Bids for the Canadian Debtor's business or property as of the Bid Deadline, the Debtors did receive certain indications of interest. The Debtors and their advisors are continuing to work with the interested parties in respect of a potential transaction or transactions in respect of the Canadian Debtor's business or property and, as set out in the Notice of Cancellation, may seek approval of a transaction at a future date.

27. The Debtors have also filed a motion for an order (the "**Bar Date Order**"), among other things: (i) establishing procedures for parties asserting claims against any of the Debtors to submit proofs of claim (each, a "**Proof of Claim**"), as well as forms thereof; (ii) setting bar dates for creditors to submit a Proof of Claim (the "**Bar Dates**"); and (iii) approving the form and manner of service of the notice of the Bar Dates, as well as a publication version thereof. The hearing for the Bar Date Order is currently scheduled before the U.S. Bankruptcy Court for October 27, 2026 at 10:00 a.m. If entered by the U.S. Bankruptcy Court, the Foreign Representative intends to return to seek recognition of the Bar Date Order.

II. FOREIGN ORDERS

A. Second Interim DIP Order and Final DIP Order

28. By way of the Interim DIP Order, the Debtors were authorized to obtain postpetition financing pursuant to the DIP Facility, in accordance with the terms of the DIP Credit Agreement, and access cash collateral of the Prepetition ABL Secured Parties. The Debtors' obligations under the DIP Facility are secured by the DIP Liens, the priority of which is discussed in the Second Zalev Affidavit.

29. Under the Interim DIP Order, the DIP Facility provided a total interim availability of $22 million, approximately $8 million of which is new money financing.

30. Pursuant to the Interim DIP Order, the Debtors are required to use any cash, collections and proceeds of DIP Collateral (other than Prepetition Term Loan Priority Collateral), including any DIP Collateral of the Canadian Debtor, on a dollar-for-dollar basis, to reduce the amounts outstanding under the Revolving Credit Facility, which results in a corresponding increase to availability under the DIP Facility. To facilitate this, the Debtors' accounts are regularly swept and cash is reborrowed. Notwithstanding the foregoing, with the consent of the DIP Lender, the Canadian Debtor has been permitted to retain a balance of approximately C$500,000 in the Canadian Debtor's accounts, to ensure that the Canadian Debtor has sufficient funds to address its day-to-day needs during the course of the Chapter 11 Cases and preserve the going concern value of the Canadian business.

31. The Canadian Debtor is a borrower under the DIP Facility and is eligible to draw upon the DIP Facility to fund its operations as needed. To date, the Canadian Debtor continues to maintain a sufficient cash balance in its accounts to fund its operational costs and has not drawn upon the DIP Facility.

32. Pursuant to the Second Interim DIP Order, the availability under the DIP Facility was increased to $55 million, reflecting a roll-up of the remaining amounts outstanding under the prepetition Revolving Credit Facility. The Second Interim DIP Order also reflects minor comments received from various interested parties and does not otherwise substantively modify the relief that was approved in the Interim DIP Order.

33. As set out in the Debtors' motion materials, the Final DIP Order, if entered, will amend the relief previously granted in the Second Interim DIP Order to, among other things: (i) reflect the relief being granted on a final basis rather than an interim basis; and (ii) waive certain rights related

to marshalling and surcharging of collateral that would otherwise be available under the Bankruptcy Code.

34. The UCC Objection raises, among other concerns, that the protections afforded to the secured lenders are inappropriate and that the DIP fees are out of market. The Debtors disagree with these positions and will file reply papers on October 8, 2026 addressing these and other points.

35. If the Final DIP Order is granted, the Foreign Representative may determine that recognition of the Second Interim DIP Order is no longer necessary, as it will be superseded by the Final DIP Order.

B. Final Cash Management Order

36. By the Interim Cash Management Order, the Debtors were authorized to, among other things: (i) continue using their existing cash management system, bank accounts, and business forms; (ii) pay certain prepetition obligations related thereto up to a maximum amount of $25,000; and (iii) continue to perform intercompany transactions in the ordinary course of business.

37. The Second Interim Cash Management Order, among other things: (i) deemed the Debtors' bank accounts debtor-in-possession accounts; and (ii) clarified that the Debtors were not authorized to make any intercompany transactions outside of the ordinary course of business. The Second Interim Cash Management Order did not substantively modify the relief granted in the Interim Cash Management Order.

38. The proposed Final Cash Management Order amends the relief previously granted in the Second Interim Cash Management Order to: (i) reflect the relief being granted on a final basis

rather than interim; (ii) remove the Debtors' obligation to cause applicable banks to execute a Uniform Depository Agreement (as defined in the Final Cash Management Order); and (iii) remove the limit on payments the Debtors are authorized to make for prepetition obligations. The Debtors continue to negotiate the Final Cash Management Order with their stakeholders, including the U.S. Trustee. If the Debtors pursue a further interim version of the order to allow for further negotiation, it will be provided to this Court in advance of the hearing on this motion.

III. NEXT STEPS IN CHAPTER 11 CASES

39. The Debtors intend to continue to work with the interested parties towards identifying an actionable transaction for the business and assets of the Canadian Debtor. If no going concern transaction is capable of being negotiated, the Debtors will begin an orderly wind down of the business and liquidation of the Canadian Debtor's assets at a date to be determined.

40. The Debtors are also in discussions with their stakeholders regarding the appropriate exit from these Restructuring Proceedings and will return to the U.S. Bankruptcy Court for relief once a path forward has been determined.

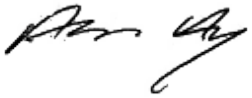
41. As noted above, the hearing on the Bar Date Order, currently scheduled for October 27, 2026, will allow the Debtors to determine the universe of claims. If the U.S. Bankruptcy Court grants the Bar Date Order, the Foreign Representative intends to return to Court to seek recognition in due course.

IV. CONCLUSION

42. I believe the relief set out herein and in the proposed Third Recognition Order is necessary for the protection of the Canadian Debtor and to preserve the value of the Canadian business for the benefit of a broad range of stakeholders. The requested relief will permit the Debtors to

proceed with realizing upon the Canadian Debtor's assets and business for the benefit of the Debtors' stakeholders.

SWORN BEFORE ME by videoconference on this 8th day of October 2026. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely. The affiant was located in the City of Nashville, in the State of Tennessee, and I was located in the City of Toronto in the Province of Ontario.



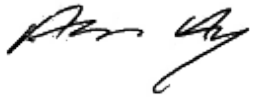
Commissioner for Taking Affidavits
(or as may be)

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K



ADAM ZALEV

This is Exhibit “A” referred to in the affidavit of Adam Zalev, sworn October 8, 2026. The affiant was located in the City of Nashville, in the State of Tennessee and I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg, 431/20, Administering Oath or Declaration Remotely.



……...
A Commissioner for Taking Affidavits

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
BFG Supply Co., LLC, *et al.*,	Case No. 26-11284 (CTG)
Debtors.[1]	(Jointly Administered)
	Related to Docket Nos. 17, 18, 65

SECOND INTERIM ORDER UNDER BANKRUPTCY CODE SECTIONS 105, 361, 362, 363, 364, 503, 506, 507, AND 552, AND BANKRUPTCY RULES 2002, 4001, 6003, 6004, AND 9014 (I) AUTHORIZING DEBTORS TO (A) OBTAIN POSTPETITION FINANCING AND (B) USE CASH COLLATERAL, (II) GRANTING (A) LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS AND (B) ADEQUATE PROTECTION TO PREPETITION SECURED CREDITORS, (III) MODIFYING AUTOMATIC STAY, (IV) SCHEDULING A FINAL HEARING, AND (V) GRANTING RELATED RELIEF

Upon the motion (the "***Motion***")[2] of BFG Supply Co., LLC, and certain of its affiliates, each of which is a debtor and debtor in possession (collectively, the "***Debtors***") in the above-captioned chapter 11 cases (the "***Chapter 11 Cases***"), pursuant to sections 105, 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1), 364(e), 503, 506, and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "***Bankruptcy Code***"), rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "***Bankruptcy Rules***"), and rules 2002-1(b), 4001-2, and 9013-1(m) of the Local Rules for the United States Bankruptcy Court for the District

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BFG Supply Co., LLC (6660); Bamboo Purchaser, Inc. (1173); BFG Purchaser Parent, Inc. (2451); BFG Supply Holdings, Inc. (4070); BFG Holdings I, Inc. (1502); BFG Supply Canada Holdings, Inc. (9737); De Cloet Greenhouse Mfg. Ltd. (N/A); BFG Kalamazoo, LLC (0121); BFG Logistics, LLC (4172); L&L Nursery Supply, Inc. (9972); Gard'N-Wise Distributors, Inc. (8418); International Greenhouse Contractors LLC (7313); Greenhouse Solutions, LLC (1860); Greenhouse Contracting Services, LLC (3738); Green-Tek, LLC (8749); GROSouth, Inc. (4231); BFG VG Supply Acquisition, LLC (0219). The Debtors' service address in these chapter 11 cases is 4660 East Paris Avenue SE, Grand Rapids, Michigan 49512.

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion, or if not defined therein, the DIP Loan Documents (as defined herein).

of Delaware (the "***Local Rules***"), seeking entry of this second interim order (this "***Second Interim Order***"), among other things:

a. authorizing the Debtors to obtain postpetition financing consisting of the obligations under a superpriority senior secured asset-based credit facility in the aggregate principal amount of $55 million (the "***DIP Facility***" and such funding commitment thereunder, the "***DIP Commitments***"), pursuant to the terms and conditions of that certain Senior Secured Super-Priority Debtor-in-Possession Credit Agreement, attached to the First Interim Order (as defined herein) as **Exhibit 2** (as the same may be amended, restated, amended and restated, supplemented, waived, or otherwise modified in accordance with the terms thereof from time to time the "***DIP Credit Agreement***") by and among (A) Bamboo Purchaser, Inc. (the "***Borrower***"), (B) the subsidiaries of the Borrower from time to time party thereto as guarantors, (C) ACF FINCO I LP, as Administrative Agent and collateral agent (in such capacities, the "***DIP Agent***"), and (D) the lenders from time to time party thereto (collectively, the "***DIP Lenders***"; the DIP Agent and the DIP Lenders are collectively referred to herein as the "***DIP Credit Parties***") and allocated and made available to the Borrower as follows:

i. following entry of the First Interim Order, subject to the terms and conditions set forth in the DIP Credit Agreement, the other DIP Loan Documents (as defined herein), and the First Interim Order, the DIP Commitments were available to the Borrower to draw upon pursuant to a "creeping roll-up" whereby all Cash Collateral (as defined herein) is used to pay down the Prepetition Revolving Loans (as defined herein) and gives rise to a corresponding amount of availability under the DIP Facility (subject to the terms of the DIP Credit Agreement); *provided*, that all Banking Services Obligations and Secured Hedging Obligations (each as defined in the Prepetition ABL Credit Agreement) were deemed DIP Obligations upon entry of the First Interim Order (the "***Interim Financing***");

ii. upon entry of the Final Order (as defined herein), subject to the terms and conditions set forth in the DIP Credit Agreement and the other DIP Loan Documents, the repayment and refinancing of any outstanding and remaining Prepetition Revolving Loans (as defined herein) (all amounts so repaid and refinanced, the "***DIP Roll-Up Loan***" and together with the Interim Financing, the "***DIP Loans***") pursuant to a "creeping roll-up" under the First Interim Order whereby all cash was used to pay down the Prepetition Revolving Loans and gave rise to a corresponding amount of availability under the DIP Facility (subject to the terms of the DIP Credit Agreement), and any remaining outstanding Prepetition Revolving Loans shall be fully "rolled" into the DIP Facility and

shall constitute DIP Obligations (as defined herein) upon the entry of the Final Order granting such relief.

b. authorizing the Debtors to execute and deliver the DIP Credit Agreement and all other related documents, instruments, letters, notes, and agreements, including, without limitation, security agreements, deposit account control agreements, pledge agreements, guaranties, and promissory notes (collectively, with the First Interim Order, this Second Interim Order, and the Final Order, the "***DIP Loan Documents***") and to perform such other acts as may be necessary, convenient, advisable, or appropriate in connection with the DIP Loan Documents;

c. authorizing the Debtors to incur, guarantee, and pay, as applicable, loans, advances, extensions of credit, financial accommodations, reimbursement obligations, fees (including, without limitation, any commitment fees, exit fees, and collateral management fees, the reasonable and documented fees and disbursements of the DIP Credit Parties' attorneys (which firms shall be (x) Choate, Hall & Stewart, LLP and (y) Womble Bond Dickinson (US) LLP advisers, accountants, and other consultants, and all related expenses of the DIP Credit Parties, in each case, subject to the terms and provisions of the DIP Loan Documents, and other fees payable pursuant to the DIP Loan Documents), costs, expenses, and other liabilities, all other obligations (including indemnities and similar obligations, whether contingent or absolute) and all other Secured Obligations (as defined in the DIP Credit Agreement) due or payable under the DIP Facility to the DIP Lenders (the "***DIP Obligations***"), which, for the avoidance of doubt, shall include the DIP Roll-Up Loan, and to perform such other and further acts as may be necessary, convenient, advisable, desirable, or appropriate in connection therewith;

d. authorizing BFG Purchaser Parent Inc. ("***Holdings***") and each existing and future direct and indirect subsidiary of Holdings (other than any such subsidiary acting as Borrower) to jointly and severally guarantee (such entities together with Holdings, the "***Guarantors***" and the Guarantors collectively with the Borrower, the "***DIP Loan Parties***") the DIP Facility and DIP Obligations as set forth herein and in the DIP Loan Documents;

e. subject and subordinate only to the Carve Out (as defined herein) and the relative priorities as agreed upon by the parties-in-interest set forth on **Exhibit 1** hereto (the "***Lien Priority Annex***"), granting allowed superpriority administrative expense claim status pursuant to section 364(c)(1) of the Bankruptcy Code in each of the Chapter 11 Cases and any Successor Cases (as defined herein) to the DIP Obligations;

f. authorizing the Debtors to use the "cash collateral" (as defined in section 363(a) of the Bankruptcy Code, the "***Cash Collateral***") of the Prepetition Secured Creditors (as defined herein) in accordance with the terms of this Second Interim Order, that the Debtors are holding or may obtain, pursuant to sections 361 and

363 of the Bankruptcy Code and Bankruptcy Rules 4001(b) and 6004 and in accordance with the Approved Budget (as defined herein);

g. granting to the DIP Agent, for the benefit of the DIP Credit Parties, automatically perfected security interests in and liens on all DIP Collateral (as defined herein), including, without limitation, all property constituting Cash Collateral, which liens shall be subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex;

h. authorizing the Debtors to provide adequate protection to the Prepetition Secured Creditors (as defined herein) solely to the extent of any Diminution in Value (as defined herein) on the terms set forth herein;

i. approving certain stipulations by the Debtors with respect to the Prepetition Credit Documents and the Prepetition Collateral (each as defined herein) as set forth herein;

j. waiving any applicable stay and provisions for immediate effectiveness of this Second Interim Order;

k. vacating and modifying the automatic stay imposed by section 362 of the Bankruptcy Code solely to the extent necessary to implement and effectuate the terms and provisions of the DIP Loan Documents and this Second Interim Order;

l. granting related relief; and

m. scheduling a final hearing (the "***Final Hearing***") to consider entry of a final order (the "***Final Order***") authorizing and approving, among other things, the relief requested in the Motion on a final basis, which order shall be in form substantially similar to this Second Interim Order and otherwise reasonably acceptable to the Debtors, the DIP Agent, the DIP Lenders, and the Prepetition ABL Agent (as defined herein), and approving the form of notice with respect to the Final Hearing.

This Court having considered the interim relief requested in the Motion, the exhibits attached thereto, the *Declaration of Adam Zalev in Support of the Debtors' Chapter 11 Petitions and First Day Motions* [Docket No. 16] and the *Declaration of Neil Gupta in Support of the Debtors' Motion Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors To (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection To Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing,*

and (V) Granting Related Relief [Docket No. 18], each filed concurrently with the Motion, the DIP Loan Documents, and the evidence submitted or adduced and the arguments of counsel made at the interim hearing held on August 20, 2026 (the "***Interim Hearing***") and the Court having entered on August 20, 2026 *the Interim Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 65] (the "***First Interim Order***" and, together with this Second Interim Order and the Final Order, collectively, the "***Orders***"); and the Interim Hearing to consider the interim relief requested in the Motion having been held and concluded; and the Official Committee of Unsecured Creditors (the "***Committee***") having filed an objection to approval of the Motion on a final basis on September 22, 2026 (the "***Committee Objection***") [Docket No. 205]; and upon the agreement of the Debtors, the DIP Lenders, the Prepetition Lenders and the Committee to maintain the status quo and defer consideration of the issues raised in the Committee Objection for the Final Hearing and to proceed with this Second Interim Order without prejudice to the rights of any parties; and all other objections, if any, to the interim relief requested in the Motion having been withdrawn, resolved, or overruled by this Court; and it appearing to this Court that, pursuant to Bankruptcy Rule 4001(c)(2), granting the interim relief requested at the Interim Hearing was necessary to avoid immediate and irreparable harm to the Debtors and their estates pending the Final Hearing, and otherwise is fair and reasonable and in the best interests of the Debtors and their estates, and is essential for the continued operation of the Debtors' businesses and the preservation of the value of the Debtors'

assets; and it appearing that the Debtors' entry into the DIP Loan Documents is a sound and prudent exercise of the Debtors' business judgment; and after due deliberation and consideration, and for good and sufficient cause appearing therefor;

BASED UPON THE RECORD ESTABLISHED AT THE INTERIM HEARING BY THE DEBTORS, INCLUDING THE SUBMISSIONS OF DECLARATIONS AND THE REPRESENTATIONS OF COUNSEL, THIS COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:[3]

A. *Petition Date*. On August 18, 2026 (the "***Petition Date***"), each of the Debtors filed a separate voluntary petition under chapter 11 of the Bankruptcy Code (the "***Petitions***") in the United States Bankruptcy Court for the District of Delaware (the "***Court***") commencing the Chapter 11 Cases. On August 20, 2026, this Court entered an order directing joint administration of the Chapter 11 Cases.

B. *Debtors in Possession*. The Debtors are continuing in the management and operation of their businesses and properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

C. *Jurisdiction and Venue*. This Court has jurisdiction, pursuant to 28 U.S.C. § 1334, over these proceedings and over the persons and property affected hereby. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b)(2), and this Court may enter a final order consistent with Article III of the United States Constitution. Venue for the Chapter 11 Cases and proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The bases for the relief sought in the Motion and granted in this Second Interim Order are

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

sections 105, 361, 362, 363, 364, 503, 506, and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004, and 9014, and Local Rules 2002-1(b), 4001-2, and 9013-1(m).

D. *Committee Formation*. On September 1, 2026, the United States Trustee for the District of Delaware (the "***U.S. Trustee***") appointed the Committee pursuant to section 1102 of the Bankruptcy Code

E. *Notice*. The Interim Hearing was held pursuant to Bankruptcy Rule 4001(b)(2) and (c)(2). Notice was provided by or on behalf of the Debtors to (a) the U.S. Trustee, (b) those creditors holding the thirty (30) largest unsecured claims against the Debtors' estates (on a consolidated basis), (c) the Securities and Exchange Commission, (d) the Internal Revenue Service, (e) the United States Attorney's Office for the District of Delaware, (f) the state attorneys general for states in which the Debtors conduct business, (g) counsel to the DIP Agent and the Prepetition ABL Agent, (h) counsel to the Prepetition Term Loan Secured Parties (as defined herein), and (i) any party that has requested notice pursuant to Bankruptcy Rule 2002, and therefore complied with Local Rule 9013-1(m).

F. *Debtors' Stipulations, Releases, and Acknowledgements*. In requesting the use of Cash Collateral, and in exchange for and as a material inducement to the Prepetition Secured Creditors consenting to the Debtors' access to and use of the Cash Collateral, and without prejudice to the rights of the parties-in-interest as set forth in paragraph 44 herein, the Debtors admitted, stipulated, acknowledged, agreed, and reaffirm as follows (collectively, the admissions, stipulations, acknowledgements, and agreements set forth in this paragraph F, the "***Debtors' Stipulations***"):

(i) *Prepetition ABL Obligations*. The Borrower, certain of the other Debtors (in their respective capacities as guarantors of the Prepetition ABL Facility (as defined herein),

collectively, the ***"Prepetition ABL Obligors***") and ACF FINCO I LP, as administrative agent and collateral agent (in such capacities, the ***"Prepetition ABL Agent***"), for its own benefit and the benefit of the lenders and letter of credit issuers from time to time party under the Prepetition ABL Facility (the "***Prepetition ABL Lenders***" and collectively with the Prepetition ABL Agent and the other Secured Parties (as defined in the Prepetition ABL Credit Agreement), collectively, the "***Prepetition ABL Secured Parties***"), are party to that certain ABL Credit Agreement dated as of November 5, 2021 (as amended, restated, amended and restated, supplemented, replaced, or otherwise modified from time to time, the ***"Prepetition ABL Credit Agreement***," and together with the Loan Documents (as defined therein), collectively, the "***Prepetition ABL Documents***," and the revolving facility thereunder, the "***Prepetition ABL Facility***"). Pursuant to the Prepetition ABL Documents, the Prepetition ABL Lenders provided revolving credit, certain banking products, and other financial accommodations to, and issued letters of credit for the account of, the Prepetition ABL Obligors (the "***Prepetition ABL Loans***"). Under the Prepetition ABL Documents, the Prepetition ABL Lenders provided the Prepetition ABL Obligors with, among other things, up to $120,000,000 in Aggregate Revolving Commitments (as defined in the Prepetition ABL Credit Agreement). As of the Petition Date, there were approximately: (a) $43,079,675.97 in outstanding prepetition revolving loans ("***Prepetition Revolving Loans***") (as defined in the Prepetition ABL Credit Agreement); plus (b) other outstanding obligations under the Prepetition ABL Documents, including, without limitation, all accrued, accruing, and unpaid interest (including default rate interest), reimbursement obligations (contingent or otherwise) in respect of letters of credit, any fees, expenses, and disbursements (including, without limitation, attorneys' fees, accountants' fees, auditor fees, appraisers' fees, and financial advisors' fees, and related expenses and disbursements, in each case, solely to the extent

chargeable or reimbursable under the Prepetition ABL Credit Agreement), treasury, cash management, bank product and derivative obligations, indemnification obligations, guarantee obligations, and other charges, amounts and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, arising, due, owing, or chargeable in respect of any of the Prepetition ABL Obligors' obligations pursuant to, or secured by, the Prepetition ABL Documents, in each case payable pursuant to the terms and conditions of the Prepetition ABL Credit Agreement (collectively, the "***Prepetition ABL Obligations***"). The Prepetition ABL Facility matures on December 31, 2028. The Prepetition ABL Obligations are secured by (i) first priority security interests in and liens on the ABL Priority Collateral (as defined in the Intercreditor Agreement (as defined below), the "***Prepetition ABL Priority Collateral***") pursuant to the terms of the Intercreditor Agreement, and (ii) junior security interests in and liens on the Term Loan Priority Collateral (as defined in the Intercreditor Agreement, the "***Prepetition Term Loan Priority Collateral***") pursuant to the terms of the Intercreditor Agreement (the Prepetition ABL Priority Collateral and the Prepetition Term Loan Priority Collateral, together, the "***Prepetition Collateral***" and the immediately forgoing liens and security interests, the "***Prepetition ABL Liens***").

(ii) *Prepetition Term Loan Obligations*. The Borrower, certain of the other Debtors (in their respective capacities as guarantors of the Prepetition Term Loan Facility (as defined herein), collectively, the "***Prepetition Term Loan Obligors***"), Ares Capital Corporation, as administrative agent and collateral agent (in such capacities, the "***Prepetition Term Loan Agent***", and together with the Prepetition ABL Agent, the "***Prepetition Agents***") for its own benefit and the benefit of the lenders from time to time party thereto (the "***Prepetition Term Loan Lenders***", collectively with the Prepetition Term Loan Agent, the "***Prepetition Term Loan***

Secured Parties" and, together with the Prepetition ABL Secured Parties, the "***Prepetition Secured Creditors***") are party to that certain Credit Agreement, dated as of November 5, 2021, among BFG Purchaser Parent, Inc., Bamboo Purchaser, Inc., and the other Loan Parties party thereto, (as amended, restated, amended and restated, supplemented, replaced, or otherwise modified from time to time prior to the filing of the Petitions, the ***"Prepetition Term Loan Credit Agreement***", and together with the other "Loan Documents" (as defined therein), the "***Prepetition Term Loan Documents***" (together with the Prepetition ABL Documents, the "***Prepetition Credit Documents***"), and the term loan facility thereunder, the "***Prepetition Term Loan Facility***" and, together with the Prepetition ABL Facility, the "***Prepetition Loan Facilities***"). As of the Petition Date, the Prepetition Term Loan Obligors were obligated under the Prepetition Term Loan Credit Agreement to the Prepetition Term Loan Lenders in the aggregate outstanding principal amount of not less than $299,456,012.99, consisting of Term Loans A (as defined in the Prepetition Term Loan Credit Agreement) in the aggregate outstanding principal amount of not less than $137,608,289.31 and Term Loans B (as defined in the Prepetition Term Loan Credit Agreement) in the aggregate outstanding principal amount of not less than $161,847,723.68, plus all other "Obligations" (as defined in the Prepetition Term Loan Credit Agreement), including, without limitation, all accrued, accruing, and unpaid interest (including default rate interest), fees, costs, expenses, indemnity obligations and disbursements (including, without limitation, all attorneys' fees, accountants' fees, auditor fees, appraisers' fees, financial advisors' fees, and related fees, costs, expenses, and disbursements), in each case payable pursuant to the Prepetition Term Loan Documents, plus (b) all amounts allowable under section 506(b) of the Bankruptcy Code (the "***Prepetition Term Loan Obligations***" and, together with the Prepetition ABL Obligations, the "***Prepetition Secured Obligations***"). The Prepetition Term Loan Obligations are secured by (i)

first priority security interests in and liens on the Prepetition Term Loan Priority Collateral pursuant to the terms of the Intercreditor Agreement, and (ii) second priority security interests in and liens on the Prepetition ABL Priority Collateral pursuant to the terms of the Intercreditor Agreement (the immediately forgoing liens and security interests, the "***Prepetition Term Loan Liens***" and, together with the Prepetition ABL Liens, the "***Prepetition Liens***").

(iii) Intercreditor Agreement. That certain Intercreditor Agreement, dated as of November 5, 2021, entered into by and among the Prepetition ABL Agent and the Prepetition Term Loan Agent, and acknowledged and agreed to by Holdings, the Borrower, and the other Loan Parties party thereto (as amended, restated, amended and restated, supplemented, replaced, or otherwise modified from time to time, the "***Intercreditor Agreement***") governs the respective priority rights of the Prepetition Secured Creditors' interests in and liens on the Prepetition Collateral as it concerns the Prepetition ABL Priority Collateral and the Prepetition Term Loan Priority Collateral, as applicable.

(iv) *Prepetition Obligations*. Subject to paragraph 44 herein, each of the Debtors acknowledged and reaffirms that the Prepetition Secured Obligations owing to the Prepetition Secured Creditors, (a) constitute legal, valid, binding and non-avoidable obligations of the Debtors and their applicable affiliates, enforceable against them in accordance with their terms, and (b) no portion of the Prepetition Secured Obligations owing to the Prepetition Secured Creditors is subject to avoidance, recharacterization, reduction, set-off, offset, counterclaim, cross-claim, recoupment, defenses, disallowance, disgorgement, impairment, recovery, subordination (equitable or otherwise), or any other challenges pursuant to the Bankruptcy Code or applicable non-bankruptcy law or regulation by any person or entity, including in any Successor Cases.

(v) *Prepetition Liens.* Subject to paragraph 44 herein, the Debtors acknowledged and reaffirm that, as of the Petition Date, the Prepetition Liens granted to the Prepetition Secured Creditors (a) constitute legal, valid, binding, enforceable, non-avoidable, and properly perfected security interests in and liens on the Prepetition Collateral, and were granted to, or for the benefit of, the Prepetition Secured Creditors for fair consideration and reasonably equivalent value, (b) are not subject to defense, counterclaim, recharacterization, subordination, avoidance, or recovery pursuant to the Bankruptcy Code or applicable non-bankruptcy law or regulation by any person or entity, and (c) are senior in priority over any and all other liens on the Prepetition Collateral; *provided* that the Prepetition Term Loan Liens may be subject to certain liens senior (solely to the extent any such liens were valid, non-avoidable, and senior in priority to the Prepetition Term Loan Liens as of the Petition Date and properly perfected prior to the Petition Date or perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code) or otherwise permitted by the Prepetition Term Loan Documents (the "***Prepetition Term Loan Permitted Liens***"); *provided* further that the Prepetition ABL Liens may be subject to certain liens senior (solely to the extent any such liens were valid, non-avoidable, and senior in priority to the Prepetition ABL Liens as of the Petition Date and properly perfected prior to the Petition Date or perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code) or otherwise permitted by the Prepetition ABL Documents (the "***Prepetition ABL Permitted Liens***" and, together with the Prepetition Term Loan Permitted Liens, the "***Prepetition Permitted Liens***").

(vi) *No Challenges / Claims*. Subject to an investigation by the Committee, permitted pursuant to paragraph 32 and 44 herein, the Debtors' estates have no valid Claims (as such term is defined in section 101(5) of the Bankruptcy Code), objections, challenges, causes of

action, and/or choses in action against any of the Prepetition Secured Creditors or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors, and employees with respect to the Prepetition Credit Documents, the Prepetition Secured Obligations, the Prepetition Liens, or otherwise, whether arising at law or at equity, including, without limitation, any challenge, recharacterization, subordination, avoidance, recovery, disallowance, disgorgement, reduction, or other claims arising under or pursuant to sections 105, 502, 510, 541, 542 through 553, inclusive, or 558 of the Bankruptcy Code or applicable state law equivalents. The Prepetition Secured Obligations constitute allowed, secured claims within the meaning of sections 502 and 506 of the Bankruptcy Code. Subject to paragraph 44 herein, the Debtors have waived, discharged, and released any right to challenge any of the Prepetition Secured Obligations, the priority of the Debtors' obligations thereunder, and the validity, extent, and priority of the Prepetition Liens.

(vii) *Cash Collateral*. Except as otherwise provided in the Prepetition Credit Documents, all of the Debtors' cash, including, without limitation, the cash in their deposit accounts, wherever located, whether as original collateral or proceeds of other Prepetition Collateral, constitutes Cash Collateral within the meaning of section 363(a) of the Bankruptcy Code and is Prepetition Collateral of the Prepetition Secured Creditors, subject to the Lien Priority Annex.

(viii) *Debtors' Stipulations Regarding Initial Funding*. In accordance with the First Interim Order, this Court authorized, among other things: (a) the Borrower to obtain DIP Financing pursuant to the DIP Credit Agreement; (b) the Guarantors to jointly and severally guarantee the DIP Loans and the other DIP Obligations; and (c) the DIP Loan Parties to execute, deliver the DIP Loan Documents, and perform under the DIP Credit Agreement in accordance

with and subject to the terms of the First Interim Order and the DIP Loan Documents. On August 20, 2026, the Court entered the First Interim Order, and the Debtors were authorized to incur the Interim Financing on the terms and conditions set forth in the DIP Documents and in the First Interim Order.

(ix) *No Control*. None of the DIP Agent, the DIP Lenders, the Prepetition ABL Agent, the Prepetition Term Loan Agent or the other Prepetition Secured Creditors, controls the Debtors or their operations, has authority to determine the manner in which any of the Debtors' operations are conducted or is a control person or "insider" (as defined in section 101(31) of the Bankruptcy Code) of the Debtors or any of their affiliates by virtue of any of the actions taken through the date of this Second Interim Order with respect to, in connection with, related to, or arising from this Second Interim Order, the DIP Facility, the DIP Loan Documents, the Prepetition Secured Obligations, and/or the Prepetition Credit Documents.[4]

(x) *Release*. Effective as of the date of entry of this Second Interim Order and subject to the rights of all parties-in-interest hereunder (including with respect to a Challenge (as defined herein)), other than the Debtors, as set forth in paragraph 44 herein, each of the Debtors, on their own behalf and on behalf of each of their past, present, and future predecessors, successors, heirs, subsidiaries, and assigns, and solely to the extent permitted under applicable law, hereby forever, unconditionally, permanently, and irrevocably releases, discharges, and acquits each of the following solely in their capacity as such: DIP Agent, the DIP Credit Parties, the Prepetition ABL Agent, the other Prepetition ABL Secured Parties, the Prepetition Term Loan Agent, the other Prepetition Term Loan Secured Parties, and each of their respective successors, assigns, affiliates, parents, subsidiaries, partners, controlling persons, representatives, agents,

[4] Pamplona Equity Partners, L.P., the Debtors' principal equity investor, holds a minority position under the Prepetition Term Loan Facility.

attorneys, advisors, financial advisors, consultants, professionals, officers, directors, members, managers, shareholders, and employees, past, present and future, advisors, sub-fund advisors, and collateral managers, and each of their respective heirs, predecessors, successors, and assigns, in each case solely in their capacity as such (collectively, the "***Released Parties***") of and from any and all claims, controversies, disputes, liabilities, obligations, demands, damages, expenses (including, without limitation, attorneys' fees), actions, suits, controversies, proceedings, losses, damages, injuries, debts, liens, actions, judgments, and causes of action of any and every nature whatsoever, whether arising in law or otherwise, and whether known or unknown, matured or contingent, asserted, unasserted, suspected, unsuspected, accrued, unaccrued, pending, or threatened, arising under, in connection with, or relating to the DIP Obligations or DIP Loan Documents, the Prepetition Secured Obligations or the Prepetition Credit Documents, including, without limitation: (a) any so-called "lender liability" or equitable subordination claims or defenses; (b) Claims and causes of action arising under the Bankruptcy Code; and (c) any and all offsets, defenses, claims, counterclaims, set off rights, objections, challenges, causes of action, and/or choses in action of any kind or nature whatsoever, whether arising at law or in equity, including any recharacterization, recoupment, subordination, avoidance, or other claim or cause of action arising under or pursuant to section 105 or chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state, federal, or foreign law, including, without limitation, any right to assert any disgorgement or recovery, in each case, with respect to the extent, amount, validity, enforceability, priority, security, and perfection of any of the DIP Obligations, the DIP Loan Documents, the DIP Liens, the Prepetition Secured Obligations, the Prepetition Credit Documents, or the Prepetition Liens, and further waive and release any defense, right of counterclaim, right of setoff, or deduction to the payment of the DIP Obligations and the

Prepetition Secured Obligations that the Debtors now have or may claim to have against the Released Parties, arising under, in connection with, based upon, or released to any and all acts, omissions, conduct undertaken, or events occurring prior to entry of this Second Interim Order. For the avoidance of doubt, nothing in this paragraph F(x) shall relieve the DIP Agent, the other DIP Lenders, or the Debtors of their obligations hereunder or under the DIP Obligations.

G. *Findings Regarding the Postpetition Financing*.

(i) *Request for Postpetition Financing*. The Debtors seek authority on an interim basis to: (a) enter into, and access and use the liquidity provided under, the DIP Facility on the terms described herein and in the DIP Loan Documents; and (b) use Cash Collateral on the terms described herein to administer the Chapter 11 Cases and fund operations. For the avoidance of doubt, the Debtors shall apply the proceeds of the DIP Collateral and the Prepetition Collateral in accordance with the DIP Loan Documents, the Lien Priority Annex and paragraph 17 of this Second Interim Order, including, without limitation, upon entry of the Final Order, the exchange and conversion on a cashless basis of the remaining outstanding Prepetition ABL Obligations into DIP Obligations.

(ii) *Priming of Certain Prepetition Liens; Consent to Use of Cash Collateral*. For the avoidance of doubt, with respect to the Prepetition Term Loan Priority Collateral, the DIP Liens shall not prime, and shall instead be subject and subordinate to the Prepetition Term Loan Liens solely with respect to the Prepetition Term Loan Priority Collateral; *provided, however*, that the Prepetition Term Loan Liens shall in all cases be subject and subordinate to the Carve Out, subject to paragraph 31(j). The Prepetition ABL Secured Parties have consented to the use of the Cash Collateral and to the subordination of the Prepetition ABL Liens to the DIP Liens and the Carve Out on the terms and conditions set forth in this Second Interim Order.

(iii) *Immediate Need for Postpetition Financing and Use of Cash Collateral*. The Debtors' immediate need to use Cash Collateral and to obtain credit pursuant to the DIP Facility as provided for herein is necessary and critical in order to enable the Debtors to continue operations and to administer and preserve the value of their estates. The ability of the Debtors to finance their operations, to maintain business relationships with their vendors, suppliers, and customers, to pay their employees, to protect the value of their assets, and to otherwise finance their operations requires the availability of working capital from the DIP Facility and the use of Cash Collateral. Without the ability to access the DIP Facility or use Cash Collateral, the Debtors, their estates, their creditors, their equity holders, and the possibility for a successful reorganization or sale of all or substantially all of the Debtors' assets, would suffer immediate and irreparable harm. The Debtors do not have sufficient available sources of working capital and financing to operate their businesses or maintain their properties in the ordinary course of business without the DIP Facility and authorized use of Cash Collateral.

(iv) *DIP Roll-Up Loan.* Upon (i) entry of the First Interim Order, without any further action by the Debtors or any other party, but subject to paragraph 44 herein, all cash, collections and proceeds of DIP Collateral (other than Prepetition Term Loan Priority Collateral) was used, on a dollar-for-dollar basis, to reduce the Prepetition Revolving Loans and resulted in a corresponding increase to availability under the DIP Facility (the "***Creeping Roll-Up***"), and (ii) entry of the Final Order granting such relief, but subject to paragraph 44 herein, all remaining outstanding Prepetition Revolving Loans shall automatically be deemed exchanged and converted on a cashless basis into and constitute DIP Obligations (the "***Full Roll-Up***" and, together with the Creeping Roll-Up, the "***DIP Roll-Up Obligations***"). All accrued and unpaid interest, expenses, fees, and other sums payable in respect of the outstanding Prepetition ABL Obligations through

the entry of the Final Order including any amounts not previously paid pursuant to the First Interim Order or this Second Interim Order shall be paid in cash by the Loan Parties to the Administrative Agent on the date of entry of the Final Order. The Prepetition ABL Secured Parties would not otherwise consent to the use of their Cash Collateral, and the DIP Agent and the DIP Lenders would not be willing to provide the DIP Facility or extend credit to the Debtors thereunder, without the inclusion of (a) the Creeping Roll-Up, upon entry of the First Interim Order, and (b) the Full Roll-Up, upon entry of the Final Order granting such relief. The DIP Roll-Up Obligations shall be authorized as compensation for, in consideration for, and solely on account of, the agreement of the Prepetition ABL Lenders to fund amounts under the DIP Facility and not as adequate protection for, or otherwise on account of, any Prepetition ABL Obligations. All accrued interest, expenses, fees and other sums constituting Prepetition ABL Obligations owing to the Prepetition ABL Lenders prior to the Closing Date were paid in cash on the Closing Date, and all Banking Services Obligations and Secured Hedging Obligations (each as defined in the Prepetition ABL Credit Agreement) were deemed DIP Obligations upon entry of the First Interim Order.

(v) *No Credit Available on More Favorable Terms*. Given their current financial condition, financing arrangements, and capital structure, the Debtors are unable to obtain financing from sources other than the DIP Credit Parties on terms more favorable than the DIP Facility. The Debtors are unable to obtain adequate unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense. The Debtors are unable to obtain adequate credit: (a) having priority over that of administrative expenses of the kind specified in sections 503(b), 507(a), and 507(b) of the Bankruptcy Code; (b) secured by a lien on property of the Debtors and their estates that is not otherwise subject to a lien; or (c) secured solely by a junior

lien on property of the Debtors and their estates that is subject to a lien. Financing on a postpetition basis is not otherwise available under sections 364(c)(1), 364(c)(2), and 364(c)(3) of the Bankruptcy Code without granting the DIP Agent, for the benefit of the DIP Credit Parties, in each case, subject to the terms of this Second Interim Order: (x) perfected security interests in and liens on (each as provided herein) all of the Debtors' existing and after-acquired assets with the priorities and to the extent set forth herein; (y) superpriority claims and priming liens to the extent set forth herein; and (z) the other protections set forth in the Orders, and without incurring the Adequate Protection Superpriority Claims and Adequate Protection Liens (each as defined herein) described herein.

(vi) *Adequacy of the Approved Budget*. As set forth in the DIP Loan Documents, the Debtors have prepared and delivered to the DIP Credit Parties, a budget, a summary copy of which is attached as **Exhibit 2** hereto (as the same may be modified from time to time consistent with the terms of the DIP Loan Documents and this Second Interim Order, and once approved by DIP Agent, the "***Approved Budget***"). As a condition to entry into the DIP Credit Agreement, the extensions of credit under the DIP Facility, and the authorization to use Cash Collateral, the DIP Credit Parties require, and the Debtors have agreed, that proceeds of the DIP Facility and the Cash Collateral shall be used in a manner consistent with the terms and conditions of the DIP Loan Documents and this Second Interim Order and in accordance with the Approved Budget (subject to Permitted Variances (as defined herein)).

(vii) *Certain Conditions to DIP Facility*. The DIP Lenders' willingness to make the DIP Loans is conditioned upon, among other things: (a) the Debtors obtaining Court approval to enter into the DIP Loan Documents and to incur all of the respective obligations thereunder, and to confer upon the DIP Credit Parties and the Prepetition ABL Secured Parties all applicable

rights, powers, and remedies thereunder in each case as modified by this Second Interim Order; (b) the provision and scope of adequate protection, as set forth in the Orders, of the Prepetition ABL Secured Parties' interests in the Prepetition Collateral pursuant to sections 361, 363, and 364 of the Bankruptcy Code; and (c) the DIP Credit Parties being granted, as security for the prompt payment of the DIP Facility and all other obligations of the Debtors under the DIP Loan Documents, subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex, senior, first priority perfected security interests in and liens upon the DIP Collateral to the extent set forth in the Orders.

H. *Prepetition ABL Lenders' Adequate Protection*. Until such time as the Prepetition ABL Obligations are Paid in Full,[5] the Prepetition ABL Secured Parties are entitled to receive adequate protection pursuant to sections 361, 362, 363, and 364 of the Bankruptcy Code and as set forth in paragraph 12 of this Second Interim Order resulting from, among other things: (i)

[5] "Paid in Full" or "Payment in Full" means the indefeasible repayment in full in cash of all obligations (including principal, accrued and unpaid interest and fees, reimbursable expenses and indemnities, other than contingent indemnification obligations for which no claim has been asserted and threatened, and all other amounts due and owing by the Debtors) under the applicable credit facility and this Second Interim Order, the cash collateralization or repayment in full in cash of all treasury and cash management obligations, hedging obligations, and bank product obligations, and the cancelation, replacement, backing, or cash collateralization of letters of credit, in each case, in accordance with the terms of the applicable facility and that each of the Prepetition ABL Agent, Prepetition ABL Lenders, Prepetition Term Loan Agent, Prepetition Term Loan Secured Parties, DIP Agent and DIP Lenders, as the case may be, shall have received a release from each Debtor and the Committee of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities (including, without limitation any obligations or liabilities of any kind related to the Carve Out upon payment in full of the Prepetition ABL Obligations, the Prepetition Term Loan Obligations or DIP Obligations) in form and substance acceptable to the Prepetition ABL Agent, the Prepetition Term Loan Agent the Prepetition Term Loan Secured Parties, or the DIP Agent, as applicable or in the case of the Committee, instead of such release, (A) if the Challenge Deadline (as defined in this Second Interim Order) has not elapsed, a written notice or other confirmation that no Challenge or any other claims of any kind (including with respect to the Carve Out upon payment in full of the Prepetition ABL Obligations, Prepetition Term Loan Obligations or DIP Obligations) will be asserted or (B) if the Challenge Deadline has elapsed, then no Challenge or any other claim has been asserted or any Challenge or other claim asserted has been dismissed pursuant to a final, non-appealable order of a court of competent jurisdiction and a written notice or other confirmation that no claim of any kind with respect to the Carve Out will be asserted against the Prepetition ABL Agent, any Prepetition ABL Secured Party, the Prepetition Term Loan Agent, any Prepetition Term Loan Secured Party, the DIP Agent or any DIP Lender.

provisions of the Orders granting the DIP Liens; (ii) the use of the Cash Collateral; (iii) the use, sale, lease, or depreciation or other Diminution in Value of the Prepetition Collateral; and/or (iv) the imposition of the automatic stay under the Bankruptcy Code, subject in each case to the Carve Out and the relative priorities set forth on the Lien Priority Annex. The terms of the adequate protection being provided reflect the Debtors' prudent exercise of business judgment and constitute a reasonable compromise for the use of the Prepetition ABL Priority Collateral, including Cash Collateral.

I. *Prepetition Term Loan Secured Parties' Adequate Protection*. Until such time as the Prepetition Term Loan Obligations are Paid in Full, the Prepetition Term Loan Secured Parties are entitled to receive adequate protection pursuant to sections 361, 362, 363 and 364 of the Bankruptcy Code and as set forth in paragraph 12 of this Second Interim Order resulting from, among other things: the (i) provisions of the Orders granting the DIP Liens; (ii) use, sale, lease, or depreciation or other Diminution in Value of the Prepetition Collateral; and/or (iii) the imposition of the automatic stay under the Bankruptcy Code, subject in each case to the Carve Out and the relative priorities set forth on the Lien Priority Annex. The terms of the adequate protection being provided reflect the Debtors' prudent exercise of business judgment and constitute a reasonable compromise for the use of the Prepetition Term Loan Priority Collateral as provided herein.

J. *Sections 506(c) and 552(b)*. The Debtors have agreed as a condition to obtaining financing under the DIP Facility and the use of Cash Collateral that as a material inducement to the DIP Credit Parties' agreement to provide the DIP Facility and the Prepetition ABL Secured Parties' consent to the use of Cash Collateral, and in exchange for: (a) the DIP Credit Parties' willingness to provide the DIP Facility to the extent set forth herein; (b) the DIP Credit Parties'

and the Prepetition ABL Secured Parties' agreement to subordinate the DIP Liens and the Prepetition ABL Liens, respectively, to the Carve Out; and (c) the consensual use of Cash Collateral consistent with the Approved Budget (subject to Permitted Variances), the terms of the DIP Loan Documents, and the terms of this Second Interim Order, subject to and upon entry of the Final Order, each of the DIP Credit Parties and Prepetition ABL Secured Parties shall receive a waiver of any equities of the case exceptions or claims under section 552(b) of the Bankruptcy Code and a waiver of unjust enrichment and similar equitable relief as set forth below; and the DIP Credit Parties and Prepetition ABL Secured Parties shall receive a waiver of the provisions of section 506(c) of the Bankruptcy Code.

K. *Good Faith of the DIP Credit Parties*.

(i) *Willingness to Provide Financing*. Each of the DIP Lenders has indicated a willingness to provide financing to the Debtors subject to: (a) on an interim basis, the entry by this Court of the First Interim Order and this Second Interim Order, and on a final basis, the entry by this Court of a Final Order; (b) approval by this Court of the terms and conditions of the DIP Facility and the DIP Loan Documents; and (c) entry of findings by this Court that such financing is essential to the Debtors' estates, that each of the DIP Credit Parties is extending credit to the Debtors pursuant to the DIP Loan Documents in good faith, and that each of the DIP Credit Parties' claims, superpriority claims, security interests, liens, rights, and other protections granted pursuant to the Orders and the DIP Loan Documents will have the protections provided in section 364(e) of the Bankruptcy Code.

(ii) *Business Judgment and Good Faith Pursuant to Section 364(e)*. The terms and conditions of this Second Interim Order, the DIP Loan Documents, the extension of credit and the fees paid and to be paid thereunder: (a) are fair, reasonable, and the best available to the

Debtors under the circumstances; (b) reflect the Debtors' exercise of prudent and sound business judgment; and (c) are supported by reasonably equivalent value and consideration. The DIP Facility and the use of Cash Collateral were negotiated in good faith and at arm's length among the Debtors and the DIP Credit Parties and the Prepetition ABL Secured Parties. The use of Cash Collateral and credit extended under the DIP Loan Documents was and shall be deemed to have been so allowed, advanced, made, used, and extended in good faith, and for valid business purposes and uses, within the meaning of section 364(e) of the Bankruptcy Code, and each of the DIP Credit Parties is therefore entitled to the protection and benefits of section 364(e) of the Bankruptcy Code and this Second Interim Order in the event that this Second Interim Order or any provision hereof is vacated, reversed, or modified, on appeal or otherwise. The DIP Credit Parties and Prepetition ABL Secured Parties have acted in good faith in connection with the Orders and their reliance on this Second Interim Order is in good faith.

L. *Prepetition Permitted Liens*. Nothing herein shall constitute a finding or ruling by this Court that any alleged Prepetition Permitted Lien is valid, senior, enforceable, prior, perfected, or non-avoidable. Moreover, nothing shall prejudice the rights of any party-in-interest, including, but not limited to, the Debtors, the DIP Credit Parties, the Prepetition Secured Creditors or the Committee, to challenge the validity, priority, enforceability, seniority, perfection, or extent of any alleged Prepetition Permitted Lien and/or security interests. Subject to entry of the Final Order granting such relief, the right of a seller of goods to reclaim such goods under section 546(c) of the Bankruptcy Code is not a Prepetition Permitted Lien and is expressly subject to the Prepetition Liens and the DIP Liens.

M. *Good Cause*. Good cause has been shown for the entry of this Second Interim Order. The relief requested in the Motion is necessary, essential, and appropriate and is in the

best interest of and will benefit the Debtors, their creditors, and their estates, as its implementation will, among other things, provide the Debtors with the necessary liquidity to: (a) minimize disruption to the Debtors' businesses and on-going operations; (b) preserve and maximize the value of the Debtors' estates for the benefit of all the Debtors' creditors; and (c) avoid immediate and irreparable harm to the Debtors, their creditors, their businesses, their employees, and their assets. The terms of the DIP Facility are fair and reasonable, reflect each Debtor's exercise of its business judgment, and are supported by reasonably equivalent value and fair consideration. The DIP Facility is the product of reasonable, arm's-length, good faith negotiations between the Debtors and the DIP Credit Parties.

N. *Immediate Entry*. Good and sufficient cause exists for immediate entry of this Second Interim Order pursuant to Bankruptcy Rule 4001(c)(2).

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

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Motion Granted; Interim Financing Approved. The Motion is granted on an interim basis, the Interim Financing is authorized on an interim basis, and the use of Cash Collateral on an interim basis is authorized, solely to the extent of the terms and conditions set forth in this Second Interim Order.

2. Objections Overruled. All objections, reservations of rights, or other statements with respect to the DIP Loans and/or entry of this Second Interim Order, other than the Committee Objection, to the extent not withdrawn or resolved are hereby overruled on the merits. For the avoidance of doubt, the Committee Objection is not hereby deemed withdrawn, resolved or overruled with respect to the final relief requested in the Motion and shall be deferred until the Final Hearing.

DIP Facility Authorization

3. Authorization of the DIP Financing and DIP Loan Documents. The Debtors are expressly and immediately authorized and empowered to: (a) execute and deliver the DIP Loan Documents; (b) incur and to perform the DIP Obligations (including the Creeping Roll-Up)[6] in accordance with, and subject to, the terms of this Second Interim Order and the DIP Loan Documents (including the Approved Budget); and (c) deliver all instruments, agreements, certificates, letters, and documents that may be necessary, desirable, or required for performance by the Debtors under the DIP Facility and the creation and perfection of the DIP Liens described in and provided for by this Second Interim Order and the DIP Loan Documents. The Debtors are hereby authorized to pay the principal, interest, fees, expenses and other amounts described in the DIP Loan Documents as such become due on the terms set forth in the DIP Loan Documents and without need to obtain further Court approval, including, without limitation, commitment fees, exit fees, collateral management fees, any additional fees and other amounts set forth in the DIP Loan Documents, and the reasonable and documented fees and disbursements of the DIP Credit Parties' attorneys, advisers, accountants, and other consultants, all to the extent required by the DIP Loan Documents, with invoices to be provided in accordance with paragraph 25 below. Upon execution and delivery, the DIP Loan Documents shall represent valid and binding, and joint and several, obligations of the Debtors, enforceable against each of the Debtors and their estates in accordance with the terms of the DIP Loan Documents. The Debtors are also hereby authorized, by this Second Interim Order, to make the Adequate Protection Payments. Without any further action by the Debtors or any other party, but subject to any Challenge (as defined herein) and an appropriate remedy fashioned by this Court in the event of a successful Challenge,

[6] The Full Roll-Up remains subject to entry of the Final Order.

the Debtors shall be authorized and deemed to have repaid and refinanced (i) the Prepetition ABL Obligations with proceeds of the Creeping Roll-Up, as applicable and (ii) upon entry of the Final Order, all additional outstanding Prepetition ABL Obligations with the Full Roll-Up.

4. Authorization to Borrow. Until a Termination Declaration Date (as defined herein), and subject to the terms and conditions set forth in the DIP Loan Documents, the DIP Facility, and this Second Interim Order, and in order to prevent immediate and irreparable harm to the Debtors' estates, the Debtors are hereby authorized, prior to the entry of the Final Order, to request extensions of credit under the DIP Facility up to an aggregate principal amount of $55 million at any one time outstanding. No other corporate action is required for the Debtors to execute and deliver the DIP Loan Documents, perform their obligations thereunder, or request any extension of credit under the DIP Facility as set forth herein.

5. DIP Obligations. The DIP Loan Documents, the First Interim Order, and this Second Interim Order shall constitute and evidence the validity and binding effect of the DIP Obligations, which DIP Obligations shall be enforceable against the Debtors, their estates and any successors thereto, including, without limitation, any trustee or other estate representative appointed in the Chapter 11 Cases, or any case under chapter 7 of the Bankruptcy Code upon the conversion of any of the Chapter 11 Cases (collectively, "***Successor Cases***"). Upon entry of the First Interim Order, the DIP Obligations included all loans (for the avoidance of doubt, the DIP Roll-Up Loan shall be included upon entry of the Final Order), and any other indebtedness or obligations, contingent or absolute, which may now or from time to time be owing by any of the Debtors to any of the DIP Credit Parties under the DIP Loan Documents or the First Interim Order or this Second Interim Order, including, without limitation, all principal, accrued interest, costs, fees, expenses, and other amounts owed pursuant to the DIP Loan Documents, and shall be joint

and several obligations of the Debtors in all respects; *provided* that the DIP Roll-Up Loan shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder. No obligation, payment, transfer, or grant of security under the DIP Credit Agreement, the other DIP Loan Documents or this Second Interim Order shall be stayed, restrained, voidable, or recoverable under the Bankruptcy Code or under any applicable law (including, without limitation, under section 502(d) of the Bankruptcy Code), or be subject to any defense, reduction, setoff, recoupment, or counterclaim.

6. Postpetition Liens and Collateral.

(a) Effective immediately upon the entry of the First Interim Order, pursuant to sections 364(c)(3) and 364(d) of the Bankruptcy Code, the DIP Agent (for the benefit of itself and the other DIP Lenders under and as described in the DIP Loan Documents) was granted continuing valid, binding, enforceable, non-avoidable, and automatically and properly perfected postpetition security interests in and liens, (collectively, the "***DIP Liens***") on all tangible and intangible prepetition and postpetition assets and real property of the DIP Loan Parties, whether existing on the Petition Date or thereafter acquired, and the proceeds, products, rents, and profits thereof including, without limitation, the following (the "***DIP Collateral***"):

(i) all Accounts;[7]

(ii) all Goods, including Equipment, Inventory and Fixtures;

(iii) all Documents, Instruments and Chattel Paper;

(iv) all Letters of Credit and Letter-of-Credit Rights;

(v) all Securities Collateral;

[7] All defined terms in the description of DIP Collateral shall have the meaning ascribed thereto in the DIP Loan Documents. All terms not specifically defined in the DIP Loan Documents shall have the meanings ascribed to such terms in Article 8 or 9 of the Uniform Commercial Code, as applicable.

(vi) all Investment Property;

(vii) all Intellectual Property Assets;

(viii) all Commercial Tort Claims;

(ix) all General Intangibles (including, without limitation, all Payment Intangibles);

(x) all Deposit Accounts, money, cash, and cash equivalents;

(xi) all Supporting Obligations;

(xii) all money, cash or cash equivalents;

(xiii) all credit balances, deposits and other property now or hereafter held or received by or in transit to the DIP Agent or at any other depository or other institution from or for the account of the DIP Loan Parties, whether for safekeeping, pledge, custody, transmission, collection or otherwise;

(xiv) all real property, and all right, title, and interests therein (including both fee and leasehold interests) and proceeds thereof;

(xv) the Prepetition Collateral;

(xvi) all claims and causes of action and the proceeds thereof to avoid a transfer of property (or an interest in property) pursuant to Section 549 of the Bankruptcy Code;

(xvii) subject to and effective upon the entry of the Final Order granting such relief, all other claims and causes of action, and any proceeds thereof, to avoid a transfer of property (or an interest in property) or an obligation incurred by the DIP Loan Parties pursuant to any applicable section of the Bankruptcy Code, including, without limitation, chapter 5 and section 724(a) of the Bankruptcy Code (collectively, the "***Avoidance Actions***" and any proceeds therefrom "***Avoidance Proceeds***");

(xviii) subject to and effective upon the entry of the Final Order granting such relief, the DIP Loan Parties' rights under Sections 506(c) and 552 of the Bankruptcy Code;

(xix) to the extent not otherwise described above, all receivables and all present and future claims, rights, interests, assets and properties recovered by or on behalf of the DIP Loan Parties;

(xx) all books, records, and information relating to any of the foregoing and/or to the operation of the DIP Loan Parties' business, and all rights of access to such books, records, and information, and all property in which such books, records and information are stored, recorded and maintained; and

(xxi) to the extent not otherwise included or specifically excluded, all other personal property of the DIP Loan Parties, whether tangible or intangible and all Proceeds and products of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing, and any and all proceeds of any insurance, indemnity, warranty or guaranty payable to the DIP Loan Parties from time to time with respect to any of the foregoing.

(b) Notwithstanding anything in this Second Interim Order or the DIP Loan Documents to the contrary, in no event shall DIP Collateral include: (a) any leasehold interest in non-residential real property that prohibits or restricts the granting of liens thereon (except as permitted pursuant to applicable non-bankruptcy law), but shall include the proceeds of the sale or other disposition of such leases; and (b) any security deposits held by a landlord under any non-residential real property lease or the Debtors' interest in any pre-paid rent under any such lease (but shall include the Debtors' reversionary interests therein), in each case, unless such lien is expressly permitted under such lease.

7. DIP Lien Priority in DIP Collateral.

(a) *DIP Liens*. Pursuant to Section 364(d), the DIP Liens on the DIP Collateral securing the DIP Obligations shall be first and senior in priority to all other interests and liens of every kind, nature, and description, whether created consensually, by an order of this Court or otherwise, including, without limitation, liens or security interests granted in favor of third parties in conjunction with sections 363, 364, or any other section of the Bankruptcy Code or applicable law; ***provided, however***, that the DIP Liens on the DIP Collateral shall be subordinate to the Prepetition Permitted Liens and subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex.

(b) Other than as set forth herein, the DIP Liens, the DIP Superpriority Claims, the Carve Out, the Adequate Protection Liens, and the Adequate Protection Superpriority Claims (each of which shall be subject to the relative priorities set forth on the Lien Priority Annex): (i) shall not be made subject to or *pari passu* with (A) any lien, security interest, or claim heretofore or hereinafter granted in any of the Chapter 11 Cases or any Successor Cases or any claim for reclamation or return (whether asserted pursuant to section 546(c) of the Bankruptcy Code or otherwise), and shall be valid and enforceable against the Debtors, their estates, any trustee, or any other estate representative appointed or elected in the Chapter 11 Cases or any Successor Cases and/or upon the dismissal of any of the Chapter 11 Cases or any Successor Cases, (B) any lien that is avoided and preserved for the benefit of the Debtors and their estates under section 551 of the Bankruptcy Code or otherwise, and (C) any intercompany or affiliate lien or claim; and (ii) shall not be subject to challenge under sections 510, 549, 550, or 551 of the Bankruptcy Code; ***provided*** that the DIP Roll-Up Loan shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder.

8. DIP Superpriority Claims.

(a) *DIP Superpriority Claim*. Subject to the Carve Out on account of all DIP Obligations now existing or hereafter arising pursuant to the First Interim Order, this Second Interim Order, or the other DIP Loan Documents, or otherwise, the DIP Agent (for the benefit of itself and the other DIP Lenders) is hereby granted to the maximum extent permitted pursuant to sections 364(c)(1), 503, and 507 of the Bankruptcy Code, an allowed superpriority administrative expense claim in each of the Chapter 11 Cases and any Successor Cases (collectively, the "***DIP Superpriority Claim***") for all DIP Obligations; *provided* that the DIP Roll-Up Loan shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder. Subject to paragraph 8(b) of this Second Interim Order, the Carve Out, the Lien Priority Annex, and Prepetition Permitted Liens, the DIP Superpriority Claim shall have, to the fullest extent permitted under the Bankruptcy Code, priority over any and all other obligations, liabilities, and indebtedness of each Debtor, whether now in existence or hereafter incurred by such Debtor including without limitation administrative expenses of the kinds specified in or ordered pursuant to sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c) (upon entry of the Final Order), 507(a), 507(b), 546(c), 546(d), 726, and 1114 of the Bankruptcy Code.

(b) *Priority of DIP Superpriority Claim.* The DIP Superpriority Claim, subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex, shall be payable from and have recourse to all prepetition and postpetition property of the Debtors and all proceeds thereof, including subject to entry of the Final Order granting such relief, Avoidance Proceeds.

9. No Obligation to Extend Credit. Except as may be required to fund the Professional Fee Escrow Account (as defined herein) or as otherwise required under this Second Interim Order, no DIP Credit Party shall have any obligation to make any loan or advance under

the DIP Loan Documents unless all of the conditions precedent to the making of such extension of credit under the applicable DIP Loan Documents and this Second Interim Order have been satisfied in full or waived in accordance with the DIP Loan Documents.

10. Use of Proceeds of the DIP Facility. The DIP Loans were made available to the Debtors: (a) on the Closing Date (as defined in the DIP Credit Agreement) to pay the fees, costs and expenses incurred in connection with the transactions contemplated hereby; and (b) on and/or after the Closing Date (i) to repay the Prepetition ABL Obligations pursuant to the Creeping Roll-Up and, subject to entry of the Final order, the Full Roll-Up, (ii) for the Debtors' working capital requirements in accordance with the provisions governing the Approved Budget (including the Permitted Variances) set forth herein and in the DIP Credit Agreement, (iii) to fund the costs, fees, and expenses in connection with administration of the Chapter 11 Cases in accordance with the provisions governing the Approved Budget (including the Permitted Variances) set forth herein and in the DIP Credit Agreement, (iv) payment of all reasonable and documented out of pocket costs, fees, and expenses required by the DIP Loan Documents, (v) payment of Court approved prepetition liabilities of the DIP Loan Parties in accordance with the provisions governing the Approved Budget (including the Permitted Variances) set forth herein and in the DIP Credit Agreement, (vi) to fund the Professional Fee Escrow Account and obligations benefitting from the Carve Out, and (vii) to fund such other costs and expenses of the Debtors and their estates as the DIP Agent may approve in writing, in its sole discretion, as to both the amount thereof and the permitted uses thereof, in each case of (a) and (b) above, in accordance with the terms of the DIP Loan Documents. For the avoidance of doubt, until such time as the DIP Obligations and the Prepetition ABL Obligations have been Paid in Full, except as may be otherwise agreed by the DIP Agent, any fees or disbursements of any Case Professional (which

shall not include, for the avoidance of doubt, those payments authorized or required pursuant to paragraphs 12(b), 25 and 26 of this Second Interim Order) shall be paid solely from the Professional Fee Escrow Account (including, to the extent applicable, the Case Professional Carve Out Limit funded into the Professional Fee Escrow Account following delivery of a Carve Out Trigger Notice (as each term is defined herein)) and any retainer held by a Case Professional, as applicable.

Authorization to Use Cash Collateral

11. Authorization to Use Cash Collateral. Subject to the terms and conditions of the First Interim Order, this Second Interim Order, and the other DIP Loan Documents, and in compliance with the Approved Budget (subject to Permitted Variances), the Debtors are authorized to use Cash Collateral only in accordance with the Approved Budget (subject to Permitted Variances) until such time that the DIP Credit Parties or the Prepetition ABL Secured Parties terminate the Debtors' use of Cash Collateral as provided herein; *provided* that the Adequate Protection Payments, as applicable, and other forms of adequate protection set forth herein are paid and maintained; *provided further* that nothing herein shall impede the Debtors' ability and entitlement to fund the Carve Out as provided in paragraph 31 hereof; *provided further* that during the Remedies Notice Period (as defined herein), the Debtors may use Cash Collateral solely to fund the Carve Out in accordance with, and subject to, the terms of this Second Interim Order and the Approved Budget, and (i) pay payroll (provided that the Debtors shall be prohibited from paying any severance or bonuses), (ii) U.S. Trustee fees and fees payable to the Clerk of the Court, and (iii) subject to the consent of the DIP Agent in its reasonable discretion (such consent not to be unreasonably withheld), other day-to-day operational expenses that are critical to the administration of the Debtors' estates during the Remedies Notice Period (not to exceed the Approved Budget under any circumstances absent the written consent of the DIP Agent and,

solely if the proposed payment relates to the Prepetition Term Loan Priority Collateral, the written consent of the Prepetition Term Loan Agent). All fees and costs incurred by the Debtors in connection with any Remedies Determination (including the fees and costs of its professionals) shall be funded solely by the Carve Out.

Adequate Protection Provisions

12. As adequate protection for the interest of the Prepetition Secured Creditors in the Prepetition Collateral (including Cash Collateral) on account of the granting of, among other things, the DIP Liens, the incurrence of the DIP Obligations, the subordination, as applicable, of the Prepetition Liens to the Carve Out, the Debtors' use of Cash Collateral, and any other diminution in value arising out of the imposition of the automatic stay or the Debtors' use, sale, lease, depreciation, or disposition of the Prepetition Collateral and Cash Collateral during the pendency of the Chapter 11 Cases (collectively, "***Diminution in Value***"), the Prepetition Secured Creditors, effective as of entry of the First Interim Order, shall continue to receive adequate protection as follows:

(a) *Adequate Protection Liens*. To the extent of any Diminution in Value, each of the Prepetition ABL Agent and Prepetition Term Loan Agent (for the benefit of itself and the other Prepetition Secured Creditors, as applicable) are hereby granted, pursuant to sections 361, 363(e), and 364(d) of the Bankruptcy Code, valid, binding, enforceable, non-avoidable and perfected replacement and additional postpetition security interests in, and liens on the DIP Collateral (the "***Adequate Protection Liens***"), which shall each be (x) subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex and (y) subordinate to the Prepetition Permitted Liens, as applicable. The Adequate Protection Liens granted to the Prepetition ABL Agent (on behalf of the Prepetition ABL Lenders) shall secure the Prepetition ABL Obligations and the Adequate Protection Liens granted to the Prepetition Term

Loan Agent (on behalf of the Prepetition Term Loan Lenders) shall secure the Prepetition Term Loan Obligations.

(i) The Adequate Protection Liens shall be: (A) deemed to be valid, binding, non-avoidable, enforceable, and fully perfected as of the Petition Date; and (B) in all instances, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex. Other than as set forth herein, until all of the Prepetition Secured Obligations are Paid in Full, the Adequate Protection Liens shall not be made subject to or *pari passu* with any lien or security interest by any court order heretofore or hereinafter granted in the Chapter 11 Cases or any Successor Cases. The Adequate Protection Liens shall be valid and enforceable against any trustee or other estate representative appointed in the Chapter 11 Cases or any Successor Cases, upon the conversion of any of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code (or in any other Successor Cases), and/or upon the dismissal of any of the Chapter 11 Cases or Successor Cases. The Adequate Protection Liens shall not be subject to Bankruptcy Code sections 506(c) (upon entry of the Final Order), 510, 549, or 550. No lien or interest avoided and preserved for the benefit of any Debtor's estate pursuant to Bankruptcy Code section 551 shall be made *pari passu* with or senior to the Adequate Protection Liens.

(ii) *Priority of Adequate Protection Liens*. The Adequate Protection Liens shall be payable from and have recourse to all DIP Collateral, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex.

(b) *Adequate Protection Payments.*

(i) Until the Prepetition ABL Obligations have been Paid in Full, all claims (including principal, interest at the default rate of interest specified in Section 2.12(c) of the Prepetition ABL Credit Agreement, and letter of credit fees, costs and other charges) arising from

or related to the Prepetition ABL Obligations shall continue to accrue and be paid in cash at the default rate of interest specified in Section 2.12(c) of the Prepetition ABL Credit Agreement monthly in arrears on the first Business Day of each calendar month. Such payments commenced with the first such date to occur after entry of the First Interim Order (the "***ABL Lender Payments***").

(ii) Until the Prepetition Term Loan Obligations have been Paid in Full, all claims (including principal, interest at the default rate and letter of credit fees, costs and other charges) arising from or related to the Prepetition Term Loan Obligations shall continue to accrue interest at the applicable rate as provided for in the Prepetition Term Loan Documents through the Chapter 11 Cases.

(iii) The Prepetition ABL Agent (including any successor thereto) shall further be entitled to the payment of all reasonable and documented fees, costs, expenses and charges of the Prepetition ABL Agent, to the extent payable under the Prepetition ABL Credit Agreement (the "***ABL Fees and Expenses***") and the Prepetition Term Loan Agent (including any successor thereto) shall further be entitled to the payment of all reasonable and documented fees, costs, expenses and charges of the Prepetition Term Loan Agent, to the extent payable under the Prepetition Term Loan Credit Agreement and solely from, and to the extent of, funds in the Term Loan Reserve (as defined herein), until Payment in Full of the DIP Obligations and Prepetition ABL Obligations and thereafter without limitation (the "***Term Loan Fees and Expenses***", and together with ABL Fees and Expenses and the ABL Lender Payments collectively, the "***Adequate Protection Payments***"); *provided, however*, that notwithstanding the foregoing, the out-of-pocket expenses incurred by the Prepetition ABL Agent prior to and unpaid as of the Closing Date were paid indefeasibly upon the occurrence of the Closing Date without the Prepetition ABL Agent (or

their counsel or other professionals) being required to deliver an invoice in summary form as set forth herein. For all ABL Fees and Expenses and Term Loan Fees and Expenses incurred after the Closing Date, counsel and/or professionals to the Prepetition Agents shall each deliver an invoice in summary form, which shall not be required to include time entry detail, but shall include a general description of the nature of the matters for which services were performed, and may be redacted for privileged information; ***provided, however***, that the Debtors, the U.S. Trustee and the Committee reserve their rights to request additional detail regarding the services rendered and expenses incurred by such professionals to counsel to the Debtors, the U.S. Trustee, and the Committee. If no written objection is received on the date that is ten (10) days after delivery of such invoice to counsel to the Debtors, the U.S. Trustee, and the Committee, the Debtors shall promptly pay such fees and expenses in full. If an objection to the applicable Prepetition Agent's invoice is timely received, the Debtors shall promptly pay the undisputed amount of the invoice, and this Court shall have jurisdiction to determine the disputed portion of such invoice if the parties are unable to resolve the dispute consensually. None of the Adequate Protection Payments shall be subject to further approval by this Court or the U.S. Trustee guidelines, and counsel and/or professionals to the Prepetition Agents shall not be required to file applications or motions with this Court for the payment of any of its fees or out-of-pocket expenses (other than with respect to disputed amounts). Payments of any amounts set forth in this paragraph are not subject to avoidance, subordination, or disgorgement. For the avoidance of doubt, the Adequate Protection Payments shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder.

(c) *Adequate Protection Superpriority Claims.*

(i) *Superpriority Claims of the Prepetition Agents*. As further adequate protection of the interests of the Prepetition Agents and the other Prepetition Secured Creditors with respect to the Prepetition Secured Obligations, the Prepetition ABL Agent and Prepetition Term Loan Agent (for the benefit of itself and the other Prepetition Secured Creditors, as applicable) is hereby granted an allowed administrative claim against the Debtors' estates to the maximum extent permitted under section 503 of the Bankruptcy Code, with priority over all administrative expense claims and unsecured claims against the Debtors and their estates of any kind or nature whatsoever, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex, including, without limitation, administrative expense claims of the kinds specified in or ordered pursuant to sections 105, 326, 328, 330, 331, 365, 503(a), 503(b), 506(c) (subject to entry of the Final Order granting such relief), 507(a), 507(b), 546(c), 726, 1113, and 1114 of the Bankruptcy Code, as provided for by section 507(b) of the Bankruptcy Code (the "***Adequate Protection Superpriority Claims***"), to the extent that the Adequate Protection Liens do not adequately protect against any Diminution in Value of the Prepetition Agents' respective interests in the Prepetition Collateral.

(ii) *Priority of Adequate Protection Superpriority Claims*. The Adequate Protection Superpriority Claims, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex, shall be payable from and have recourse to all prepetition and postpetition property of the Debtors and all proceeds thereof, including subject to entry of the Final Order granting such relief, Avoidance Proceeds.

(d) *Reservations of Rights.* Subject only to the Carve Out, the relative priorities set forth on the Lien Priority Annex, and the Prepetition Permitted Liens, nothing

contained herein shall impair or modify the Prepetition Secured Creditors' rights under section 507(b) of the Bankruptcy Code in the event that the adequate protection provided to the Prepetition Secured Creditors in this Second Interim Order is insufficient to compensate for the Diminution in Value of the interest of the Prepetition Secured Creditors in the Prepetition Collateral during the Chapter 11 Cases or any Successor Cases. Nothing contained in this Second Interim Order shall be construed as an admission as to the extent of any Diminution in Value, if any, in the interest of any Prepetition Secured Creditors in the Prepetition Collateral and nothing shall impair or modify the rights of any party to contest any assertion of Diminution in Value or contest any request for additional adequate protection.

Provisions Common to DIP Financing and Use of Cash Collateral Authorizations

13. Amendments. The DIP Loan Documents may from time to time be amended, restated, amended and restated, supplemented, or otherwise modified, in each case in accordance with the provisions of the DIP Loan Documents governing amendments thereto, by the parties thereto, each without further application to or order of this Court; *provided*, that any amendment to the DIP Credit Agreement: that (a) shortens or lengthens the maturity of the extensions of credit thereunder; (b) increases or decreases the aggregate commitments thereunder; or (c) increases the rate of interest payable with respect thereto (each, a "***Material DIP Amendment***"), shall be (a) provided (which may be by electronic mail) to the U.S. Trustee, the Prepetition Agents and the Committee, which shall have five (5) days from the date of receipt of such notice within which to object, in writing to the Material DIP Amendment and (b) filed with the Court for approval, it being understood that, among other things, (i) waivers for the benefit of the Debtors and extensions of Chapter 11 Case Milestones and similar deadlines, (ii) waivers for the benefit of the Debtors regarding Approved Budget testing, or any modifications, amendments, or updates to the Approved Budget made in accordance with paragraph 14 of this Second Interim Order and

the DIP Loan Documents, shall not be considered "material" for purposes hereof, and may become immediately effective. If the U.S. Trustee, Prepetition Agent(s) or the Committee timely objects to the Material DIP Amendment, the Material DIP Amendment shall only be permitted pursuant to an order of this Court. The foregoing shall be without prejudice to the Debtors' right to seek approval from this Court of a Material DIP Amendment on an expedited basis.

14. Approved Budget, Testing, and Permitted Variances.

(a) *Approved Budget.* The Approved Budget and any modification to, or amendment or update of, the Approved Budget shall be in form and substance satisfactory to the DIP Agent in its sole discretion and modified or amended in accordance with the DIP Loan Documents. The Approved Budget shall be updated, modified or supplemented by the Debtors in accordance with the DIP Credit Agreement and this Second Interim Order, but in any event the budget shall be updated from time to time upon the written request of the Administrative Agent and otherwise every two weeks; ***provided*** that, on or before the fourth Business Day of the first week (but in any event not later than Friday of such week) of each successive two-week period following the Closing Date (*i.e.*, commencing with the week of August 30, 2026), the Borrowers shall submit an updated budget for the next successive thirteen-week period (it being understood that, unless otherwise agreed by the DIP Agent, each updated budget shall only add projections for periods not previously covered by any Approved Budget and shall not modify any prior periods). Each such updated, modified or supplemented budget shall be in form and substance satisfactory to the DIP Agent in its sole discretion, and no such updated, modified or supplemented budget shall be effective until so approved and once approved shall be deemed the Approved Budget; ***provided, however***, that, in the event that the DIP Agent and the Debtors cannot agree as to a new Approved Budget, such disagreement shall give rise to an Event of Default

under the DIP Credit Agreement once the period covered by the most recent Approved Budget has terminated.

(b) *Permitted Variances*. The Debtors shall comply with the Approved Budget subject to the permitted variances set out in the DIP Credit Agreement (as amended from time to time as provided herein, the "***Permitted Variances***").

(c) *Approved Budget Testing*. Permitted Variances shall be reported by the Debtors on the Wednesday following the last Saturday of each completed week. For the avoidance of doubt, the testing of covenant compliance began on the first full calendar week following the Petition Date. The Debtors shall prepare a variance report, and deliver such variance report to the DIP Agent, the Prepetition ABL Agent, the Prepetition Term Loan Agent and their advisors in accordance with the requirements set out in the DIP Credit Agreement.

15. Modification of Automatic Stay. The automatic stay imposed under section 362(a) of the Bankruptcy Code is hereby modified as necessary to effectuate all of the terms and provisions of this Second Interim Order, including, without limitation, to permit: (a) the Debtors to grant the DIP Liens, the Adequate Protection Liens, the DIP Superpriority Claims, and the Adequate Protection Superpriority Claims on a continuing basis; (b) the Debtors to incur all liabilities and obligations to the DIP Agent on a continuing basis as contemplated under the DIP Loan Documents; and (c) the Debtors to pay, and the DIP Credit Parties and Prepetition Secured Creditors to retain and apply, all amounts referred to, required under, and in accordance with the terms of this Second Interim Order and the DIP Loan Documents.

16. Perfection of DIP Liens and Adequate Protection Liens.

(a) This Second Interim Order shall be sufficient and conclusive evidence of the priority, perfection, and validity of the DIP Liens, the Adequate Protection Liens, and the

other security interests granted herein, effective as of the Petition Date, without any further act and without regard to any other federal, state, or local requirements or law requiring notice, execution, filing, registration, recording, or possession of the DIP Collateral, or other act to validate or perfect such security interest or lien, including, without limitation: (i) entering into any control agreements with any financial institution(s) party to a control agreement or other depository account consisting of DIP Collateral; (ii) any requirement to register liens on any certificates of title; (iii) the filing of any financing statements; (iv) the filing of any intellectual property filings; (v) entering into any mortgages; (vi) noticing any liens; and/or (vii) the taking of any similar actions (each of the foregoing (i)-(vii) a "***Perfection Act***"). Notwithstanding the foregoing, if the DIP Agent or any Prepetition Agent, as applicable, shall, in its sole discretion, elect for any reason to file, record, or otherwise effectuate any Perfection Act, then such DIP Agent or Prepetition Agent, as applicable, is authorized to perform such act, and the Debtors are authorized to perform such act to the extent necessary or required by the DIP Loan Documents, which act or acts shall be deemed to have been accomplished as of the date and time of entry of the First Interim Order notwithstanding the date and time actually accomplished, and, in such event, the subject filing or recording office is authorized to accept, file, or record any document in regard to such act in accordance with applicable law. The DIP Agent or either Prepetition Agent, as applicable, may choose to file, record, or present a certified copy of the First Interim Order or this Second Interim Order in the same manner as a Perfection Act, which shall be tantamount to a Perfection Act, and, in such event, the subject filing or recording office is authorized to accept, file, or record such certified copy of the First Interim Order or this Second Interim Order in accordance with applicable law. Should the DIP Agent or either Prepetition Agent, as applicable, so choose and attempt to file, record, or perform a Perfection Act, no defect

or failure in connection with such attempt shall in any way limit, waive, or alter the validity, enforceability, attachment, priority, or perfection of the postpetition liens and security interests granted herein by virtue of the entry of this Second Interim Order.

(b) To the extent that any applicable non-bankruptcy law otherwise would restrict the granting, scope, enforceability, attachment, or perfection of any liens and security interests granted and created by the Orders (including the DIP Liens and the Adequate Protection Liens) or otherwise would impose filing or registration requirements with respect to such liens and security interests, such law is hereby pre-empted to the maximum extent permitted by the Bankruptcy Code, applicable federal or foreign law, and the judicial power and authority of this Court; ***provided, however***, that nothing herein shall excuse the Debtors from payment of any local fees, if any, required in connection with such liens. By virtue of the terms of the Orders, to the extent that the DIP Agent or either Prepetition Agent, as applicable, has filed Uniform Commercial Code financing statements, mortgages, deeds of trust, or other security or perfection documents under the names of any of the Debtors, such filings shall be deemed to properly perfect its liens and security interests granted and confirmed by the Orders without further action by the DIP Agent or applicable Prepetition Agent.

17. (a) Application of Proceeds of DIP Collateral. Subject to the Carve Out, the relative priorities set forth on the Lien Priority Annex, and the Prepetition Permitted Liens, as applicable, the proceeds of DIP Collateral shall be applied in accordance with the terms of the DIP Loan Documents, the Prepetition Credit Documents and this Second Interim Order. The Debtors shall not, directly or indirectly, voluntarily purchase, redeem, defease, or prepay any principal of, premium, if any, interest or other amount payable in respect of any indebtedness prior to its scheduled maturity, other than the DIP Obligations, the Adequate Protection Payments

required under this Second Interim Order, and obligations authorized by an order of this Court (which may include, without limitation, obligations secured by Prepetition Permitted Liens). The Debtors shall apply the proceeds of the DIP Collateral, the proceeds of the Prepetition ABL Priority Collateral, and any other cash and collections and receipts of cash from any source, including accounts, sale of property, loan advances, or refunds (but excluding amounts reserved for the Carve Out and proceeds of Prepetition Term Loan Priority Collateral, which shall be applied in accordance with paragraph 17(b) hereof) to the repayment and refinancing of the Prepetition ABL Obligations as set forth in this Second Interim Order, the Prepetition Credit Documents and the DIP Credit Agreement. The extension of the DIP Facility and the repayment and refinancing of the Prepetition ABL Obligations with the proceeds of the DIP Loans are part of an integrated transaction.

(b) Proceeds of Prepetition Term Loan Priority Collateral. Notwithstanding anything herein to the contrary, all proceeds of Prepetition Term Loan Priority Collateral shall be deposited into a segregated account maintained by the Debtors (the "Term Loan Reserve") and all Prepetition Liens of the Prepetition Secured Creditors shall attach to funds in the Term Loan Reserve to the same extent and with the same priority as such Prepetition Liens attached to the Prepetition Term Loan Priority Collateral and the Debtors shall not use such cash collateral or make any distributions from the Term Loan Reserve without further order of the Court (the "Term Loan Reserve Release Order") or the prior written consent of the Prepetition Term Loan Agent and Prepetition ABL Agent. All estate retained Case Professionals shall use reasonable efforts to indicate in their respective monthly fee applications, interim fee applications, final fee applications and/or other applicable reporting whether and to what extent any fees or expenses were incurred in connection with preserving or disposing of the Prepetition Term Loan Priority

Collateral. For the avoidance of doubt, any reasonable fees and expenses of the Prepetition Term Loan Secured Parties and their counsel shall be paid solely from funds in the Term Loan Reserve. Notwithstanding anything to the contrary contained herein, all parties' rights, claims and defenses under this paragraph, including with respect to (i) the gross cash proceeds received by the Debtors in connection with the sale or disposition of Prepetition Collateral, (ii) the allocation of proceeds from a mixed sale or other disposition of Prepetition Term Loan Priority Collateral and Prepetition ABL Priority Collateral, and (iii) the allocation of costs, fees, and expenses incurred in connection with such sale or disposition of Prepetition Collateral, are fully reserved and preserved, *provided*, that the Prepetition Term Loan Secured Parties shall raise, assert, and/or file any rights, claims, and/or defenses with respect to the allocation of proceeds from a mixed sale or other disposition of Prepetition Term Loan Priority Collateral and Prepetition ABL Priority Collateral that are included among the assets proposed to be sold in connection with the October 14, 2026 sale hearing by October 12, 2026 (or, with respect to assets not proposed to be sold in connection with such hearing, prior to the applicable sale hearing) and any such rights, claims, or defenses, will be heard, resolved, and/or overruled at the sale hearing before the Court on October 14, 2026 (or such other applicable sale hearing) subject to any extension of the foregoing dates for the Prepetition Term Loan Secured Parties that are consented to by the Debtors and DIP Agent or ordered by the Court.

18. Proceeds of Subsequent Financing. If the Debtors, any trustee, any examiner with enlarged powers, any responsible officer or any other estate representative subsequently appointed in the Chapter 11 Cases or any Successor Cases shall obtain credit or incur debt pursuant to sections 364(b), 364(c), or 364(d) of the Bankruptcy Code in violation of the DIP Loan Documents at any time prior to the repayment in full in cash of all DIP Obligations, and the

termination of the DIP Credit Parties' obligations to extend credit under the DIP Facility, then all the cash proceeds derived from such credit or debt shall immediately be turned over to the DIP Agent to be applied as set forth in paragraph 17 herein, subject to the Lien Priority Annex.

19. Maintenance of DIP Collateral and Prepetition Collateral. Until the Prepetition Secured Obligations and DIP Obligations are Paid in Full and the DIP Credit Parties' obligations to extend credit under the DIP Loan Documents are terminated, as provided therein, the Debtors shall insure the Prepetition Collateral and the DIP Collateral as required under the DIP Loan Documents and the Prepetition Credit Documents including, without limitation: (i) the payment of all past due tax obligations and assessments, solely in accordance with the Approved Budget; (ii) the payment of taxes and assessments that come due following the Petition Date as they come due, solely in accordance with the Approved Budget; and (iii) the maintenance of insurance consistent with the Debtors' practices prior to the Petition Date and any insurance related relief granted by the Court.

20. Termination Declaration Date. On a Termination Declaration Date (as defined herein), consistent with Article VII of the DIP Credit Agreement: (a) all DIP Obligations shall be immediately due and payable; and (b) all commitments to extend credit under the DIP Facility will terminate (subject, in each case, to funding of the Carve Out as provided herein).

21. Events of Default. The occurrence of an "Event of Default" under the DIP Credit Agreement, including failure to comply with any Chapter 11 Case Milestones (as defined in the DIP Credit Agreement and attached to the First Interim Order hereto as **Exhibit 4**) as and when required as set forth in section 5.15 of the DIP Credit Agreement and on **Exhibit 3** hereto (unless otherwise extended by the DIP Agent in its sole discretion), in each case, on terms and conditions and subject to documentation (including, in all cases, forms of all applicable motions and orders)

in form and substance reasonably satisfactory to the DIP Agent in all respects, shall constitute an event of default under this Second Interim Order after giving effect to any applicable cure period set forth in the DIP Credit Agreement (each, an "***Event of Default***").

22. Rights and Remedies Upon Event of Default.

(a) Subject to the terms of the DIP Loan Documents, immediately upon the occurrence and during the continuation of an Event of Default, notwithstanding the provisions of section 362 of the Bankruptcy Code, without any application, motion, or notice to, hearing before, or order from this Court, but subject to the terms of this Second Interim Order, including, without limitation, the funding of the Carve Out, the Remedies Notice Period (as defined herein) and the notice and grace period provisions of the DIP Credit Agreement set forth in Article VII of the DIP Credit Agreement: (1) (i) the DIP Agent may declare in writing (the "***DIP Termination Declaration***") (A) all DIP Obligations owing under the DIP Loan Documents to be immediately due and payable, (B) the termination, reduction, or restriction of any further commitment to extend applicable credit to the Debtors to the extent any such commitment remains under the DIP Facility, (C) termination of the DIP Facility and the DIP Loan Documents as to any future liability or obligation of the DIP Agent and the DIP Lenders, but without affecting any of the DIP Liens or the DIP Obligations, and/or (D) that any obligations to fund amounts in respect to the Carve Out shall be triggered, through the delivery of the Carve Out Trigger Notice (each as defined herein) to the Debtors; and (ii) the DIP Agent may declare a termination, reduction, or restriction on the ability of the Debtors to use Cash Collateral except solely to fund the ABL Carve Out Reserve and to seek a Remedies Determination (as defined herein) (the date on which a DIP Termination Declaration is delivered by the DIP Agent, the "***Termination Declaration Date***").

(b) Any DIP Termination Declaration shall not be effective until notice has been provided by electronic mail (or other electronic means) to counsel to the Debtors, counsel to the Committee, the U.S. Trustee, and counsel to each of the Prepetition Agents. The automatic stay in the Chapter 11 Cases otherwise applicable to the DIP Agent, the DIP Lenders, and the Prepetition Secured Creditors is hereby modified so that five (5) Business Days after the Termination Declaration Date (as such period may be extended pursuant to the terms hereof, the "***Remedies Notice Period***") and the funding of the Carve Out in accordance with paragraph 31(b) of this Second Interim Order, as applicable, and subject to the relative priorities set forth on the Lien Priority Annex and the Prepetition Permitted Liens: (x) the DIP Agent shall be entitled to exercise its rights and remedies in accordance with the DIP Loan Documents and this Second Interim Order; and (y) the applicable Prepetition Agent shall be entitled to exercise its respective rights and remedies to the extent available in accordance with the applicable Prepetition Credit Documents and this Second Interim Order.

(c) During the Remedies Notice Period, the Debtors and all other parties in interest shall be entitled to seek an emergency hearing with this Court (the "***Remedies Determination***"); *provided* that if the Debtors seek an emergency hearing during the Remedies Notice Period, but such hearing is scheduled for a later date by this Court (without any request by the Debtors to this Court with respect to such later scheduling), the Remedies Notice Period shall be tolled and the automatic stay shall not be modified until such hearing occurs. The Court may fashion an appropriate remedy at a hearing on a Remedies Determination; *provided* that the rights of the Debtors, the DIP Credit Parties, and the Prepetition Secured Creditors to contest such relief are expressly preserved. Except as set forth in this paragraph 22(c), after the Remedies Notice Period, the Debtors shall waive their right to seek relief, including, without

limitation, under section 105 of the Bankruptcy Code, to the extent such relief would in any way impair or restrict the rights and remedies of the DIP Agent, the DIP Lenders, or the Prepetition Secured Creditors under this Second Interim Order. Furthermore, during the Remedies Notice Period, the Debtors may use Cash Collateral solely to fund the Carve Out in accordance with, and subject to, the terms of this Second Interim Order and the Approved Budget, and (i) pay payroll (provided that the Debtors shall be prohibited from paying any severance or bonuses), (ii) U.S. Trustee fees and fees payable to the Clerk of Court, and (iii) subject to the consent of the DIP Agent in its reasonable discretion (such consent not to be unreasonably withheld), other day-to-day operational expenses that are critical to the administration of the Debtors' estates during the Remedies Notice Period (not to exceed the Approved Budget under any circumstances absent the written consent of the DIP Agent and, solely if the proposed payment relates to the Prepetition Term Loan Priority Collateral, the written consent of the Prepetition Term Loan Agent). All fees and costs incurred by the Debtors in connection with any Remedies Determination (including the fees and costs of its professionals) shall be funded solely by the Carve Out. Unless this Court orders otherwise prior to the expiration of the Remedies Notice Period, the automatic stay, as to all of the DIP Agent, the DIP Lenders, and the Prepetition Secured Creditors shall automatically be terminated at the end of the Remedies Notice Period (as it may be extended in accordance with this paragraph) without further notice or order. Upon expiration of the Remedies Notice Period (as it may be extended in accordance with this paragraph) and the funding of the Carve Out in accordance with paragraph 31(b) of this Second Interim Order, as applicable, and subject to the relative priorities set forth on the Lien Priority Annex and the Prepetition Permitted Liens, the applicable DIP Agent and the applicable Prepetition Secured Creditors shall be permitted to exercise all remedies set forth herein, and in the DIP Loan Documents, and as otherwise available

at law without further order of or application or motion to this Court consistent with this Second Interim Order and the applicable loan documents. The DIP Credit Parties and the Prepetition Secured Creditors may, subject to the Prepetition Credit Documents, the funding of the Carve Out, as applicable, the relative priorities set forth on the Lien Priority Annex, and the Prepetition Permitted Liens, after the Remedies Notice Period, enter onto the premises of any Debtor in accordance with paragraph 23(b) herein.

23. Leased Premises.

(a) Notwithstanding anything to the contrary in this Second Interim Order, for purposes of this Second Interim Order, DIP Liens and Adequate Protection Liens shall not encumber and DIP Collateral shall not include (i) leasehold interests of non-residential real property that prohibit or restrict the granting of such liens in the applicable lease except as permitted pursuant to applicable non-bankruptcy law (but shall include the proceeds of the sale or disposition of such leases) and (ii) any security deposits (in possession of the Debtors or the landlord) or the Debtors' interests, if any, in pre-paid rent, unless liens on such security deposits or pre-paid rent are expressly permitted pursuant to the underlying lease documents; ***provided*** that, the DIP Liens and Adequate Protection Liens shall extend to any such security deposits or pre-paid rent upon reversion thereof to the Debtors, if at all, as well as any proceeds or value of such leasehold interests whether by sale, financing, or other disposition or form of transfer, termination or transaction; ***provided, further,*** that any liens granted herein relating to the Debtors' insurance policies shall not interfere with any rights held by a landlord under such policies to any such insurance proceeds for damage to landlord's property.

(b) Notwithstanding anything to the contrary in this Second Interim Order, the DIP Loan Documents, or the Prepetition Credit Documents, the DIP Agent's or the Prepetition

Agents' exercise of their remedies pursuant to paragraph 22 and in accordance with the DIP Loan Documents and the Prepetition Credit Documents shall be subject to, as may be applicable: (a) any agreement in writing between the DIP Agent or Prepetition Agents and any applicable landlord; (b) pre-existing rights of the DIP Agent or Prepetition Agents, and any applicable landlord under applicable non-bankruptcy law; (c) written consent of the applicable landlord; or (d) further order of this Court following notice and a hearing.

24. Good Faith Under Section 364 of the Bankruptcy Code; No Modification or Stay of this Second Interim Order. In accordance with sections 364(e) and 363(m) of the Bankruptcy Code, in the event any or all of the provisions of this Second Interim Order are hereafter reversed, modified, amended, or vacated by a subsequent order of this Court, or any other court, the DIP Credit Parties and Prepetition Secured Creditors are entitled, upon entry of this Second Interim Order, to the protections provided in section 364(e) of the Bankruptcy Code. Any such reversal, modification, amendment, or vacatur shall not affect the validity and enforceability of any advances previously made or made hereunder, or lien, claim or priority authorized or created hereby. Any liens or claims granted to the DIP Credit Parties and Prepetition Secured Creditors hereunder arising prior to the effective date of any such reversal, modification, amendment, or vacatur of this Second Interim Order shall be governed in all respects by the original provisions of this Second Interim Order, including, without limitation, entitlement to all rights, remedies, privileges, and benefits granted herein.

25. DIP and Other Expenses. The Debtors are authorized to pay, without duplication of fees paid for the benefit of the DIP Credit Parties, all reasonable and documented out-of-pocket costs and expenses (and the DIP Agent is authorized to make advances or charges against the loan account to pay such agreed costs and expenses of the DIP Credit Parties in accordance with the

DIP Loan Documents) of the DIP Credit Parties in connection with the DIP Facility (including, without limitation, costs and expenses incurred prior to the Petition Date) (the "***DIP Agent Fees and Expenses***"), to the extent set forth in the DIP Loan Documents. The professionals for the DIP Agent, shall deliver an invoice in summary form (which shall not be required to include time entry detail and may be redacted for privileged information, but shall include (i) a general description of the nature of the matters for which services were performed and (ii) contain sufficiently detailed information to permit the Review Parties (as defined herein) to determine whether the fees and expenses sought to be paid are reasonable); *provided, however*, that the Debtors, the Prepetition Term Loan Agent, the U.S. Trustee and the Committee reserve their rights to request unredacted copies of such invoices and additional detail regarding the services rendered and expenses incurred by such professionals to counsel to the Debtors, the Prepetition Term Loan Agent, the U.S. Trustee, and the Committee (together, the "***Review Parties***"); *provided, however*, that notwithstanding the foregoing, the out-of-pocket expenses (including, without limitation, all attorneys' and other professionals' fees and expenses) incurred by the DIP Agent prior to and unpaid as of the Closing Date were paid indefeasibly upon the occurrence of the Closing Date without the DIP Agent being required to deliver an invoice in summary form as set forth herein. If no written objection is received by ten (10) calendar days after receipt of such invoice by the Review Parties, the Debtors shall promptly pay such fees and expenses in full. If an objection to a professional's invoice is timely received, the Debtors shall promptly pay the undisputed amount of the invoice, and this Court shall have jurisdiction to determine the disputed portion of such invoice if the parties are unable to resolve the dispute consensually. The DIP Agent's professionals shall not be required to comply with the U.S. Trustee guidelines or to file

applications or motions with, or obtain approval of, this Court for the payment of any of their fees or out-of-pocket expenses (other than with respect to disputed amounts).

26. Indemnification. The Debtors shall indemnify and hold harmless the DIP Agent, each other DIP Credit Party, and each Indemnitee (as defined in the DIP Credit Agreement), subject to and in accordance with each DIP Credit Agreement, including, without limitation, Section 9.03(b) of the DIP Credit Agreement.

27. [Reserved.]

28. [Reserved.]

29. Proofs of Claim. Notwithstanding any order entered by this Court in relation to the establishment of a bar date in any of these Chapter 11 Cases or any Successor Cases, neither the DIP Credit Parties, the Prepetition Agents, nor any of the Prepetition Secured Creditors shall be required to file proofs of claim in these cases or any Successor Cases in order to assert claims for payment of any of the DIP Obligations or the Prepetition Secured Obligations, including, without limitation, any principal, unpaid interest, fees, expenses and other amounts due and payable under the Prepetition Credit Documents or this Second Interim Order. None of the DIP Credit Parties or the Prepetition Secured Creditors will be required to file proofs of claim or requests for approval of administrative expenses in any of the Chapter 11 Cases or Successor Cases, and the provisions of this Second Interim Order relating to the DIP Obligations, the DIP Superpriority Claims, the Adequate Protection Superpriority Claims, the Prepetition ABL Obligations, or the Prepetition Term Loan Obligations, and the Debtors' Stipulations shall constitute timely filed proofs of claim and/or administrative expense requests (as applicable) in each of the Chapter 11 Cases.

30. Rights of Access and Information. The Debtors shall use commercially reasonable efforts to afford the DIP Credit Parties all of the rights of access and information provided for under the DIP Loan Documents, including, but not limited to, the right to conduct field examinations and inventory appraisals during normal business hours and upon reasonable advance notice (at the expense of the Debtors) as frequently as determined by the DIP Agent in its reasonable discretion.

31. Carve Out.

(a) *Priority of Carve Out.* Each of the DIP Liens, the Prepetition Liens, the Adequate Protection Liens, the DIP Superpriority Claims, the Adequate Protection Superpriority Claims, the DIP Obligations, and the Prepetition Secured Obligations shall be subject and subordinate to payment of the Carve Out (as defined herein). The Carve Out shall be senior to all claims and liens over all assets of the Debtors, including any DIP Collateral, as set forth in the Lien Priority Annex.

(b) *Definition of Carve Out.* As used in this Second Interim Order, the Carve Out means the sum of (i) all unpaid professional fees and disbursements incurred by the Debtors and the Committee pursuant to Sections 327 and 1103 of the Bankruptcy Code, including (A) Cole Schotz P.C., as Debtors' restructuring counsel, and (B) Reflect Advisors, in their professional capacity providing services and additional staff to the chief restructuring officer (the "***Case Professionals***") prior to the delivery of the Carve Out Trigger Notice to the extent allowed by the Court at any time, but in each case under clause (i) solely to the extent the same are incurred by each Case Professional in accordance with any Approved Budget; plus (ii) following the delivery of a Carve Out Trigger Notice, the unpaid professional fees and disbursements incurred by the Case

Professionals in an amount collectively up to (x) $250,000 for Case Professionals retained by the Debtors (the *"**Debtors' Professional Carve Out Limit**") and* (y) $50,000 for Case Professionals retained by the Committee (the *"**Committee Professional Carve Out Limit***" and, together with the Debtors' Professional Carve Out Limit, the "***Case Professional Carve Out Limit***"), plus (iii) the payment of fees pursuant to 28 U.S.C. § 1930(a), including fees owed to the U.S. Trustee, and any fees required to be paid to the Clerk of the Court, which fees shall not be limited to amounts that may be set forth in the Approved Budget; plus (iv) all reasonable fees and expenses up to $50,000 incurred by a chapter 7 trustee under Section 726(b) of the Bankruptcy Code (the "***Chapter 7 Trustee Carve Out Limit***", and together with the Case Professional Carve Out Limit, the "***Carve Out Limit***") (items (i) through (iv), collectively, the "***Carve Out***"). Within three (3) Business Days of delivery of a Carve Out Trigger Notice, the outstanding amount of the Carve Out shall be funded by the Debtors into the Professional Fee Escrow Account; *provided*, that (i) the Debtors shall first utilize cash on hand to fund the Carve Out, and (ii) solely to the extent that the Debtors are unable to fully fund the Carve Out with cash on hand in the manner and in the amount set forth in this paragraph 31(b), then proceeds from the DIP Facility shall be used to fund any shortfall, which funding may be in the form of additional DIP Loans. For purposes of the foregoing, "***Carve Out Trigger Notice***" shall mean a written notice delivered by email (or other electronic means) by the DIP Agent to the Debtors, their lead restructuring counsel (Cole Schotz P.C.), the U.S. Trustee, counsel to the Prepetition Term Loan Secured Parties, and lead counsel to the Committee (Kelley Drye & Warren LLP), which notice may be delivered only following the occurrence and during the continuation of an Event of Default.

(c) *Professional Fee Escrow Account*. Notwithstanding anything to the contrary contained in this Second Interim Order, until an Event of Default or the Termination Declaration Date has occurred, the Debtors shall be permitted to borrow under the DIP Facility on a weekly basis to fund a segregated non-interest bearing account (which may be the trust account of the Debtors' restructuring counsel) and hold in trust solely for the benefit of the Case Professionals (the "***Professional Fee Escrow Account***") in the amounts contemplated under clause (i) of the immediately preceding paragraph. The Debtors shall be permitted to pay, or cause to be paid from the Professional Fee Escrow Account, as and when the same may become due and payable, the allowed professional fees of Case Professionals regardless of whether an Event of Default or the Termination Declaration Date has occurred. Subject to paragraph 31(j) hereof, none of the provisions of this Second Interim Order or any DIP Loan Document shall prohibit or restrict the payment of the fees and expenses of any Case Professionals from any retainers held by such Case Professional. The amounts held in the Professional Fee Escrow Account shall not be subject to any lien, attachment, garnishment, or other claim of any creditor of the Debtors other than the Case Professionals for whose benefit such amounts are held in trust. Any amounts remaining in the Professional Fee Escrow Account after the payment in full of all allowed professional fees of Case Professionals pursuant to final fee applications and orders shall be returned to the Debtors, the amounts which shall be applied in accordance with paragraph 17 hereof and the Lien Priority Annex. The DIP Liens and Adequate Protection Liens shall attach, in accordance with the relative priorities set forth in the Lien Priority Annex, to any cash held in the Professional Fee Escrow Account following the payment of Case Professionals from the Carve Out.

(d) *Payment of Allowed Professional Fees Prior to the Termination Declaration Date*. Any payment or reimbursement made prior to the occurrence of the Termination Declaration Date in respect of any allowed professional fees shall not reduce or be deemed to reduce the Carve Out; ***provided, however***, that the obligation of the DIP Credit Parties to fund the Professional Fee Escrow Account shall be deemed satisfied so long as the DIP Credit Parties have complied with their obligations with respect to the Professional Fee Escrow Account as set forth in this paragraph 31.

(e) *Payment of Carve Out On or After the Termination Declaration Date*. Any payment or reimbursement made on or after the occurrence of the Termination Declaration Date in respect of any allowed professional fees shall permanently reduce the Carve Out on a dollar-for-dollar basis. Any funding or payment of the Carve Out shall be added to, and made a part of the DIP Obligations secured by the DIP Collateral and shall be otherwise entitled to the protections granted under this Second Interim Order, the DIP Loan Documents, the Bankruptcy Code, and applicable law; ***provided*** that any funding or payment that (i) constituted DIP Obligations shall not be further added to the DIP Obligations and (ii) was made with the proceeds of Prepetition Term Loan Priority Collateral shall not constitute DIP Obligations.

(f) *No Direct Obligation To Pay Allowed Professional Fees*. None of the DIP Credit Parties or the Prepetition Secured Creditors shall be responsible for the payment or reimbursement of any fees or disbursements of any Case Professional or any fees or expenses of the U.S. Trustee or Clerk of this Court incurred in connection with the Chapter 11 Cases or any Successor Cases under any chapter of the Bankruptcy Code. Nothing in this Second Interim Order or otherwise shall be construed to obligate the DIP Credit Parties or the Prepetition Secured Creditors, in any way, to pay compensation to, or to reimburse expenses of, any Case Professional

or to guarantee that the Debtors have sufficient funds to pay such compensation or reimbursement. Until the DIP Obligations and Prepetition Secured Obligations have been Paid in Full, allowed professional fees of Case Professionals shall be paid solely from the Professional Fee Escrow Account or any retainers held by Case Professionals.

(g) *Subordination to Carve Out*. Notwithstanding anything to the contrary in this Second Interim Order, the Debtors' obligations to the DIP Credit Parties and the Prepetition Secured Creditors and the liens, security interests, and superpriority claims granted herein, under the DIP Loan Documents, and/or under the Prepetition Credit Documents, including, without limitation, the DIP Liens, the DIP Superpriority Claims, the Adequate Protection Liens, Adequate Protection Superpriority Claims, and the Prepetition Secured Obligations, shall be subject in all respects and subordinate to the Carve Out, including paragraph 31(j) hereof. For the avoidance of doubt, upon the funding of the Carve Out as set forth in this paragraph 31, the DIP Credit Parties and the Prepetition Secured Creditors shall have no further obligation to fund the Carve Out (including the Professional Fee Escrow Account), and their liens and claims shall not be subordinate to any obligations or amounts other than that which is held in the Carve Out, subject to paragraph 31(j) hereof.

(h) *ABL Carve Out Reserve.* In accordance with the DIP Credit Agreement, the DIP Agent shall be entitled to at all times maintain a reserve (the "***ABL Carve Out Reserve***") against the Borrowing Base (as defined in the DIP Credit Agreement) in an amount not to exceed, at any time of determination, the sum of the Carve Out Limit, *provided* that the DIP Agent may reserve for the fees and expenses of any Case Professionals to be included in the Professional Fee Escrow Account to the extent they are not timely funded in accordance with paragraph 31(c) hereof.

(i) *Reservation of Rights With Respect to Allowance of Fees*. Nothing in this Second Interim Order shall be construed as consent to the allowance of any professional fees or expenses of any Case Professional or shall be construed as a waiver of any right of the DIP Credit Parties and the Prepetition Secured Creditors with respect to any fee statement, interim application or monthly application issued or filed by the Case Professionals. Notwithstanding anything to the contrary herein or in the DIP Loan Documents, (x) in no event shall any DIP Lender be required to fund any amounts in excess of its DIP Commitment and (y) the payment of any allowed professional fees pursuant to the Carve Out shall not (i) reduce any Debtor's obligations owed to the DIP Agent, any DIP Lender, the DIP Credit Parties, the Prepetition Agents, and the Prepetition Secured Creditors (whether under this Second Interim Order or otherwise) or (ii) modify, alter or otherwise affect any of the liens and security interests of such parties (whether granted under this Second Interim Order or otherwise) in the Prepetition Collateral or the DIP Collateral (or their claims against the Debtors).

(j) *Reservation of Rights With Respect to Allocation of Proceeds Used to Fund Carve Out*. The DIP Secured Parties, the Prepetition ABL Secured Parties, and the Prepetition Term Loan Secured Parties reserve their respective rights as to the allocation of proceeds used to fund the Carve Out as among the Prepetition ABL Priority Collateral, the Prepetition Term Loan Priority Collateral, and the DIP Collateral.

32. Limitation on Use of DIP Loans and DIP Collateral (Including Cash Collateral). For the avoidance of doubt and notwithstanding any other provision of this Second Interim Order or any other order entered by this Court to the contrary, no portion of the Carve Out, DIP Collateral, or Prepetition Collateral (including Cash Collateral) may be used directly or indirectly in connection with: (i) the investigation, initiation, or prosecution of any claims, causes of action,

motions, adversary proceedings, or other litigation, (A) against any of the DIP Lenders, the DIP Agent, the Prepetition Secured Creditors (whether in such capacity or otherwise), or (B) challenging the amount, validity, perfection, priority, or enforceability of or asserting any defense, counterclaim or offset to, the obligations and the liens and security interests granted under the DIP Loan Documents or in connection with the Prepetition Loan Facilities, including, in each case without limitation, for lender liability or pursuant to Sections 105, 510, 544, 547, 548, 549, 550, or 552 of the Bankruptcy Code, applicable non-bankruptcy law or otherwise; (ii) attempts to modify any of the rights granted to the DIP Lenders or the DIP Agent with respect to the DIP Facility or the Prepetition Agents or the other Prepetition Secured Creditors with respect to the Prepetition Loan Facilities; (iii) any objection to, motion to reconsider or appeal of any order with respect to the DIP Facility; (iv) attempts to prevent, hinder, or otherwise delay any of the DIP Lenders' or the DIP Agent's assertion, enforcement, or realization upon any DIP Collateral in accordance with the DIP Loan Documents and the Final Order once an Event of Default has occurred and any applicable Remedies Notice Period expired; *provided, however*, that the proceeds of the DIP Loans and DIP Collateral (including Cash Collateral) may be used by the Committee to investigate prior to the Challenge Deadline (as defined herein), but not to prosecute, (A) the claims and liens of the Prepetition Secured Creditors, and (B) potential claims, counterclaims, causes of action or defenses against any of the Prepetition Secured Creditors, up to an aggregate cap of no more than $50,000.

33. No Third Party Rights. Except as explicitly provided for herein, this Second Interim Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, or incidental beneficiary.

34. Release. Subject to paragraph 44 hereof, and the challenge rights granted thereunder, effective upon entry of the First Interim Order, each of the Released Parties was released and continues to be released by the Debtors as provided in paragraph F(x) hereof.

35. Section 506(c) Claims. Subject to and upon entry of the Final Order granting such relief, no costs or expenses of administration which have been or may be incurred in the Chapter 11 Cases or Successor Cases at any time shall be charged against the DIP Credit Parties or the DIP Collateral (other than the Prepetition Term Loan Priority Collateral pursuant to subsequent order of this Court) or the Prepetition ABL Secured Parties or the Prepetition ABL Priority Collateral pursuant to sections 105 or 506(c) of the Bankruptcy Code, or otherwise and all rights to surcharge the DIP Credit Parties or the DIP Collateral (other than the Prepetition Term Loan Priority Collateral pursuant to subsequent order of this Court) or the Prepetition ABL Secured Parties or the Prepetition ABL Priority Collateral under sections 105 or 506(c) of the Bankruptcy Code or any other applicable principle of equity or law shall be and are hereby finally and irrevocably waived, and such waiver shall be binding upon the Debtors and all parties-in-interest in this or any Successor Cases.

36. No Marshaling / Applications of Proceeds. Subject to and upon entry of the Final Order granting such relief, none of the DIP Credit Parties or the Prepetition Secured Creditors shall be subject to the equitable doctrine of "marshaling" or any other similar doctrine with respect to any of the DIP Collateral or Prepetition Collateral.

37. Section 552(b). The DIP Agent and the other DIP Credit Parties shall be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code. Subject to and upon entry of the Final Order granting such relief, and subject to approval by this Court therein, the "equities of the case" exception under section 552(b) of the Bankruptcy Code shall not apply to

the DIP Credit Parties or the Prepetition Secured Creditors with respect to proceeds, products, offspring, or profits of any of the Prepetition Collateral or DIP Collateral.

38. Limits on Lender Liability. Nothing in this Second Interim Order, any of the DIP Loan Documents, the Prepetition Credit Documents, or any other documents related thereto shall in any way be construed or interpreted to impose or allow the imposition upon the DIP Agent, the DIP Lenders, the Prepetition Agents, or the Prepetition Secured Creditors of any liability for any claims arising from any activities by the Debtors in the operation of their businesses or in connection with the administration of the Chapter 11 Cases. The DIP Agent, the DIP Lenders, the Prepetition Agents, and the Prepetition Secured Creditors shall not, solely by reason of having made loans under the DIP Facility or permitting the use of Cash Collateral, as applicable, be deemed in control of the operations of the Debtors or to be acting as a "responsible person" or "owner or operator" with respect to the operation or management of the Debtors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 *et seq.*, as amended, or any similar federal or state statute). Nothing in this Second Interim Order or the DIP Loan Documents, shall in any way be construed or interpreted to impose or allow the imposition upon the DIP Agent, the DIP Lenders, the Prepetition Agents, or the Prepetition Secured Creditors of any liability for any claims arising from the prepetition or postpetition activities of any of the Debtors.

39. Joint and Several Liability. Nothing in this Second Interim Order shall be construed to constitute a substantive consolidation of any of the Debtors' estates, it being understood, however, that the Debtors shall be jointly and severally liable for the obligations hereunder and in accordance with the terms of the DIP Facility and the DIP Loan Documents.

40. No Superior Rights of Reclamation. The extension of the DIP Facility and the repayment and refinancing of the Prepetition ABL Obligations with the proceeds of the DIP Loans are part of an integrated transaction. Based on the findings and rulings herein concerning the integrated nature of the DIP Facility and the Prepetition ABL Documents and the relation back of the DIP Liens, in no event shall any alleged right of reclamation or return (whether asserted under section 546(c) of the Bankruptcy Code or otherwise) be deemed to have any additional or greater rights and priority with respect to the Prepetition ABL Liens as such claim had on the Petition Date.

41. Debtors' Waivers/Covenants. At all times during the Chapter 11 Cases prior to the DIP Obligations and Prepetition Secured Obligations being Paid in Full, and whether or not an Event of Default has occurred, it shall be an Event of Default for the Debtors to seek authority to take any of the following actions prior to the DIP Obligations and Prepetition Secured Obligations being Paid in Full, other than as expressly provided for in this Second Interim Order or the DIP Loan Documents, or unless the DIP Agent or applicable Prepetition Agent otherwise consents in writing: (i) use Cash Collateral under Section 363 of the Bankruptcy Code, (ii) obtain postpetition loans or other financial accommodations pursuant to Section 364(c) or 364(d) of the Bankruptcy Code, (iii) challenge the application of any payments authorized hereunder pursuant to Section 506(b) of the Bankruptcy Code, or assert that the value of the Prepetition ABL Priority Collateral is less than the Prepetition ABL Obligations, or assert that the value of the applicable Prepetition Term Loan Priority Collateral is less than the Prepetition Term Loan Obligations secured thereby, (iv) propose, support or have a plan of reorganization or liquidation that does not provide for all DIP Obligations and Prepetition Secured Obligations to be Paid in Full on the effective date of such plan, (v) seek relief under the Bankruptcy Code, including without limitation, under Section

105 of the Bankruptcy Code, to the extent any such relief would in any way restrict or impair the rights and remedies of any DIP Credit Parties as provided in this Second Interim Order and the DIP Loan Documents or any DIP Credit Parties' exercise of such rights or remedies, (vi) challenge, contest or otherwise seek to impair or object to the validity, extent, enforceability or priority of the DIP Agent's postpetition liens and claims, or (vii) take any action prohibited pursuant to Section 5.11 or 7.01(l) of the DIP Credit Agreement. No consent to any of the foregoing shall be implied from any other action, inaction, or acquiescence by any of the DIP Credit Parties, and the written consent of the DIP Agent shall be required to relieve the Debtors of their obligations under this paragraph 41 and the consent of the Prepetition Term Loan Agent required to relieve the Debtor of their obligations under this paragraph 41 pertaining to any of the Prepetition Term Loan Priority Collateral, Prepetition Term Loan Liens or Prepetition Term Loan Obligations.

42. Rights Preserved. Notwithstanding anything herein to the contrary, the entry of this Second Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly: (a) the DIP Credit Parties' or the Prepetition Secured Creditors' right to seek any other or supplemental relief in respect of the Debtors (including, the right to seek additional or different adequate protection); (b) the rights of any of the Prepetition Secured Creditors to seek the payment by the Debtors of postpetition interest or fees pursuant to section 506(b) of the Bankruptcy Code; or (c) any of the rights of the DIP Credit Parties or the Prepetition Secured Creditors under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of section 362 of the Bankruptcy Code, (ii) request dismissal of any of the Chapter 11 Cases or Successor Cases, conversion of any of the Chapter 11 Cases to cases under chapter 7, or appointment of a chapter 11 trustee or examiner

with expanded powers, (iii) seek an injunction, (iv) oppose any request for use of Cash Collateral, (v) object to any sale of assets, or (vi) propose, subject to the provisions of section 1121 of the Bankruptcy Code, a chapter 11 plan or plans; ***provided***, that the rights of the DIP Credit Parties and the Prepetition Secured Creditors with respect to sections (i)–(iii) of this paragraph 42 shall be subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex. Other than as expressly set forth in this Second Interim Order, any other rights, claims or privileges (whether legal, equitable or otherwise) of the DIP Credit Parties and the Prepetition Secured Creditors are preserved.

43. No Waiver by Failure to Seek Relief. The failure of the DIP Credit Parties to seek relief or otherwise exercise rights and remedies under this Second Interim Order, the DIP Loan Documents, or applicable law, as the case may be, shall not constitute a waiver of any of the rights hereunder, thereunder, or otherwise of the DIP Credit Parties.

44. Binding Effect of Second Interim Order. Subject to any timely commenced Challenge (as defined herein), the stipulations (including the Debtors' Stipulations), admissions, waivers, and releases contained in the First Interim Order and this Second Interim Order, and other terms and provisions of the Orders (including, without limitation, the Adequate Protection Liens, Adequate Protection Payments, and the Adequate Protection Superpriority Claims) shall be valid and binding upon and inure to the benefit of the Debtors, the DIP Credit Parties, the Prepetition Secured Creditors, all other creditors of any of the Debtors, the Committee, and all other parties-in-interest and their respective successors and assigns, including, without limitation, any trustee or other fiduciary hereafter appointed in any of the Chapter 11 Cases, any Successor Cases, or upon dismissal of any Chapter 11 Case or Successor Case, unless, and solely to the extent that: (A) any person or any party-in-interest (including the Committee) has sought and

obtained standing and the requisite authority to commence a Challenge[8] (other than the Debtors, as to which any Challenge is hereby irrevocably waived and relinquished) and has timely commenced a Challenge on or before November 3, 2026, subject to the tolling provision below (the "***Challenge Deadline***"); *provided* that the Challenge Deadline to commence a Challenge with respect to the Prepetition Term Loan Secured Parties, Prepetition Term Loan Documents, Prepetition Term Loan Obligations, Prepetition Term Loan Liens and/or Prepetition Term Loan Priority Collateral shall be on or before December 3, 2026, solely for the Committee, as such applicable dates may be extended in writing from time to time by the applicable Prepetition Secured Creditor in its sole discretion, or by this Court for good cause shown pursuant to an application filed by a party in interest prior to the expiration of the Challenge Deadline; *provided* further that if the Chapter 11 Cases are converted to chapter 7 or a chapter 7 or chapter 11 trustee is appointed or elected prior to the expiration of the Challenge Deadline, any such estate representative or trustee shall receive the full benefit of any remaining time before expiration of the Challenge Deadline, which, solely if not yet expired, shall be extended for a period of sixty (60) days; and (B) this Court enters judgment in favor of the plaintiff or movant in any such timely commenced Challenge proceeding and any such judgment has become a final judgment that is not subject to any further review or appeal. The Challenge Deadline set forth herein shall be tolled if a party-in-interest (including the Committee) files a motion seeking standing to bring a

[8] "Challenge" as used herein shall mean an adversary proceeding or contested matter (subject to the limitations contained herein) (a) objecting to or challenging the amount, validity, perfection, enforceability, priority or extent of the Prepetition Secured Obligations or the Prepetition Liens, or (b) asserting or prosecuting any Avoidance Action or any other claims, counterclaims or causes of action, objections, contests or defenses against any Prepetition Secured Creditors or their respective subsidiaries, affiliates, officers, directors, managers, principals, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives and other professionals and the respective successors and assigns thereof in connection with or related to the Prepetition Credit Documents, the Prepetition Secured Obligations, the Prepetition Liens and the Prepetition Collateral.

Challenge ("***Standing Motion***"), which attaches one or more draft complaints that detail the alleged challenge(s) that the applicable party in interest seeks to file, until such time as the Court decides the Standing Motion and solely with respect to (i) the party-in-interest that files the Standing Motion and (ii) the contents of the complaint attached to the Standing Motion. Notwithstanding any other provision in this Second Interim Order, the Court retains the right to enter any appropriate remedy in connection with a successful Challenge.

45. Credit Bidding. Subject to paragraph 44 of this Second Interim Order and the rights of parties-in-interest under section 363(k) of the Bankruptcy Code, in connection with any sale process authorized by the Court, the Prepetition Agents may seek to credit bid some or all of their claims for their respective priority collateral (each a "***Credit Bid***"). A Credit Bid may be applied only to reduce the cash consideration with respect to those assets in which the party submitting such Credit Bid holds a senior, perfected security interest. For the avoidance of doubt, unless and until the Prepetition Term Loan Obligations are Paid in Full, the Prepetition ABL Secured Parties may not Credit Bid for Prepetition Term Loan Priority Collateral and, unless and until the Prepetition ABL Obligations are Paid in Full, the Prepetition Term Loan Secured Parties may not Credit Bid for Prepetition ABL Priority Collateral.

46. Continuation of Jurisdiction and Binding Effect. Any order dismissing one or more of the Chapter 11 Cases or Successor Cases under section 1112 of the Bankruptcy Code or otherwise shall be deemed to provide (in accordance with sections 105 and 349 of the Bankruptcy Code) that: (i) the DIP Liens, Prepetition Liens, and Adequate Protection Liens shall continue in full force and effect, subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex, notwithstanding such dismissal until the DIP Obligations, the Prepetition Secured Obligations, and/or Adequate Protection Superpriority Claims, as applicable, are Paid in Full; and

(ii) this Court shall retain jurisdiction, to the extent permissible under applicable law, notwithstanding such dismissal, for the purposes of enforcing the DIP Superpriority Claims, DIP Liens, Carve Out, Adequate Protection Superpriority Claims, Adequate Protection Liens, and the Prepetition Liens. Notwithstanding anything contained herein with respect to the obligations or limitations when a Final Order is entered, the terms of the Final Order shall be what is binding on all parties.

47. No Modification of Second Interim Order. Until and unless the DIP Obligations have been Paid in Full (such payment being without prejudice to any terms or provisions contained in the DIP Facility which survive such discharge by their terms) and all commitments to extend credit under the DIP Facility have been terminated, it shall be an Event of Default for the Debtors to seek: (a) without the prior written consent of the DIP Agent (i) any reversal, modification, stay, vacatur, or amendment to this Second Interim Order or (ii) a priority claim for any administrative expense or unsecured claim against the Debtors (now existing or hereafter arising of any kind or nature whatsoever, including, without limitation, any administrative expense of the kind specified in sections 503(b), 507(a), or 507(b) of the Bankruptcy Code) in any of the Chapter 11 Cases or Successor Cases, equal or superior to the DIP Superpriority Claims or the Adequate Protection Superpriority Claims, other than the Carve Out; (b) any order, other than the First Interim Order, this Second Interim Order, or the Final Order, allowing use of Cash Collateral resulting from DIP Collateral; and (c) except as set forth in the First Interim Order, this Second Interim Order or the Final Order, any lien on any of the DIP Collateral or Prepetition Collateral with priority equal or superior to the DIP Liens, the Adequate Protection Liens or the Prepetition Liens.

48. DIP Obligations Paid in Full and Commitments Terminated. In connection with (i) the DIP Obligations being Paid in Full (such payment being without prejudice to any terms or provisions contained in the DIP Facility which survive such discharge by their terms), and (ii) all commitments to extend credit under the DIP Facility being terminated, all obligations of the DIP Credit Parties or the Prepetition ABL Secured Parties to pay or otherwise satisfy any obligations under this Second Interim Order (including, without limitation, with respect to the Carve Out), the DIP Loan Documents, and/or the Prepetition ABL Documents shall be terminated.

49. Second Interim Order Controls. In the event of any inconsistency between the terms and conditions of the DIP Loan Documents or this Second Interim Order, the provisions of this Second Interim Order shall govern and control.

50. Survival. The provisions of this Second Interim Order and any actions taken pursuant hereto shall survive entry of any order which may be entered: (a) confirming any plan of reorganization in any of the Chapter 11 Cases; (b) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code; (c) dismissing any of the Chapter 11 Cases or any Successor Cases; or (d) pursuant to which this Court abstains from hearing any of the Chapter 11 Cases or Successor Cases. Upon entry of the Final Order, the terms and provisions of this Second Interim Order, including, without limitation, the claims, liens, security interests, and other protections granted to the DIP Credit Parties and Prepetition Secured Creditors pursuant to this Second Interim Order and/or the DIP Loan Documents, notwithstanding the entry of any such order, shall continue in the Chapter 11 Cases, in any Successor Cases, or following dismissal of the Chapter 11 Cases or any Successor Cases, and shall maintain their priority as provided by this Second Interim Order, subject in all cases to the Carve Out and the relative priorities set forth on the Lien Priority Annex, until (x) all DIP Obligations have been Paid in Full and all commitments

to extend credit under the DIP Facility are terminated and (y) all Prepetition Secured Obligations have been Paid in Full.

51. Final Hearing. A final hearing to consider the relief requested in the Motion shall be held on **October 14, 2026, at 9:30 a.m., prevailing Eastern Time** before this Court.

52. Notice of Entry of Second Interim Order. The Debtors shall promptly serve copies of this Second Interim Order (which shall constitute adequate notice of the Final Hearing) to the parties having been given notice of the Interim Hearing and to any party that has filed a request for notices with this Court.

53. Texas Taxing Authorities. Notwithstanding any other provisions in this Second Interim Order or any final orders pertaining to the use of cash collateral in these Chapter 11 Cases, any statutory liens on account of ad valorem taxes held by the Texas Taxing Authorities[9] (the "***Tax Liens***") shall neither be primed by nor made subordinate to any liens granted to any party hereby to the extent the Tax Liens are valid, senior, perfected, and unavoidable, and all parties' rights to object to the priority, validity, amount, and extent of the claims and liens asserted by the Texas Taxing Authorities are fully preserved. Furthermore, as adequate protection for the asserted secured tax claims of the Texas Taxing Authorities to such Tax Liens (the "***Tax Claims***"), the Debtors shall set aside the amount of $84,517.41 in a segregated account (the "***Tax Reserve***"). The Tax Liens of the Texas Taxing Authorities shall attach to the Tax Reserve to the same extent and with the same priority as the liens attached to the Debtors' assets securing the Tax Liens. The funds in the Tax Reserve shall be on the order of adequate protection and shall constitute neither the allowance of the Tax Claims nor a cap on the amounts the Texas Taxing Authorities may be entitled to receive. The funds from the Tax Reserve may be distributed only upon agreement

[9] "***Texas Taxing Authorities***" is defined as all ad valorem taxing jurisdictions represented by the firm of McCreary Veselka Bragg & Allen P.C., including Denton County.

between the Texas Taxing Authorities and the Debtors, and consent by the DIP Agent or by subsequent order of the Court, duly noticed to the Texas Taxing Authorities. Notwithstanding any order that may be entered converting these Chapter 11 cases to cases under chapter 7, the funds in the Tax Reserve will continue to be held for the benefit of the Texas Tax Authorities and the Tax Liens shall remain attached to the funds in the Tax Reserve in their relative priority until the Tax Claims are paid in full. Any payment made to the Texas Taxing Authorities from a source other than the Tax Reserve on account of the taxes secured by the Tax Liens shall reduce the Tax Reserve dollar-for-dollar. Subject to the Tax Liens solely to the extent set forth herein, the Tax Reserve and any excess amounts remaining therein after payment or other resolution of the applicable tax claims shall constitute DIP Collateral and shall be subject to the DIP Liens, the Adequate Protection Liens, and the Lien Priority Annex as provided in this Second Interim Order.

54. Effectiveness. This Second Interim Order shall constitute findings of fact and conclusions of law in accordance with Bankruptcy Rule 7052 and shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon entry hereof. Notwithstanding anything to the contrary prescribed by applicable law, this Second Interim Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Second Interim Order.

55. Retention of Jurisdiction. This Court has and will retain jurisdiction to enforce this Second Interim Order.

Dated: September 28th, 2026
Wilmington, Delaware

CRAIG T. GOLDBLATT
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Lien Priority Annex[10]

Assets of the type constituting both DIP Collateral and ABL Priority Collateral and Avoidance Proceeds with respect to Such Assets	Assets of the type constituting both DIP Collateral and Term Loan Priority Collateral and Avoidance Proceeds with respect to Such Assets
Carve Out	Carve Out
Prepetition ABL Permitted Liens	Prepetition Term Loan Permitted Liens
DIP Liens DIP Superpriority Claim	Adequate Protection Liens (for Prepetition Term Loan Secured Parties) Adequate Protection Superpriority Claims (for Prepetition Term Loan Secured Parties)
Adequate Protection Liens (for Prepetition ABL Secured Parties) Adequate Protection Superpriority Claims (for Prepetition ABL Secured Parties)	Prepetition Term Loan Liens Prepetition Term Loan Obligations
Prepetition ABL Liens Prepetition ABL Obligations	DIP Liens DIP Superpriority Claim
Adequate Protection Liens (for Prepetition Term Loan Secured Parties) Adequate Protection Superpriority Claims (for Prepetition Term Loan Secured Parties)	Adequate Protection Liens (for Prepetition ABL Secured Parties) Adequate Protection Superpriority Claims (for Prepetition ABL Secured Parties)

[10] Notwithstanding anything provided in this Order, the priority of the liens against the assets in Canada of De Cloet Greenhouse Mfg. Ltd. (the "Canadian Debtor") will be as set out in the Supplemental Recognition Order granted by the Ontario Superior Court of Justice (Commercial List) in the proceedings commenced by the Canadian Debtor.

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Prepetition Term Loan Liens Prepetition Term Loan Obligations	Prepetition ABL Liens Prepetition ABL Obligations

Exhibit 2

DIP Credit Agreement

Exhibit 3

Approved Budget

BFG Supply
Weekly Cash Flow Forecast
($000s)

Week #	W-1	W-2	W-3	W-4	W-5	W-6	W-7	W-8	W-9	W-10	W-11	W-12	W-13	13-Week
Week ending, Friday:	18-Sep	25-Sep	2-Oct	9-Oct	16-Oct	23-Oct	30-Oct	6-Nov	13-Nov	20-Nov	27-Nov	4-Dec	11-Dec	Total
Receipts														
BFG collections	3,583	3,537	3,108	3,956	4,574	5,744	5,950	5,873	5,734	2,542	1,782	-	-	46,382
Subsidiary collections	693	614	531	682	958	1,046	1,559	1,662	1,524	715	432	-	-	10,416
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	**4,276**	**4,151**	**3,639**	**4,638**	**5,532**	**6,790**	**7,509**	**7,535**	**7,258**	**3,256**	**2,214**	**-**	**-**	**56,798**
Disbursements														
Employee compensation and benefits	123	1,953	161	3,252	123	1,159	123	787	233	804	749	-	-	9,468
Rent, warehouse, and utilities	283	347	1,273	315	278	354	273	981	103	80	128	-	-	4,417
Insurance	111	-	-	-	111	-	-	-	-	-	-	-	-	221
Taxes	7	-	-	-	18	-	-	-	14	-	7	-	-	45
Technology and communications	14	34	17	56	8	34	6	17	56	32	95	-	-	369
Freight and transportation	552	441	349	230	193	105	18	24	30	19	64	-	-	2,024
Repair and maintenance	30	116	39	110	30	116	30	39	76	30	149	-	-	764
Other	13	36	114	36	44	16	32	117	36	53	36	-	-	535
Subsidiary payments	117	117	328	118	118	118	118	50	50	50	50	-	-	1,230
Liquidator fees and expenses	402	400	366	350	343	413	416	417	410	230	234	-	-	3,981
Total Disbursements	**1,651**	**3,444**	**2,647**	**4,469**	**1,265**	**2,316**	**1,016**	**2,430**	**1,008**	**1,298**	**1,512**	**-**	**-**	**23,055**
Net Operating Cash Flow	**2,624**	**707**	**992**	**169**	**4,266**	**4,474**	**6,494**	**5,105**	**6,250**	**1,959**	**703**	**-**	**-**	**33,743**
Non-operating disbursements														
Board fees	-	-	35	-	-	-	-	35	-	-	-	-	-	70
DIP interest and fees	-	-	524	-	-	-	-	401	-	-	879	-	-	1,804
Professional fees	2,118	636	649	667	617	541	759	593	454	451	1,101	-	-	8,588
Contingency	132	107	107	82	82	82	82	82	82	82	82	250	250	1,500
Total Non-op. Disbursements	**2,250**	**742**	**1,315**	**749**	**699**	**623**	**840**	**1,111**	**536**	**533**	**2,062**	**250**	**250**	**11,962**
Net Cash Flow	**374**	**(36)**	**(323)**	**(580)**	**3,568**	**3,851**	**5,653**	**3,994**	**5,714**	**1,425**	**(1,360)**	**(250)**	**(250)**	**21,781**
Beginning Cash	**2,798**	**1,609**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,798**
Net Cash Flow	374	(36)	(323)	(580)	3,568	3,851	5,653	3,994	5,714	1,425	(1,360)	(250)	(250)	21,781
Revolver Draws/Repayment	(1,563)	(1,573)	323	580	(3,568)	(3,851)	(5,653)	(3,994)	(5,714)	(1,425)	1,360	250	250	(24,579)
Ending Cash	**1,609**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Revolver Beginning Balance	**20,977**	**15,092**	**10,941**	**7,303**	**2,665**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**20,977**
Repayments	(5,884)	(4,151)	(3,639)	(4,638)	(2,665)	-	-	-	-	-	-	-	-	(20,977)
Revolver Roll to DIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revolver Ending Balance	**15,092**	**10,941**	**7,303**	**2,665**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(0)**
DIP Beginning Balance	**9,003**	**11,715**	**14,293**	**18,254**	**23,472**	**22,569**	**18,718**	**13,065**	**9,071**	**3,357**	**1,932**	**3,292**	**3,542**	**9,003**
Draws	1,103	2,578	3,962	5,217	1,964	2,939	1,856	3,541	1,544	1,831	3,574	250	250	30,610
Repayments	1,609	-	-	-	(2,867)	(6,790)	(7,509)	(7,535)	(7,258)	(3,256)	(2,214)	-	-	(35,822)
Final DIP Rollup	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Ending Balance	**11,715**	**14,293**	**18,254**	**23,472**	**22,569**	**18,718**	**13,065**	**9,071**	**3,357**	**1,932**	**3,292**	**3,542**	**3,792**	**3,792**
Total Ending Revolver & DIP Balance	**26,807**	**25,234**	**25,557**	**26,137**	**22,569**	**18,718**	**13,065**	**9,071**	**3,357**	**1,932**	**3,292**	**3,542**	**3,792**	**3,792**

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Exhibit 4

Chapter 11 Case Milestones

Each of the following DIP Milestones and Sale Milestones (each, a "***Chapter 11 Case Milestone***" and collectively, the "***Chapter 11 Case Milestones***"):

(a) The Debtors shall achieve each of the following milestones (the "***DIP Milestones***"), in each case on terms and conditions, and subject to documentation (including, in all cases, forms of all applicable orders of the Court) in form and substance, acceptable to the DIP Agent in all respects:

(i) On the Petition Date (*i.e.*, August 18, 2026), the Debtors shall file a motion with the Court seeking approval of the DIP Facility.

(ii) On or before August 20, 2026 (*i.e.*, 2 Business Days after Petition Date), the Court shall have entered the Interim Order authorizing the DIP Facility on an interim basis.

(iii) On or before October 15, 2026, the Court shall have entered the Final Order authorizing the DIP Facility on a final basis.

(b) The Debtors shall achieve each of the following milestones (the "***Sale Milestones***"), in each case on terms and conditions, and subject to documentation (including, in all cases, forms of all applicable orders of the Court) in form and substance, acceptable to the DIP Agent in all respects:

(i) On the Petition Date (*i.e.*, August 18, 2026), the Debtors shall file (i) a motion with the Court seeking, among other things, approval of bidding procedures governing the sale of all or substantially all of the Debtors' assets (the "***Bidding Procedures***" and such sale, the "***Sale***"), and (ii) a motion with the Court seeking, among other things, the Court's authorization of the Debtors' assumption of the Specified Sales Agreement (as defined in the DIP Credit Agreement).

(ii) On or before August 20, 2026 (*i.e.*, 2 Business Days after Petition Date), the Court shall have entered an order authorizing the Debtors' assumption of the Specified Sales Agreement on an interim basis.

(iii) On or before September 17, 2026 (*i.e.*, 21 Business Days after Petition Date), the Court shall have entered an order (i) approving the Bidding Procedures (the "***Bidding Procedures Order***"), and (ii) authorizing the Debtors' assumption of the Specified Sales Agreement on a final basis.

(iv) On or before October 15, 2026 (*i.e.*, 58 days after the Petition Date), the Court shall have entered one or more orders approving the Sale (each, a "***Sale Order***").

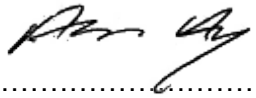
(v) On or before October 22, 2026 (*i.e.*, 65 days after the Petition Date), the Debtors shall have consummated the Sale(s) approved pursuant to the Sale Order.

The Debtors shall provide the DIP Agent (and any Agent Advisor (as defined in the DIP Credit Agreement)) with any information or materials reasonably requested by such Person in connection with the Debtors' progress on achieving any Chapter 11 Case Milestones.

The DIP Agent may in its sole and absolute discretion extend any of the Chapter 11 Case Milestones for a period of not more than ten (10) days or for such longer period with the consent of the Required Lenders.

Any amendments to the dates set forth in this Exhibit including to (a)(iii) shall be deemed modified and updated in the DIP Credit Agreement.

This is Exhibit “B” referred to in the affidavit of Adam Zalev, sworn October 8, 2026. The affiant was located in the City of Nashville, in the State of Tennessee and I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg, 431/20, Administering Oath or Declaration Remotely.



……...
A Commissioner for Taking Affidavits

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: BFG Supply Co., LLC, *et al.*, Debtors.[1]	Chapter 11 Case No. 26-11284 (___) (Joint Administration Requested) **Re: Docket No. __**

FINAL ORDER (I) AUTHORIZING CONTINUED (A) USE OF EXISTING CASH MANAGEMENT SYSTEM, BANK ACCOUNTS, AND BUSINESS FORMS AND PAYMENT OF RELATED PREPETITION OBLIGATIONS AND (B) PERFORMANCE OF INTERCOMPANY TRANSACTIONS IN THE ORDINARY COURSE OF BUSINESS, (II) GRANTING A LIMITED WAIVER OF SECTION 345(B) DEPOSIT AND INVESTMENT REQUIREMENTS, AND (III) GRANTING RELATED RELIEF

Upon consideration of the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of a final order (this "Final Order") (a) authorizing continued (i) use of the Debtors' existing Cash Management System, Bank Accounts, and Business Forms and payment of related prepetition obligations, (ii) performance of Intercompany Transactions and honoring certain related prepetition obligations, and (b) granting a waiver of thirty (30) days from the date of this Final Order to come into compliance with section 345(b), all as more fully set forth in the Motion; and upon consideration of the First Day Declaration; and the United States District Court for the District of Delaware having jurisdiction

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BFG Supply Co., LLC (6660); Bamboo Purchaser, Inc. (1173); BFG Purchaser Parent, Inc. (2451); BFG Supply Holdings, Inc. (4070); BFG Holdings I, Inc. (1502); BFG Supply Canada Holdings, Inc. (9737); De Cloet Greenhouse Mfg. Ltd. (N/A); BFG Kalamazoo, LLC (0121); BFG Logistics, LLC (4172); L&L Nursery Supply, Inc. (9972); Gard'N-Wise Distributors, Inc. (8418); International Greenhouse Contractors LLC (7313); Greenhouse Solutions, LLC (1860); Greenhouse Contracting Services, LLC (3738); Green-tek, LLC (8749); GROSouth, Inc. (4231); BFG VG Supply Acquisition, LLC (0219). The Debtors' service address in these chapter 11 cases is 4660 East Paris Avenue SE, Grand Rapids, Michigan 49512.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

to consider this Motion under 28 U.S.C. § 1334, which was referred to this Court under 28 U.S.C. § 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter a final order consistent with Article III of the United States Constitution; and this 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 this 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 this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and that no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor; it is HEREBY ORDERED THAT:

1. The Motion is granted on a final basis as set forth herein.

2. Pursuant to sections 105(a) and 363 of the Bankruptcy Code, the Debtors, in their discretion, subject to the terms and conditions of this Final Order, are authorized, but not directed, to (a) designate, maintain, and continue to use any and all of their Bank Accounts in existence as of the Petition Date, with the same account numbers, including the accounts identified in Exhibit C to the Motion; (b) close existing accounts; and (c) treat the Bank Accounts for all purposes as accounts of the Debtors in their capacity as debtors-in-possession; provided, however, that the Debtors are only authorized to open new bank accounts (i) after providing five (5) days advance

notice to the prepetition and DIP lenders, the Prepetition Term Loan Agent and the Prepetition Term Loan Lenders, the U.S. Trustee, and any statutory committee appointed in the Chapter 11 Cases; (ii) with a bank that (a) is organized under the laws of the United States of America or any state thereof, (b) is insured by the FDIC or CDIC, and (c) has executed, or is willing to immediately execute, a Uniform Depository Agreement with the U.S. Trustee for the District of Delaware; and (iii) that are designated "Debtor-in-Possession" accounts by the relevant bank.

3. In each instance in which the Debtors hold an account at a Bank that is a party to a Uniform Depository Agreement with the U.S. Trustee, as soon as possible after the date of entry of this Final Order, the Debtors shall (a) contact the Bank; (b) provide the Bank with each of the Debtors' employer identification numbers; and (c) identify each of their accounts held at the Bank as being held by a debtor-in-possession.

4. Notwithstanding the requirements of the U.S. Trustee Guidelines, except as expressly provided by separate order of the Court, the Debtors are not required to (a) close any or all existing bank accounts and open new debtor-in-possession accounts or (b) establish specific bank accounts for tax payments or cash collateral.

5. Subject to the requirements for opening new accounts in paragraph 2 hereof, the relief granted in this Final Order is extended to any new bank account opened by the Debtors after the date hereof and to the bank at which such account is opened.

6. The Bank Accounts are deemed debtor-in-possession accounts. The Debtors are authorized, but not directed, to maintain and use the Bank Accounts in the same manner and with the same account numbers, styles, and document forms as those employed prior to the Petition Date, including, without limitation (a) to deposit funds in, and withdraw funds from, the Bank Accounts by all usual means, including checks, wire transfers, automated clearinghouse ("ACH")

transfers, drafts, electronic fund transfers, and other debits or items presented, issued, or drawn on the Bank Accounts; (b) to pay postpetition ordinary course bank fees and service fees in connection with the Bank Accounts; (c) to perform their obligations under the documents and agreements governing the Bank Accounts, including without limitation, any prepetition cash management agreements or treasury services agreements; and (d) to treat the Bank Accounts for all purposes as accounts of the Debtors in their capacities as debtors-in-possession.

7. The Banks are authorized without the need for further order of this Court to in the ordinary course of business (a) continue to administer, service, and maintain the Bank Accounts as such accounts were administered, serviced, and maintained prior to the Petition Date without interruption and in the ordinary course; (b) receive, process, honor, and pay any and all checks, drafts, wires, ACH transfers, electronic fund transfers, payment orders, or other items presented, issued, or drawn on the Bank Accounts; and (c) debit the Bank Accounts for (i) all undisputed prepetition bank and service fees outstanding as of the date hereof, if any, owed to the Banks for the maintenance of the Cash Management System; (ii) all checks drawn on the Debtors' Bank Accounts which were cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; and (iii) all checks or other items deposited in one of the Debtors' Bank Accounts with such Bank prior to the Petition Date, which have not been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the applicable Debtor was responsible for such items prior to the Petition Date; provided, however, that checks, drafts, wires, electronic fund transfers (excluding any electronic fund transfers that the Banks are obligated to settle), or other items presented, issued, or drawn on the Bank Accounts prior to the Petition Date shall not be honored if (a) prohibited by

a "stop payment" request received by the Banks from the Debtors or (b) not supported by sufficient funds in the Bank Account in question.

8. Subject to the terms of this Final Order, the Banks are authorized, when requested by the Debtors, in the Debtors' discretion, to honor and process checks or electronic fund transfers drawn on the Debtors' Bank Accounts to pay prepetition obligations authorized to be paid hereunder, whether such checks or other requests were submitted prior to, or after, the Petition Date, provided that sufficient funds are available in the applicable Bank Accounts to make such payments. The Banks may rely on the representations of the Debtors with respect to whether any check or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to this Final Order, and Banks shall not be liable to any party on account of (a) following the Debtors' instructions or representations as to any order of this Court; (b) honoring any prepetition check or other item drawn on any account that is the subject of this Final Order in a good faith belief that the Court has authorized such prepetition check or item to be honored; and (c) an innocent mistake made despite implementation of reasonable item handling procedures.

9. The Banks are further authorized to (a) honor the Debtors' directions with respect to the opening or closing of any Bank Account and (b) accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions, and the Banks shall have no liability to any party for relying on such representations or instructions.

10. If any Bank Accounts existing as of the Petition Date are not in compliance with section 345(b) of the Bankruptcy Code or any of the U.S. Trustee's requirements or guidelines, the Debtors shall have thirty (30) days from the date of this Final Order to come into compliance with section 345(b) of the Bankruptcy Code and any of the U.S. Trustee's requirements or guidelines, without prejudice to the Debtors' ability to seek an additional extension or final waiver

of such requirements; provided that nothing herein shall prevent the Debtors, in consultation with the prepetition and DIP lenders, or the U.S. Trustee from seeking further relief from the Court to the extent that an agreement cannot be reached.

11. The Debtors are authorized, but not directed, to continue using the Credit Cards in the ordinary course of business and consistent with prepetition practices, including by paying to American Express and Visa prepetition and postpetition credit card obligations outstanding with respect thereto, subject to the limitations of this Interim Order and any other applicable interim and/or final orders of this Court.

12. The Debtors shall serve a copy of this Final Order on the Banks within forty-eight (48) hours of the entry of this Final Order and upon any bank at which the Debtors open a new bank account immediately upon the opening of such new account.

13. The Debtors are authorized to continue engaging in Intercompany Transactions by and among the Debtors in the ordinary course of business and on terms materially consistent with historical practices. Notwithstanding anything herein to the contrary, the Debtors may not materially amend, modify, change, or terminate their existing ordinary course practices with respect to Intercompany Transactions.

14. In connection with the Intercompany Transactions, the Debtors shall continue to maintain accurate and current records with respect to all transfers of cash and non-cash setoffs so that all prepetition and postpetition transactions, including the Intercompany Transactions, may be readily ascertained, traced, and recorded properly on applicable intercompany accounts and shall make such records promptly available to counsel to the prepetition and DIP lenders, the Prepetition Term Loan Agent and the Prepetition Term Loan Lenders, the U.S. Trustee, and any statutory

committee appointed in these cases upon request. For the avoidance of doubt, this Final Order does not authorize the set off of any postpetition obligations against any prepetition obligations.

15. The Intercompany Claims arising postpetition relating to the Intercompany Transactions shall have administrative expense priority status pursuant to section 503(b) of the Bankruptcy Code; provided that any such administrative expense claim shall be junior to the carve-out and approved superpriority administrative expense claims provided for under the DIP Order.

16. Subject to the terms of this Final Order, the Debtors are authorized to continue to use their existing Cash Management System as depicted on Exhibit D to the Motion. The Debtors may transfer funds into, out of, and through the Cash Management System using ordinary transfer methods in accordance with the Debtors' prepetition practice, subject to the terms of this Final Order. In connection with the ongoing use of their Cash Management System, the Debtors shall continue to maintain accurate and detailed records with respect to all transfers of cash so that all transactions may be readily ascertained, traced, and recorded properly and the Debtors may distinguish between prepetition and postpetition transactions. Subject to compliance with the terms of this Final Order, the Debtors, in consultation with the prepetition and DIP lenders and the Prepetition Term Loan Agent and the Prepetition Term Loan Lenders, and the Banks may agree, without further order of this Court, to implement any changes to the Cash Management System and procedures in the ordinary course of business that they deem appropriate, including, without limitation, closing any of the Bank Accounts or opening new bank accounts as set forth herein.

17. The Debtors are authorized, but not directed, to pay and/or reimburse the Banks for any Bank Account Claims arising prior to or after the Petition Date.

18. The Debtors shall not make any intercompany loans to non-debtor entities absent further Court order.

19. The Debtors are authorized, but not directed, to continue to use their existing Business Forms (including checks) without alteration or change and without the designation "Debtor-in-Possession" imprinted upon them; provided that once the Debtors have exhausted their existing stock of business forms, the Debtors shall ensure that any new business forms are clearly labeled "Debtor in Possession"; provided further that with respect to any business forms that exist or are generated electronically, to the extent reasonably practicable, the Debtors shall ensure that such electronic business forms are clearly labeled "Debtor-in-Possession" within ten (10) days after the date of this Final Order.

20. The Debtors shall give notice within 10 days of closing any bank accounts to the U.S. Trustee and any official committee appointed in the Chapter 11 Cases.

21. Notwithstanding anything herein to the contrary, the Debtors shall not close or implement any changes to the Term Loan Priority Account, absent further order of this Court or the prior written consent of the Prepetition Term Loan Agent and the Prepetition Term Loan Lenders.

22. Nothing in the Motion or this Final Order shall be construed to: (i) create or perfect, in favor of any person or entity, any interest in cash of a Debtor that did not exist as of the Petition Date or (ii) alter or impair the validity, priority, enforceability, or perfection of any security interest or lien or setoff right, in favor of any person or entity, that existed as of the Petition Date.

23. Nothing in the Motion or this Final Order, and no action taken by the Debtors pursuant to the relief requested or granted (including any payment made in accordance with any such order) is intended as or shall be construed or deemed to be (a) an admission as to the amount of, basis for, priority, or validity of any claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's

rights to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in the Motion or this Final Order; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; or (g) a waiver or limitation of any claims, causes of action, or other rights of the Debtors or any other party in interest against any person or entity under the Bankruptcy Code or any other applicable law.

24. The Court finds and determines that the requirements of Bankruptcy Rule 6003 are satisfied and that the relief requested is necessary to avoid immediate and irreparable harm.

25. Notwithstanding Bankruptcy Rule 6004(h), this Final Order shall be effective and enforceable immediately upon entry hereof.

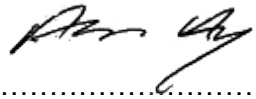
26. The Debtors are authorized to take all actions necessary to implement the relief granted in this Final Order.

27. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Final Order.

30. Notwithstanding the relief granted in this Final Order, any payment made or to be made by the Debtors pursuant to the authority granted herein, and any relief or authorization granted herein, shall be subject to and in compliance with each interim and final order entered by the Court in respect of *the Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Creditors, (III) Modifying the Automatic Stay, (IV)*

Scheduling a Final Hearing, and (V) Granting Related Relief (collectively, such interim and final orders, the "DIP Order"), including compliance with the Approved Budget (as defined in the DIP Order) in connection therewith and any other terms and conditions thereof. Nothing herein is intended to modify, alter, or waive, in any way, any terms, provisions, requirements, or restrictions of the DIP Order. To the extent there is any inconsistency between the terms of the DIP Order and the terms of this Final Order, or any action taken or proposed to be taken hereunder, the terms of the DIP Order and Approved Budget (as defined in the DIP Order) shall control.

This is Exhibit “C” referred to in the affidavit of Adam Zalev, sworn October 8, 2026. The affiant was located in the City of Nashville, in the State of Tennessee and I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg, 431/20, Administering Oath or Declaration Remotely.



……...
A Commissioner for Taking Affidavits

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: BFG Supply Co., LLC, *et al.*, Debtors.[1]	Chapter 11 Case No. 26-11284 (CTG) (Jointly Administered) **Re: Docket Nos. 17, 65** **Hearing Date: September 29, 2026 at 1:00 p.m. (ET)** **Objection Deadline: September 22, 2026**[2]

OBJECTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO THE DEBTORS' DIP FINANCING MOTION

The Official Committee of Unsecured Creditors (the "Committee") of BFG Supply Co., LLC, *et al.*, the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"), by and through its proposed undersigned counsel, hereby files this objection (the "Objection") to *Debtors' Motion For Entry of Interim and Final Orders Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "DIP Financing

[1] The Debtors in these chapter 11 cases are: BFG Supply Co., LLC; Bamboo Purchaser, Inc.; BFG Purchaser Parent, Inc.; BFG Supply Holdings, Inc.; BFG Holdings I, Inc.; BFG Supply Canada Holdings, Inc.; De Cloet Greenhouse Mfg. Ltd.; BFG Kalamazoo, LLC; BFG Logistics, LLC; L&L Nursery Supply, Inc.; Gard'N-Wise Distributors, Inc.; International Greenhouse Contractors, LLC; Greenhouse Solutions, LLC; Greenhouse Contracting Services, LLC; Green-Tek, LLC; GROSouth, Inc.; and BFG VG Supply Acquisition, LLC.

[2] Extended for the Committee by consent.

Motion").[3] In support of this Objection, the Committee submits the *Declaration of Derrick Laton in Support of the Objection of the Official Committee of Unsecured Creditors to the Debtors' DIP Financing Motion* attached hereto as **Exhibit 1** (the "Laton Declaration") and respectfully states as follows:

PRELIMINARY STATEMENT

1. The Committee is fully aware of the landscape of these cases. The Debtors began liquidating their assets prior to filing for bankruptcy. The Debtors entered bankruptcy with $343 million in purported prepetition secured debt and there is little likelihood that the ongoing sale and liquidation process will come close to generating sufficient value to satisfy such amount. Liquidation of the business in one form or another is inevitable.

2. Against this backdrop, the Committee approached these cases with a realistic lens and a good-faith commitment to preserving value. After negotiating improvements to the bid procedures and addressing routine second day matters, the Committee immediately focused on an exit strategy that would preserve remaining assets for unsecured creditors and wind down the estates. Rather than draining estate resources through contested litigation and a costly investigation, the Committee proposed a global settlement to the Debtors and the Prepetition Lenders that would resolve the Committee's issues with the DIP Financing Motion, establish a standstill on pending discovery, and provide a plan framework to efficiently conclude these cases. In a further effort to reach consensus, the Committee did not press its discovery demands while it waited for a counteroffer. These efforts were met with silence. After a week without a

[3] Docket No. 17. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms, as applicable, in the DIP Financing Motion or the interim order approving the DIP Financing Motion (the "Interim Order"). Docket No. 65.

counteroffer or meaningful engagement, the refusal of the Prepetition Lenders, and the Term Loan Lenders in particular, to negotiate left the Committee no choice but to file this Objection and move forward with discovery.

3. A lender has the right to seek to liquidate collateral in chapter 11. But the DIP Facility should not be allowed to serve as a bridge to nowhere for non-lender creditors. And the Prepetition Lenders should not be afforded broad, case determinative protections while committing to so little. The Prepetition Lenders could have foreclosed on their collateral outside of bankruptcy. They chose not to. Instead, they availed themselves of chapter 11 and the benefits afforded them under the Bankruptcy Code to enhance the value of their collateral as it is monetized in an orderly fashion to maximize their recovery. The *quid pro quo* is funding a sufficient process to ensure that other stakeholders are protected and that the estates can be appropriately wound down. The DIP Facility does neither. Once the DIP Facility is satisfied through the ongoing liquidation and sale process, there is no commitment from the Term Loan Lenders for any go-forward or wind down process.

4. The DIP Facility rolls up all $43 million under the existing ABL facility and provides, at most, $12 million in new money. Even that figure overstates the ABL Lenders' actual contribution. [redacted]. That raises the fundamental question as to why the Debtors need this DIP facility at all. Yet for minimal infusion of new money, the ABL Lenders seek broad protections: (i) DIP liens on all previously unencumbered assets, including avoidance actions and their proceeds, for the full amount of the ABL Facility; (ii) a predetermination that the Debtors' use of cash collateral and the imposition of the automatic stay constitute a diminution in value of collateral; and (iii) above-market fees of approximately $2 million. The proposed

exchange is disproportionate to the new money contribution under the DIP facility and should be rationalized.

5. More egregious, though, is the proposed adequate protection package for the Term Loan Lenders. To the extent their liens and claims are valid, the Term Loan Lenders are undersecured creditors contributing nothing to these cases: no new money, no new value, no consensual use of cash collateral, no wind down process and, ultimately, no benefit to the estates. Yet they seek default rate interest, payment of professional fees, adequate protection liens and superpriority claims on previously unencumbered assets, broad stipulations as to the validity of their liens and claims, releases, waivers of estates rights under sections 506(c) and 552(b) and limitation on the Committee's ability to effectively function.

6. The Term Loan Lenders seek all of this while at the same time refusing to engage in good faith negotiations with the Debtors and the Committee on a consensual exit strategy to preserve value for all creditors. Granting that package would give a deeply underwater constituency a windfall for providing nothing. This is not adequate protection; it is an unwarranted transfer of estate value. And the Term Loan Lenders want all of the benefits possible under a financing order while taking a wait and see approach on what they may or may not commit to after the DIP Facility is fully repaid. If the Term Loan Lenders want to take such an approach, they should also be forced to wait on their desired protections.

7. To be clear, the Committee supports the sale process and does not object to the DIP Facility in its entirety. But a process being conducted primarily for the benefit of the Prepetition Lenders—while offering no corresponding benefit to unsecured creditors—cannot justify one-sided terms. These chapter 11 cases are being run primarily, if not solely, to preserve and enhance the Prepetition Lenders' collateral. If they wish to use the chapter 11 process to

liquidate that collateral, they must pay the freight: fair treatment of administrative and priority claims, adequate funding for the Committee to fulfill its fiduciary duties, and a commitment to fund an orderly wind-down. They cannot shift those costs to the estates and unsecured creditors while extracting windfalls for lenders that provide no new value.

BACKGROUND

A. Procedural Background

8. On August 18, 2026 (the "Petition Date"), each of the Debtors filed with this Court a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Since the Petition Date, the Debtors have remained in possession of their assets and have continued to operate and manage their businesses as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

9. On September 1, 2026, the Office of the United States Trustee for Region 3 appointed a seven-member Committee consisting of: (i) The Scotts Company LLC; (ii) Roxul USA Inc.; (iii) Hawthorne Hydroponics LLC; (iv) Syngenta Crop Protection, LLC; (v) Everris NA Inc.; (vi) The HC Companies, Inc. d/b/a Growscape; and (vii) John L. Conley, Inc. d/b/a Conley's MFG & Sales.[4]

10. On September 2, 2026, the Committee selected Kelley Drye & Warren LLP as its lead counsel, Raines Feldman Littrell LLP as its Delaware co-counsel, and Province, Inc. as its financial advisor.

[4] Docket No. 98.

B. Company History and Events Leading to Bankruptcy

11. The Debtors have grown to become one of North America's largest wholesale distribution platforms serving the professional green industry. Since commencing operations in 1972 as a regional distributor in Burton, Ohio, the business expanded through numerous acquisitions into a network handling lawn and garden products, greenhouse supplies and structures, nursery and controlled-environment agricultural products, and related horticultural equipment.[5] As the Debtors admit, however, the expansion through acquisition strategy was not accompanied by an effective (if any) integration strategy, ultimately leading to the depletion of liquidity and the filing of these cases to liquidate a fractured business.

12. In January 2020, investment fund Incline Elevate Fund ("Incline") acquired the Debtors. Less than two years later, in November 2021, Incline sold the company to Pamplona Equity Partners, L.P. ("Pamplona") for an undisclosed amount.

13. To finance the Pamplona transaction as well as future acquisitions, the Debtors entered into: (i) a November 5, 2021 asset-based revolving credit facility (the "ABL Facility") with ACF Finco I LP (the "ABL Agent") and the lenders thereto (the "ABL Lenders"); and (ii) a November 5, 2021 term loan facility (the "Term Loan Facility" and, collectively with the ABL Facility, the "Prepetition Credit Facilities") with Ares Capital Corporation (the "Term Loan Agent") and the lenders thereto (the "Term Loan Lenders" and, together with the ABL Lenders, collectively, the "Prepetition Lenders").[6] The ABL Agent is an affiliate of Term Loan Agent and Term Loan Lender Ares Capital.

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5 *See Declaration of Adam Zalev in Support of the Debtors' Chapter 11 Petitions and First Day Motions* (the "First Day Declaration"), Docket No. 16, ¶¶ 8, 18.

6 *Id.* ¶¶ 31, 34-35, 40.

14. In connection with and following the Pamplona acquisition, the Debtors undertook a rapid series of acquisitions that expanded the business into new geographies, product categories, and service lines.[7] From April 2021 through June 2024, the Debtors acquired at least five distinct business lines, spanning regional distributors, greenhouse manufacturers, construction and installation services, and an eCommerce platform. While these acquisitions expanded the scope and complexity of the business, the Debtors concede they never developed unified processes or a management structure to properly integrate the businesses.[8] Instead, each successive acquisition compounded the problem by layering distinct business lines on top of earlier acquisitions that themselves had not been properly integrated.[9]

15. This invariably led to an unsustainable business structure. Revenue fell from approximately $581.5 million in fiscal year 2025 to approximately $536.5 million in fiscal year 2026—a drop of 8% in a single year.[10]

16. In November 2025, the Debtors recapitalized their debt structure. At the time, there was approximately $181 million outstanding under the Term Loan Facility. The Committee understands that funds associated with Ares Capital and Pamplona provided the company $60 million ($30 million of which came from Pamplona) and, for reasons yet to be explained, the existing term loans were exchanged on a cashless basis into two new tranches. Interest began accruing on a payment-in-kind basis with a 3.00% additional premium which caused the principal balance to balloon.[11] The Committee is currently investigating how this $60 million

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7 *Id.* ¶¶ 8, 19-21.

8 *Id.* ¶¶ 10, 21-22.

9 *Id.* ¶ 44.

10 *Id.* ¶ 46.

11 *Id.* ¶ 38.

was used over the last 11 months, and whether any portion thereof is subject to recharacterization, equitable subordination or is otherwise subject to challenge.[12]

17. Regardless of how it was used, the $60 million of additional funding from Ares and Pamplona proved insufficient to address short term liquidity needs. And as sales declined, availability under the asset-based ABL Facility was further restricted.[13]

18. Only 7 months later, on June 24, 2026, the ABL Agent called a default triggering a rapid spiral into chapter 11. One month later, the Debtors ceased normal operations and commenced an expedited liquidation process. The Debtors retained SB360 Capital Partners, LLC and Tiger Capital Group, LLC to conduct the liquidation sales and A&G Realty Partners, LLC to market their 3 owned and 16 leased facilities.

19. Less than two weeks prior to the Petition Date, on August 6, 2026, the Debtors retained SSG Advisors, LLC to begin marketing the Debtors' various businesses in parallel with the ongoing liquidation.

20. On August 12, 2026, the ABL Agent imposed default rate interest on the Debtors as they were actively pursuing restructuring alternatives.[14]

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12 As discussed herein, the Committee has yet to receive information regarding the Debtors' historic transactions.

13 *Id.* ¶ 47.

14 *Id.* ¶ 33.

C. The Debtors' Prepetition Debt

21. The Debtors entered bankruptcy with $343 million in secured debt, consisting of $43.1 million under the ABL Facility and $299.5 million under the Term Loan Facility.[15] The Prepetition Credit Facilities are purportedly secured by substantially all of the Debtors' assets.

22. The relative lien priorities and enforcement rights between the Prepetition Lenders are governed by an Intercreditor Agreement dated as of November 5, 2021.[16] Pursuant to the Intercreditor Agreement, the ABL Agent has a first priority lien on accounts receivable, inventory, cash, and deposit accounts (collectively, the "ABL Priority Collateral"), the Term Loan Agent has a first priority lien on certain other assets, including real estate, equipment, equity interests, and intellectual property (collectively, the "Term Loan Priority Collateral"), and each agent holds a second-priority lien on the other's priority collateral.[17]

23. As of the Petition Date, the Debtors' unsecured debt consisted primarily of trade payables to vendors and suppliers totaling at least $48.5 million, along with at least $1.93 million in employee-related obligations, approximately $459,000 in various tax obligations, and at least $46,500 in lease obligations.[18]

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15 *Id.* ¶¶ 30-31, 34-35, 40. The Term Loan Facility is comprised of Term Loans A of approximately $137.6 million and Term Loans B of approximately $161.8 million.

16 *Id.* ¶ 41.

17 *Id.*

18 *Id.* ¶ 42.

D. The DIP Financing Facility

24. The Debtors seek approval of a debtor-in-possession revolving credit facility (the "DIP Facility") from the ABL Agent and ABL Lenders. While facially $55 million, the DIP Facility is a creeping roll-up of the full $43 million ABL Facility (plus fees thereunder), providing at most $12 million of new money. As of September 11, the ABL Lenders advanced $[redacted] million under the DIP but were paid down more than $[redacted] million on the ABL Facility. For this net benefit reduction, the ABL Lenders seek fees of more than $2 million and continued accrual of interest.

25. The DIP Facility only provides funding to liquidate the Debtors' assets and does not provide committed liquidity to an exit strategy. While the Debtors proceed with efforts to preserve the value of, and monetize, the Prepetition Lenders' collateral, the DIP Facility provides no commitment for a wind down budget to ensure that administrative and priority claims will be satisfied and that these cases come to an appropriate conclusion. If and when the DIP Facility is satisfied through the ongoing liquidation and sale process, there is no commitment from Ares, in its capacity as Term Loan Agent and Lender, to permit the continued use of cash collateral or fund a wind down.

26. In exchange for, at best, temporary use of cash and potential incremental funding to liquidate the Prepetition Lenders' collateral solely for their benefit, the Prepetition Lenders will receive numerous protections:

- The ABL Lenders/DIP Lenders will receive new liens on all of the Debtors' assets, including previously unencumbered assets, for not just the new money funding under the DIP Facility but for the entirety of the ABL Facility;[19]

[19] Interim Order ¶ 6(a).

- The ABL Lenders will continue to receive default rate interest on the ABL Facility until rolled up into the DIP Facility;[20]

- The ABL Lenders/DIP Lenders will receive closing, exit, administrative, and other fees totaling $2 million and the payment of professional fees;[21]

- The ABL Lenders and Term Loan Lenders will receive a predetermination of diminution in value of collateral for the sale, lease or use of such collateral and the imposition of the automatic stay without the need to prove such diminution;[22]

- The Term Loan Lenders will receive adequate protection liens, and superpriority claims on previously unencumbered assets, including on avoidance actions and the proceeds therefrom;[23]

- The Term Loan Lenders will be entitled to ongoing accrual of interest and payment of professional fees without the need to demonstrate they are oversecured;[24]

- All lenders will receive advance waivers of section 506(c) surcharge rights, the equities of the case exception in section 552(b), and the equitable doctrine of marshaling;[25] and

- The Committee will be limited to a $50,000 investigation budget to investigate the claims and liens of the Prepetition Lenders across multiple facilities.[26]

E. The Committee's Efforts to Date

27. Promptly following the Committee's selection of professionals on September 2, 2026, the Committee engaged the Debtors in discussions regarding the path forward in these chapter 11 cases. The Committee worked collaboratively with the Debtors to consensually

[20] *Id.* ¶ 12(b).

[21] *See* DIP Credit Agreement § 2.11.

[22] *See* Interim Order ¶ 12.

[23] *Id.* ¶¶ 12(a), (c).

[24] *Id.* ¶ 12(b).

[25] *Id.* ¶¶ 35-37.

[26] *Id.* ¶ 32.

resolve the Debtors' operational second-day orders and bid procedures, obviating the need for a contested hearing on these matters.

28. Given the proposed expedited timeline, the Committee promptly initiated an investigation into the Debtors' history and the events leading to bankruptcy and, on September 7, sent initial informal discovery requests to the Debtors. To date, the Committee has received only limited responses.

29. Recognizing the economic realities of these chapter 11 cases, the Committee also promptly commenced efforts to negotiate a quick, global resolution with the Debtors and the Prepetition Lenders that would provide for an efficient wind down of these cases once the sale process concluded through a liquidating plan that would preserve potential value for all stakeholders. The Committee had productive discussions with the Debtors and was led to believe that the Prepetition Lenders were also receptive to a settlement that would eliminate the costs of a contested chapter 11 process, including a contested DIP, potential lien challenges and a broader Committee investigation.

30. The Committee delivered a settlement term sheet to the Debtors on September 9, which the Committee understands was transmitted to the Prepetition Lenders shortly thereafter. Having been led to believe the Prepetition Lenders were receptive to engaging in settlement discussions, the Committee refrained from pursuing formal discovery or seeking to expedite the Debtors' production in response to the Committee's initial informal requests in order to preserve estate resources. However, a week went by without a response. It was not until September 16 that the Committee was informed by the Debtors that Ares had no interest in engaging in case settlement discussions.

OBJECTION

31. To obtain postpetition financing under section 364(d) of the Bankruptcy Code, a debtor must prove, among other things, that the terms of the financing are fair, reasonable and adequate.[27] Financing provisions that "tilt the conduct of the bankruptcy case" or "prejudice, at the early stage, the powers and rights that the Bankruptcy Code confers for the benefit of all creditors" are disfavored.[28] Moreover, a debtor must demonstrate that the proposed financing is "in the best interest of creditors generally."[29] Debtor-in-possession financing should only be approved if it is fair and reasonable under the circumstances, comports with basic notions of fairness and equity, and will ultimately inure to the benefit of the estates.[30]

32. Courts routinely recognize that "[d]ebtors in possession generally enjoy little negotiating power with a proposed lender, particularly when the lender has a prepetition lien on cash collateral."[31] However, this does not eliminate the obligation of a debtor to negotiate a fair financing package for the benefit of all stakeholders. A debtor's obligations to justify the terms of a proposed financing and to administer the estates for the benefit of all creditors are not abrogated simply because its financing options may be limited.[32]

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27 *See In re Ames Dep't Stores, Inc.*, 115 B.R. 34, 37 (Bankr. S.D.N.Y. 1990).

28 *Id*.

29 *In re Roblin Indus., Inc.*, 52 B.R. 241, 244 (Bankr. W.D.N.Y. 1985) (citing *In re Vanguard Diversified, Inc.*, 31 B.R. 364, 366 (Bankr. E.D.N.Y. 1983)); *see also In re Tenney Vill. Co., Inc.*, 104 B.R. 562, 569 (Bankr. D.N.H. 1989)("The Debtor's pervading obligation is to the bankruptcy estate and, derivatively, to the creditors who are its principal beneficiaries").

30 See *In re Aqua Assocs.*, 123 B.R. 192, 196 (Bankr. E.D. Pa. 1991); *Ames*, 115 B.R. at 37-40.

31 *In re Def. Drug Stores, Inc.*, 145 B.R. 312, 317 (B.A.P. 9th Cir. 1992).

32 *See In re LandSource Comtys. Dev., LLC*, Case No. 08-11111 (KJC) (Bankr. D. Del. July 14, 2008), Docket No. 331, Hr'g Tr. 206:12-16 ("The standard here is not that there's only one option available to the Debtor, and therefore the Court has to approve it. In my view such an arrangement has to be fair and reasonable under the circumstances. And I don't think this proposed D-I-P financing is."). All hearing transcripts cited herein are available upon request.

33. The proposed DIP package as a whole is not a reasonable financing proposal designed to benefit all creditors. The DIP Facility itself provides limited to no actual incremental funding but at a significant cost. The Debtors have not established the need for actual new money financing as opposed to simply the continued use of cash collateral. This is evidenced by the simple fact that as of September 11, the Debtors had already paid down the ABL Facility by more than $[redacted] million against new DIP borrowings of only $[redacted] million. As a result, the above market fees and new liens in previously unencumbered assets under the DIP Facility are inappropriate and should be rationalized by the Court.

34. If these were the only issues, the Committee is confident it could resolve matters consensually with the Debtors and the ABL Agent. More troubling, however, are the broad protections afforded the Term Loan Lenders for providing virtually nothing. The proposed final order does not ensure the payment of administrative claims and provides no reserve or funding commitment to wind down these estates. At the end of the proposed DIP budget period, only $[redacted] million is projected to be outstanding under the DIP Facility. What happens then is unclear. Assuming that there will be sufficient additional proceeds, either from liquidation or going concern sales, to fully satisfy the DIP Facility, there is no commitment from the Term Loan Lenders, which include equity holders and affiliates of the DIP and ABL Agent, to continue to allow the estates to use cash collateral or to fund an effective wind down of the estates. This uncertainty will only result in a subsequent round of negotiations on continued use of cash collateral that will further drain the estates of resources.

35. The Committee sought to address these broader case issues now as part of a global case settlement that would minimize professional fees for the benefit of all stakeholders. Those efforts failed. The Term Loan Lenders have refused to engage and prefer to take a wait and

see approach. The Court should take the same approach with respect to the Term Loan Lenders. Other than replacement liens for proven diminution in value, the Term Loan Lenders should not be granted any further protections. They should not receive the benefits of the Debtors' stipulations or the imposition of a challenge period. They should not receive new liens on previously unencumbered assets. They should not receive the payment of interest and fees. And they should not receive the benefits of the advance waiver of estate rights under sections 506(c) and 552(b).

A. The DIP and Term Loan Lenders Must Commit to an Appropriate Wind Down

36. One of the Committee's core concerns is the lack of an agreed to exit strategy. While the Committee's investigation efforts have been stymied to date, the Committee believes there may be valuable assets, including potential litigation claims, that are not subject to the Prepetition Lenders' prepetition liens and should be preserved for the benefit of all stakeholders. The appropriate mechanism to do so is a simple liquidating plan that preserves these assets for future pursuit through a more cost-effective vehicle. The Committee proposed this. The Term Loan Lenders refused to engage. To the extent the Prepetition Lenders seek to utilize the chapter 11 process for their benefit, the *quid pro quo* should be a commitment to fund the plan process through the DIP Facility and the consensual use of cash collateral beyond the repayment of the DIP Facility.[33]

[33] *See, e.g.*, *In re Golden Cnty. Foods, Inc.*, Case No. 15-11062 (KG) (Bankr. D. Del. June 22, 2015), Docket No. 175 (final DIP financing order required that sale proceeds in excess of postpetition financing obligations be available to pay administrative expense claims prior to the payment of certain alleged prepetition secured debt); *In re NEC Holdings Corp.*, Case No. 10-11890 (KG) (Bankr. D. Del. July 13, 2010), Docket No. 224, Hr'g Tr. at 100:17-20 (secured creditors have "got to pay the freight, and . . . the freight is certainly an administratively solvent estate."); *In re Townsends, Inc.*, Case No. 10-14092 (CSS) (Bankr. D. Del. Jan. 21, 2011), Docket No. 338, Hr'g Tr. at 23:25-24:22 (in response to the statement of debtors' counsel that section 503(b)(9) claims would not be paid in full, the Court stated: "Well, we've got a problem. Not going to run an administratively insolvent estate."); *In re AFA Invs. Inc., Case No. 12-11127 (MFW) (Bankr. D. Del. July*

37. Absent such commitment, the estates should not be forced to broadly waive the various rights afforded by the Bankruptcy Code, including those under sections 506(c) and 552(b), or the equitable doctrine of marshaling.[34] Section 506(c) allows a party to charge the costs of preserving or disposing of a secured lender's collateral against the collateral itself.[35] This provision ensures that the cost of liquidating or preserving a secured lender's collateral is not paid from other creditor's recoveries.[36] Furthermore, there is a long-standing practice in this Court to not grant such waivers over unsecured creditors' committee opposition.[37]

38. A waiver by the Debtors would be binding on all interested parties, an outcome which should only be granted for compelling reasons.[38] The section 506(c) waiver must be preserved so that, at a minimum, the costs of maintaining essential business operations, paying

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12, 2012), Docket No. 485, Hr'g Tr. 45:24-46:1, 17-19 (requiring sale proceeds to be held in escrow pending resolution of administrative claims).

34 *See* Interim Order ¶¶ 35-37.

35 *See* 11 U.S.C. § 506(c).

36 *See, e.g., Precision Steel Shearing v. Fremont Fin. Corp. (In re Visual Indus., Inc.)*, 57 F.3d 321, 325 (3d Cir. 1995) (noting that section 506(c) "is designed to prevent a windfall to the secured creditor"); *Kivitz v. CIT Grp./Sales Fin., Inc.*, 272 B.R. 332, 334 (D. Md. 2000) ("[T]he reason for [section 506(c)] is that unsecured creditors should not be required to bear the cost of protecting property that is not theirs.").

37 *See, e.g., In re Mortg. Lenders Network, USA, Inc.*, Case No. 07-10146 (PJW) (Bankr. D. Del. Mar.20, 2007) Docket No. 346, Hr'g Tr. at 21:7-13 (noting that without the committee's prior approval, the section 506(c) waiver may not be approved); *In re NEC Holdings Corp., et al.*, Case No. 10-11890 (PJW) (Bankr. D. Del. July 13, 2010), Docket No. 224, Hr'g Tr. at 101:7-13 (Judge Sontchi acknowledging that "this is a position I inherited from Judge Walsh years ago, and I agree with it, which is basically you don't give a 506 waiver over an objection by the committee. And if necessary, we'll have a . . . hearing on 506(c) . . . ."); *In re AIO US, Inc. et al.*, Case No. 24-11836 (CTG) (Bankr. D. Del. Sept. 26, 2024), Docket No. 237, Hr'g Tr. at 238:7-17 (Judge Goldblatt addressing a request for a waiver over committee objection: ". . . the custom in this Court, from Judges who have been on it longer than me, is that that is the kind of thing that we typically do not provide for without the consent of the committee."); *In re Casa Sys., Inc., et al.*, Case No. 24-10695 (KBO) (Bankr. D. Del. May 3, 2024), Docket No. 290, Hr'g Tr. at 36:6-10 ("With respect to the waivers, there, I don't believe, has been a case -- and it starts with Judge Walsh's statement, long, long ago, that he will never approve waivers over a Committee objection, and I don't think we deviate as a collective Court here from that position."). Transcripts are not attached hereto but can be provided to the Court or parties in interest upon request.

38 *See, e.g., Hartford Underwriters Ins. Co. v. Union Planters Bank, N.A.*, 530 U.S. 1, 11–12 (2000)(in the context of considering the use of 506(c), positing that a trustee "is obliged to seek recovery . . . whenever his fiduciary duties so require").

rent, running a sale process and all other administrative costs of these cases—which preserve the value of the Prepetition Collateral—will not be borne by the estates and the unsecured creditors.[39] At a minimum, the Prepetition Lenders should commit to paying what should be minimal stub rent and section 503(b)(9) claims promptly—rather than waiting until the end of these cases after significant payments are made to the Prepetition Lenders.[40] More broadly, without a commitment by the Term Loan Lenders to continue to allow the estates to use cash collateral beyond the repayment of the DIP Facility, the 506(c) waiver for the benefit of the Term Loan Lenders is wholly inappropriate and should be denied.

39. The Debtors request to waive the "equities of the case" exception under section 552(b) of the Bankruptcy Code is similarly improper. Section 552(b) expressly reserves for the Court's sound discretion the ability to consider the effect of prepetition liens on post-petition property. Prospective waivers of this exception are inappropriate.[41] At a minimum, any finding by the Court to waive the exception must be based on a robust factual record and should be without prejudice to the Committee's right to seek relief under section 552(b) based on facts that may arise after entry of the order.[42]

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39 *See In re Domistyle, Inc.*, 811 F.3d 691, 696 (5th Cir. 2015) (emphasizing the "unfairness" which "can be avoided by a surcharge"); *In re Codesco, Inc.*, 18 B.R. 225, 230 (Bankr. S.D.N.Y. 1982) ("The underlying rationale for charging a lienholder with the costs and expenses of preserving or disposing of the secured collateral is that the general estate and unsecured creditors should not be required to bear the cost of protecting what is not theirs.").

40 *See supra* note 33.

41 *See, e.g., Sprint Nextel Corp. v. U.S. Bank Nat'l Ass'n (In re TerreStar Networks, Inc.)*, 457 B.R. 254, 272-73 (Bankr. S.D.N.Y. 2011) (denying request for 552(b) waiver as premature because factual record was not fully developed); *In re Metaldyne Corp.*, No. 09-13412 MG, 2009 WL 2883045, at *6 (Bankr. S.D.N.Y. June 23, 2009) (declining to waive equities of the case exception in connection with approval of debtor's use of cash collateral).

42 *See In re Excel Maritime Carriers, Ltd.*, Case No. 13-23060 (RDD) (Bankr. S.D.N.Y. Aug. 6, 2013), Docket No. 133 ¶ 7 ("the limitation set forth in the preceding sentence shall be without prejudice to a party's right to seek relief under section 552(b) based on materially different facts that arise after the date of this Final Order").

40. Similarly, the right to invoke the equitable doctrine of marshaling must be preserved. Marshaling requires a secured creditor to first seek recovery from assets against which other creditors do not have a claim before looking to common assets.[43] It "prevent[s] the arbitrary action of a senior lienor from destroying the rights of a junior lienor or a creditor having less security."[44] It is well settled that bankruptcy courts can marshal a debtor's assets to effectuate an equitable distribution to creditors.[45]

41. There is little chance that the liquidation and sale proceeds will be sufficient to satisfy the Term Loan debt. Given this reality, unencumbered assets may be the only source of creditor recoveries. The waiver of marshaling could significantly harm unsecured creditors. Conversely, there is a minimal burden on either the ABL Lenders or the Term Loan Lenders by requiring them to first look to existing collateral to satisfy their existing pre-petition secured debt.

B. The DIP Facility and Adequate Protection Liens are Overbroad

42. The proposed blanket lien on all of the Debtors' assets for the benefit of the DIP Lenders for the entirety of the DIP Facility is both inappropriate and unnecessary. As noted, the $55 million DIP Facility includes a $43 million roll-up of the ABL Facility. Given the case circumstances, the Committee does not understand the DIP Lenders' need for new liens on assets that were not previously encumbered as the aggregate balance of the DIP Facility and ABL Facility is declining. However, to the extent the Court were to grant such liens, they should not extend to

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[43] *See In re Advanced Marketing Servs., Inc.*, 360 B.R. 421, 427 n.8 (Bankr. D. Del. 2007) ("[Marshaling] requires the senior secured creditor to first collect its debt against the collateral other than that in which the junior secured creditor holds an interest, thereby leaving that collateral for the junior secured creditor's benefit.") (citation omitted); *see also In re Tampa Chain Co.*, 53 B.R. 772, 777 (Bankr. S.D.N.Y. 1985) (*citing* 2 J. Story, *Commentaries on Equity* Jurisprudence 230 (1884)); *Cannon v. Hudson*, 5 Del. Ch. 112, 116 (1876).

[44] *See Meyer v. United States*, 375 U.S. 233, 236 (1963).

[45] *See Tampa Chain Co.*, 53 B.R. at 777.

avoidance actions. Avoidance powers are intended to allow a debtor-in-possession or a trustee to recover certain payments for the benefit of unsecured creditors.[46] Avoidance actions should not be pursued for the exclusive benefit of a secured creditor.[47] Moreover, avoidance actions belong to the Debtors' creditors, not the Debtors.[48] Thus, the Debtors should not be authorized to grant a lien on avoidance actions or their proceeds. To the extent the Court determines that the ABL Lenders or the Term Loan Lenders are entitled to a lien against these assets, the Committee requests that the Court require such lenders to first marshal against previously encumbered assets and look to such unencumbered assets last.

43. With respect to the balance of the ABL Facility and the entirety of the Term Loan Facility, the Committee also opposes the grant of any liens on any previously unencumbered assets. There is no reason to enhance the lien package on the outstanding balance of the ABL Facility, which only serves to cure prior defects and acts as an improper form of after-the-fact cross-collateralization.[49] Such liens and claims are inappropriate and contrary to the interests of the Debtors' estates and unsecured creditors. The ABL Lenders negotiated their collateral package

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46 *See Buncher Co. v. Official Comm. of Unsecured Creditors of GenFarm Ltd. P'ship IV*, 229 F.3d 245, 250 (3d Cir. 2000) (stating, "when recovery is sought under section 544(b) of the Bankruptcy Code, any recovery is for the benefit of all unsecured creditors"); *Mellon Bank, N.A. v. Glick (In re Integrated Testing Prods. Corp.)*, 69 B.R. 901, 904 (D.N.J. 1987) (finding that only the trustee, acting on behalf of all creditors, has a right to recover payments made as preferences).

47 *See id.*

48 *See Official Comm. of Unsecured Creditors of Cybergenics Corp. v. Chinery (In re Cybergenics Corp.)*, 226 F.3d 237, 243-47 (3d Cir. 2000) (holding that a fraudulent transfer claim belongs to creditors and not to a chapter 11 debtor-in-possession); *Official Comm. of Unsecured Creditors v. Gold Electronics Corp. (In re Gold Electronics Corp.)*, 1993 WL 408366, *3-4 (N.D. Ill. Sept. 22, 1993) (vacating lien on preference actions granted under financing order).

49 *See Resolution Tr. Corp. v. Swedeland Dev. Grp., Inc. (In re Swedeland Dev. Grp., Inc.)*, 16 F.3d 552, 564 (3d Cir. 1994) ("[T]he whole purpose of adequate protection for a creditor is to insure that the creditor receives the value for which he bargained prebankruptcy."); *see also In re Emerge Energy Services L.P.*, No. 19-11563 (KBO) (Bankr. D. Del. Aug. 14, 2019), Docket No. 209 ¶¶ 12, 13(a)(i) (granting DIP liens and a DIP superpriority claim on unencumbered assets only for new money loans).

prepetition and should not be permitted to enhance their position based on, at best, theoretical incremental DIP funding.

C. The DIP Fees are Above Market

44. The upfront fee, unused line fee, collateral management fee, and exit fee, which collectively total approximately $2 million, are not market. As noted above, it is entirely unclear if any DIP funding is needed in these cases. Even if it is, the total fees of approximately $2.0 million equate to 3.6% of the total committed amount, which is significantly higher than the 1.0% mean rate, or $756,000, approved by courts in similar cases.[50]

D. Adequate Protection Should Be Limited

45. Both the ABL Lenders (while the ABL Facility is outstanding) and the Term Loan Lenders seek numerous forms of adequate protection. Specifically, the proposed adequate protection package for the Prepetition Lenders includes: (a) adequate protection liens on all DIP Collateral, including previously unencumbered assets, such as avoidance actions and commercial tort claims; (b) superpriority administrative expense claims under section 507(b) of the Bankruptcy Code, with recourse to all prepetition and postpetition property of the Debtors, including avoidance action proceeds; (c) advance waivers of sections 506(c) surcharge rights, the "equities of the case exception" of 552(b) of the Bankruptcy Code, and the equitable doctrine of marshaling; (d) for the ABL Lenders, cash payment of interest on the ABL Facility obligations at the default rate and payment of all fees and expenses of the ABL Agent; and (e) for the Term Loan Lenders, continued accrual of interest on the Term Loan obligations at the default rate—absent any demonstration that

[50] *See* Laton Declaration ¶ 9.

the Term Loan Lenders are oversecured under 506(b) of the Bankruptcy Code—and payment of all fees and expenses of the Term Loan Agent.

46. While such protections are somewhat less concerning for the ABL Facility, they are vastly overbroad when it comes to the Term Loan Facility. Sections 362(d)(1) and 363(e) of the Bankruptcy Code provide for the possibility of adequate protection to protect a secured creditor's interests in property. The purpose of adequate protection is to "insure that the creditor receives the value for which he bargained prebankruptcy" by "provid[ing] the pre-petition secured creditor with the same level of protection it would have had if there had not been post-petition" use of cash collateral.[51] It is "not designed to either enhance a lender's protections or to disadvantage administrative and unsecured creditors."[52]

47. To be entitled to any form of adequate protection, the secured creditor bears the initial burden to demonstrate that adequate protection is necessary, such as by showing a likelihood of diminution in collateral value.[53] Even if a secured lender satisfies this initial burden, the ultimate burden is on the debtor to show that the adequate protection package is appropriate under the circumstances.[54]

48. Neither the Debtors nor the Prepetition Lenders have met their burden here. Although the First Day Declaration concludes that management determined that "the proposed DIP Facility constitutes the best financing reasonably available to the Debtors under the

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51 *Swedeland*, 16 F.3d at 564.

52 *See In re Energy Future Holdings Corp.*, 546 B.R. 566, 581 (Bankr. D. Del. 2016); *United Sav. Ass'n of Tex. v. Timbers of Inwood Forest Assocs., Ltd.*, 484 U.S. 365, 368 (1988).

53 *See In re Gunnison Ctr. Apartments, LP*, 320 B.R. 391, 396 (Bankr. D. Colo. 2005); see also 11 U.S.C. § 363(p)(2) ("[T]he entity asserting an interest in property has the burden of proof on the issue of the validity, priority, or extent of such interest.").

54 *See In re Cont'l Airlines, Inc.*, 146 B.R. 536, 539 (Bankr. D. Del. 1992); *see also* 11 U.S.C. § 363(p)(1).

circumstances,"[55] neither the First Day Declaration nor the declaration submitted in support of the DIP Financing Motion attempt to justify the adequate protection package.[56] The Gupta Declaration likewise fails to articulate any basis for actual or threatened diminution in the value of the Prepetition Collateral.[57]

49. To the contrary, the Debtors' Proposed DIP Budget projects $34.4 million in net positive cash flow over the 15-week budget period. That operating surplus, however, does not remain available to the estates—it is swept dollar-for-dollar to pay down the approximately $43 million outstanding under the ABL Facility, directly enhancing the ABL Lenders' recovery rather than diminishing their collateral.[58] This cash sweep also clears the way for the Term Loan Lenders to receive a first priority lien on the Debtors' collection accounts, which will allow them to benefit from the Debtors' collections through the closing of a sale of substantially all assets, again enhancing rather than diminishing their collateral. And, under the Interim Order, any proceeds from the liquidation of Term Loan Priority Collateral, including the Debtors' owned real estate, is segregated and allocated directly to the Term Loan Lenders. The chapter 11 tools are, therefore, preserving the going-concern value of the Prepetition Collateral. Neither the ABL Lenders nor the Term Loan Lenders, therefore, are entitled to a presumption of diminution to justify broad adequate protection.

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55 First Day Declaration ¶ 73.

56 See *Declaration of Neil Gupta in Support of the Debtors' Motion Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors To (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection To Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 18] (the "Gupta Declaration").

57 *Cf.* Gupta Decl. ¶¶ 6-14 (discussing only the Debtors' need for financing and the terms of the DIP Facility, without addressing diminution of any collateral value).

58 *See* DIP Financing Motion ¶ 3; Interim Order ¶ G(iv).

(i) Inappropriate Predetermination of Diminution in Value

50. The Prepetition Lenders go well beyond a presumption of diminution. They instead seek an inappropriate predetermination as to their rights to adequate protection on account of the Debtors' use of cash collateral and the imposition of the automatic stay. The Interim Order defines "Diminution in Value" broadly to encompass, among other things, "the imposition of the automatic stay" and "the Debtors' use, sale, lease, depreciation, or disposition of the Prepetition Collateral and Cash Collateral"—effectively pre-supposing diminution in value without requiring the Prepetition Lenders to prove or quantify any actual diminution.[59] The Prepetition Lenders bear the ultimate burden of demonstrating that diminution has occurred and by how much. While section 361 of the Bankruptcy Code allows for adequate protection if there is a decline in the value of a lender's collateral, the Prepetition Lenders must "prove this decline in value—or the threat of a decline—in order to establish a *prima facie* case."[60]

51. In order to ensure there is no prejudgment as to what does or does not result in such a decline, the final order should be modified to provide that adequate protection is being provided "solely to the extent of any proven diminution in value of their respective interest in the Prepetition Collateral (including cash collateral) from and after the Petition Date for any reason provided under the Bankruptcy Code." Such language maintains the status quo and preserves all parties' rights to the extent any Prepetition Lender asserts a diminution claim.

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[59] Interim Order ¶ 12.

[60] *In re Gunnison Ctr. Apartments., LP*, 320 B.R. 391, 396 (Bankr. D. Colo. 2005); *In re Elmira Litho, Inc.*, 174 B.R. 892, 902 (Bankr. S.D.N.Y. 1994).

(ii) Term Loan Lenders' Overbroad Adequate Protection Package

52. While the Committee does not oppose the granting of replacement liens if there is a Court determined diminution in the value of the Term Loan Lenders' prepetition collateral, the Term Loan Lenders should not receive any further form of adequate protection because they are not providing anything of value to the estates. The Term Loan Lenders will not commit to the use of cash collateral after the DIP Facility is repaid. They will not commit to pay the freight and provide assurances of administrative solvency. They will not commit to winding down these estates in a reasonable fashion. They will not even engage in discussions with the Debtors and the Committee regarding a plan and exit strategy. They cannot, in good faith, contend they are oversecured. Under these facts, the Term Loan Lenders are not entitled to adequate protection.

53. Instead, the Term Loan Lenders seek the full panoply of protections. The Term Loan Lenders seek continued accrual of interest on Term Loan obligations at the default rate and payment of fees, costs, expenses, and charges of the Term Loan Agent.[61] Pursuant to section 506(b) of the Bankruptcy Code, postpetition interest and reasonable fees are warranted only "[t]o the extent that an allowed secured claim is secured by property the value of which . . . is greater than the amount of such claim."[62] The Term Loan Lenders are undersecured and an undersecured creditor is not entitled to postpetition interest as adequate protection.[63]

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61 Interim Order ¶ 12(b)(ii)-(iii)

62 11 U.S.C. § 506(b).

63 *United Sav. Ass'n of Tex. v. Timbers of Inwood Forest Assocs., Ltd.*, 484 U.S. 365, 372–73, 382 (1988) (holding that an undersecured creditor is not entitled to post-petition interest as adequate protection). If the Court does approve such adequate protection now, the fees and expenses of the Term Loan Agent should be capped and subject to recharacterization or disgorgement.

54. As discussed above, the Term Loan Lenders should also not receive advance waivers of sections 506(c) and 552(b) of the Bankruptcy Code as a form of adequate protection. Similarly, given the complete lack of consideration being offered by the Term Loan Lenders, they should not receive the benefit of the Debtors' stipulations regarding the Term Loan Lenders' liens and claims nor should they receive the benefit of a challenge period limitation on the Committee and other stakeholders.[64] If the Term Loan Lenders want to take a wait and see approach before committing to a fair and appropriate process and wind down, then they should be forced to take a similar approach with respect to the protections they seek as part of the final DIP order.

(iii) The Committee Budget is Insufficient

55. While not a direct form of adequate protection, the Prepetition Lenders benefit from an artificially small Committee budget while reaping benefits of the advance waiver of the estates' 506(c) surcharge rights discussed above. The Committee professionals are allocated only $1.1 million for counsel and its financial advisor which is approximately 24% of the $4.7 million allocated for the Debtors' professionals, which amount excludes prepetition amounts and retainers paid to the Debtors' professionals. The Committee attempted to negotiate an expedited global resolution to preserve the estates. The Term Loan Lenders were not interested but want to improperly constrain the Committee from fulfilling its statutory duties to unsecured

64 While the Committee tried to broker a global resolution, which it was led to believe was supported by the Term Loan Lenders, it lost valuable time. To the extent, therefore, the Court imposes a challenge period on the Committee with respect to the Term Loan Lenders' liens and claims, the Committee requests an additional two weeks, until November 17, to commence a Challenge.

creditors, including conducting a robust investigation into the Prepetition Lenders' historical conduct. through a restrictive budget.[65]

56. To the extent the parties cannot reach consensus on the budgeted fees for the Committee professionals, the Committee requests that this Court disregard the existing professional budget allocation and require all estate-retained professionals to share *pro rata* in the amount designated to pay such professionals. Courts have found that where the budget insufficiently provides for payment of a committee's professionals, particularly in comparison to the amount provided for the debtors' professionals, it is appropriate to require the professionals to share in the total budgeted amount.

57. For example, the court in *In re Blink Holdings*, another case in this District, recently found that the fee budget allocated to committee counsel in that case was insufficient, unfair, and potentially prejudiced the committee of unsecured creditors.[66] To address the disparity, the court required the estate professionals to share in a single pool set aside for professional fees *pro rata*.[67] The Committee requests that this Court fashion a similar remedy if the parties cannot reach an agreement on the amounts budgeted for the Committee's professionals.

58. Furthermore, the Committee's professionals are allocated only $50,000 to investigate the prepetition liens and claims of the Prepetition Lenders, including the refinancing in November 2025. This amount is insufficient and should be increased to $150,000.

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65 *See Motorola, Inc. v. Official Comm. of Unsecured Creditors (In re Iridium Operating LLC)*, 478 F.3d 452, 466 (2d Cir. 2007) (unsecured creditors' committees have a fiduciary duty to maximize unsecured creditor recoveries for the debtor's estate); *Value Prop. Tr.t v. Zim Co. (In re Mortg. & Realty Tr.)*, 212 B.R. 649, 653 (Bankr. C.D. Cal. 1997) (noting that the committee has many functions . . . "it investigates, it appears, it negotiates, it may litigate, and it is at all times intimately involved in the reorganization").

66 *See In re Blink Holdings, Inc.*, Case No. 24-11686 (JKS) (Bankr. D. Del. Sept. 18, 2024), Docket No. 393.

67 *Id.*

E. Other Objectionable Provisions

- Committee Notices: The final order must require the Debtors to provide copies to the Committee of all notices, reports, forecasts, amendments, and other documents the Debtors deliver to the DIP Agent under the final order or DIP Credit Agreement.

- Releases: Section F(vi) of the Interim Order is overbroad because it provides that the Debtors have no valid claims with respect to the prepetition documents and liens, "or otherwise."

- Released Parties: Confirm and clarify that the releases granted do not extend to directors, officers, insiders, or equity, including Pamplona.

CONCLUSION

WHEREFORE, the Committee respectfully requests that the Court (i) deny final approval of the DIP Financing Motion unless modified as set forth herein; and (ii) grant such other and further relief as the Court deems just and proper.

Dated: Wilmington, Delaware
September 22, 2026

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Proposed Counsel to the Official Committee of Unsecured Creditors of BFG Supply Co., LLC, et al

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: BFG Supply Co., LLC, *et al.*, Debtors.[1]	Chapter 11 Case No. 26-11284 (CTG) (Jointly Administered)

DECLARATION OF DERRICK LATON IN SUPPORT OF THE OBJECTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO THE DEBTORS' DIP FINANCING MOTION

I, Derrick Laton, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true and correct to the best of my knowledge, information, and belief:

1. I am a Managing Director with the firm of Province, LLC ("Province"), which is a financial advisory firm with its principal office located at 2360 Corporate Circle, Suite 340, Henderson, Nevada 89074. Province also has offices in the Los Angeles, Greenwich, New York, and Miami metro areas. Province is the proposed financial advisor to the Official Committee of Unsecured Creditors (the "Committee") appointed in the cases of the above-captioned debtors and debtors in possession (collectively, the "Debtors").

2. I submit this declaration (this "Declaration") in support of the *Objection of the Official Committee of Unsecured Creditors to the Debtors' DIP Financing Motion* (the "Objection"), filed contemporaneously herewith in response to the *Debtors' Motion For Entry of Interim and Final Orders Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to*

[1] The Debtors in these chapter 11 cases are: BFG Supply Co., LLC; Bamboo Purchaser, Inc.; BFG Purchaser Parent, Inc.; BFG Supply Holdings, Inc.; BFG Holdings I, Inc.; BFG Supply Canada Holdings, Inc.; De Cloet Greenhouse Mfg. Ltd.; BFG Kalamazoo, LLC; BFG Logistics, LLC; L&L Nursery Supply, Inc.; Gard'N-Wise Distributors, Inc.; International Greenhouse Contractors, LLC; Greenhouse Solutions, LLC; Greenhouse Contracting Services, LLC; Green-Tek, LLC; GROSouth, Inc.; and BFG VG Supply Acquisition, LLC.

(A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief (the "DIP Financing Motion").[2]

3. I received my Bachelor of Science degree in Chemical Engineering from North Carolina State University, and my Master of Business Administration degree from the University of Texas at Austin.

4. During my career, I have served in numerous capacities as a financial advisor in bankruptcy related matters, representing secured and unsecured creditors. The bankruptcies I have been involved with cover various industries, including retail, restaurants, consumer goods, and energy. As a regular part of many of my engagements as a restructuring advisor, I have evaluated debtor in possession financings, including financings like the DIP Facility at issue.

5. I am the Province professional with primary responsibility for this matter. Except where specifically noted, the statements in this Declaration are based upon my personal knowledge and my analysis and that of members of the Province team working under my supervision. I am over the age of 18 and if called upon to testify, I could and would testify competently to the statements set forth in this Declaration, as the information in this Declaration is complete and accurate to the best of my knowledge.

Province's Involvement with the Committee

6. On September 2, 2026, Province was selected as the proposed financial advisor to the Committee. Since Province's selection, my team has been conducting due diligence and

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the DIP Financing Motion or the Objection.

coordinating with the Debtors and their advisors to understand the Debtors' operational history, financial performance, restructuring process, and terms of the proposed debtor-in-possession financing as set forth in the DIP Financing Motion.

Proposed DIP Facility

7. The Debtors are seeking authorization to enter into a senior secured superpriority postpetition financing facility which, if approved on a final basis, would consist of an asset-based revolving credit facility in an aggregate principal amount of up to $55.0 million (the "DIP Facility"). The Debtors' Prepetition ABL Lenders have committed to fund the full amount of the DIP Facility, with ACF FinCo I LP serving as DIP Agent. In exchange, the Debtors have agreed to a roll-up of approximately $43.1 million of their prepetition ABL obligations, leaving at most approximately $11.9 million of new money available to the estates. The Debtors have also agreed to pay the DIP Lenders closing, exit, and collateral management fees totaling approximately $2.0 million, or 3.6% of the total committed amount (the "DIP Fees"). Province was asked to assess whether the DIP Fees are consistent with comparable DIP financing facilities observed in the market.

Summary of Analysis and Conclusions

8. To assess the reasonableness of the DIP Fees, Province compared the DIP Facility to comparable asset-based DIP facilities in recent chapter 11 cases. Based on a review of final orders, credit agreements, fee letters, other loan documents, and certain publicly available information, Province developed a sample set of eleven DIP facilities (the "Comparison Set") that (i) were approved between June 25, 2022 and the Petition Date, including total commitments ranging from approximately $25 million to $130 million, (ii) were structured as asset-based revolving facilities including a roll-up component, (iii) were within the consumer discretionary

sector, (iv) involved prepetition lender(s) and/or agent(s), and (v) filed within the following districts: Delaware, Texas Northern, Texas Southern, New York Southern, and New Jersey. Seven (7) of the facilities in the Comparison Set were approved in the District of Delaware; four (4) of the facilities were approved in other jurisdictions. A chart detailing the economics of each facility in the Comparison Set, including roll-up ratios, pricing, and fee components, is attached as **Exhibit A**.

9. The DIP Fees are above market. The closing, exit, and collateral management fees total approximately $2.0 million, equal to approximately 3.6% of total committed capital, compared to a Comparison Set mean of approximately 1.0%.

10. The principal driver of this disparity is the [redacted] monthly collateral management fee, which is atypical among the Comparison Set. Where comparable facilities disclosed collateral monitoring or management charges at all, such fees generally ranged from approximately $750 to $25,000 per month, and several facilities included no such fee. The collateral management fee is imposed in addition to closing and exit fees and accrues irrespective of the amount actually borrowed.

11. Accordingly, the fee package provides the DIP Lenders with fee compensation approximately 3.5 times the average of the Comparison Set on a committed-capital basis. That result is particularly difficult to justify where, based on the Debtors' own projected receipts, the DIP Agent may never advance any meaningful new money.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: September 22, 2026
Miami, Florida

/s/ Derrick Laton
Derrick Laton
Managing Director
Province, LLC

Exhibit A

Comparison Set

DIP FINANCING FEE COMPARISON

EXHIBIT

BFG Supply Co., LLC - DIP Comparable Analysis[1][2][3][4][5]														
($000's) Company	Filing Date	Term (months)	Total Committed ("TC")	Roll Up	New Money ("NM")	Roll-Up Ratio	SOFR Spread	Effective Interest Rate	Closing Fees	Exit Fees	Admin. & Other Fees	Total Fees % of TC	Total Fees $ Amount
E. Gluck Corporation[6]	Dec-25	3	$ 29,000	$ 26,721	$ 2,279	11.7x	SOFR + 3.1%	7.2%	22 bps	50 bps	1 bps	0.7%	$ 210
American Signature, Inc.[7]	Nov-25	3	50,000	39,248	10,752	3.7x	SOFR + 6.2%	10.1%	100 bps	50 bps	25 bps	1.8%	875
Liberated Brands LLC[8]	Feb-25	7	123,776	78,776	45,000	1.8x	SOFR + 4.1%	8.5%	50 bps	-	-	0.5%	619
LL Flooring Holdings, Inc.	Aug-24	2	130,000	109,600	20,400	5.4x	SOFR + 5.4%	10.8%	100 bps	-	-	1.0%	1,300
Salt Life Beverage, LLC[9]	Jun-24	9	85,000	79,960	5,040	15.9x	SOFR + 9.2%	14.5%	44 bps	-	15 bps	0.6%	505
Noble House Home Furnishings, LLC[10]	Sep-23	2	86,090	73,890	12,200	6.1x	SOFR + 7.7%	13.0%	25 bps	-	30 bps	0.5%	472
Christmas Tree Shops, LLC[11]	May-23	6	45,000	25,294	19,706	1.3x	SOFR + 7.8%	12.8%	100 bps	151 bps	10 bps	2.6%	1,173
The Rockport Company LLC[12]	Jun-23	2	32,000	24,154	7,846	3.1x	SOFR + 6.2%	11.3%	-	-	100 bps	1.0%	320
David's Bridal, LLC[13]	Apr-23	5	75,000	38,475	36,525	1.1x	SOFR + 6.5%	11.3%	50 bps	-	-	0.5%	375
Nova Wildcat ShurLine Holdings[14]	Jan-23	2	48,500	44,442	4,058	11.0x	SOFR + 10.2%	14.5%	16 bps	-	4 bps	0.2%	95
Corsicana Bedding LLC[15]	Jun-22	4	40,000	18,546	21,454	0.9x	SOFR + 7.0%	8.5%	-	200 bps	-	2.0%	800
High		**9**	**$ 130,000**	**$ 109,600**	**$ 45,000**	**15.9x**	**SOFR + 10.2%**	**14.5%**	**100 bps**	**200 bps**	**100 bps**	**2.6%**	**$ 1,300**
Mean		**4**	**67,670**	**50,828**	**16,842**	**5.6x**	**SOFR + 6.7%**	**11.1%**	**56 bps**	**113 bps**	**26 bps**	**1.0%**	**613**
Median		**3**	**50,000**	**39,248**	**12,200**	**3.7x**	**SOFR + 6.5%**	**11.3%**	**50 bps**	**101 bps**	**15 bps**	**0.7%**	**505**
Low		**2**	**29,000**	**18,546**	**2,279**	**0.9x**	**SOFR + 3.1%**	**7.2%**	**16 bps**	**50 bps**	**1 bps**	**0.2%**	**95**
BFG Supply Co., LLC[16]	**Aug-26**	**3**	**$ 55,000**	**$ 43,080**	**$ 11,920**	**3.6x**	**SOFR + 7.9%**	**11.5%**	[redacted]		[redacted]	**3.6%**	**$ 1,963**

Source: Court Filings, Octus

DIP FINANCING FEE COMPARISON (CONT.)

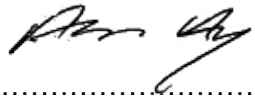
NOTES

Footnotes correspond to DIP comparable analysis shown on page 2.

1. **General:** Cases identified using Octus Credit Cloud based on the following criteria: (i) asset-based lending ("ABL") revolving credit facilities ("RCF") including a roll-up of prepetition obligations, (ii) facility size ranges from $25 million to $130 million, (iii) Petition Dates between June 25, 2022 and August 18, 2026 (the "BFG Petition Date"), (iv) within the consumer discretionary sector, (v) involves the prepetition lender(s) and/or agent(s) and (vi) filed within the following districts: Delaware, Texas Northern, Texas Southern, New York Southern, and New Jersey.
2. **General:** All interest figures are being measured against baseline SOFR for comparability and should not be interpreted as the rates being based off SOFR. SOFR ranges from 1.5% to 5.3%.
3. **General:** Total fees on a percentage basis represent the fees as a percentage of total committed ("TC").
4. **General:** Availability of new money amounts in some cases has been calculated by netting prepetition roll-up from the total commitment.
5. **General:** Any fees on (i) unused or daily balance amounts, (ii) fronting fees, (iii) LoC fees, and (iv) carve-out(s) have not been included in the data.
6. **E. Gluck Corporation:** Admin and other fees include a $750 monthly collateral management fee and a $125 monthly online access fee, calculated by multiplying the monthly rates by the DIP term.
7. **American Signature, Inc.:** Admin and other fees include a $50,000 loan maintenance fee per consecutive 90-day period and a $25,000 monthly collateral monitoring fee, over the three-month term of the DIP.
8. **Liberated Brands LLC:** A fee letter referenced in the dockets was redacted; any fees payable thereunder, including any collateral management fee, are excluded from this analysis. Roll-up amounts calculated by netting total commitment and new money offered, excluding a $5.0 million balance of the prepetition ABL facility.
9. **Salt Life Beverage, LLC:** Admin and other fees include a $10,000 monthly loan servicing fee multiplied by the DIP term, plus a $40,000 field examination fee.
10. **Noble House Home Furnishings, LLC:** Admin & other fees include a $250,000 sale transaction fee, plus a $3,300 monthly collateral management fee for the duration of the DIP.
11. **Christmas Tree Shops, LLC:** Exit fees consist of a 0.5% exit fee on the $45.0 million DIP commitment and a $250,000 ReStore exit fee. Admin and other fees consist of a $7,000 monthly administrative fee multiplied by the assumed six-month DIP term.
12. **The Rockport Company LLC:** The effective interest was calculated on an index rate basis, similar to the prepetition facility. The DIP facility fee of $320,000 (100bps) was entirely attributable to the RCF. Excludes a field examination and certain fee-letter charges because the fee letter is not publicly available and the ultimate amounts payable cannot be reasonably determined from public filings.
13. **David's Bridal, LLC:** A fee letter referenced in the dockets was unavailable for review; any fees payable thereunder, including any collateral management fee, are excluded from this analysis. Closing fees have been calculated as proportionate to the ABL facility commitment in the DIP.
14. **Nova Wildcat ShurLine Holdings:** Total roll-up consists of outstanding prepetition ABL obligations and letters of credit. Closing fees consist of a $78,000 closing fee (16 bps) and a $100,000 annual collateral monitoring fee payable in monthly installments of $8,333.33. Excludes a field examination and certain other charges like appraisal costs or field exam expenses because ultimate amounts payable cannot be reasonably determined from public filings.
15. **Corsicana Bedding LLC:** A fee letter referenced in the dockets was redacted; any fees payable thereunder are excluded from this analysis.
16. **BFG Supply Co., LLC:** Admin & other fees encompass the [redacted] monthly collateral management fee, which equals [redacted] of the total committed assuming a 3-month term.

Source: Court Filings, Octus

This is Exhibit “D” referred to in the affidavit of Adam Zalev, sworn October 8, 2026. The affiant was located in the City of Nashville, in the State of Tennessee and I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg, 431/20, Administering Oath or Declaration Remotely.



……...
A Commissioner for Taking Affidavits

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
BFG Supply Co., LLC, *et al.*,	Case No. 26-11284 (CTG)
Debtors.[1]	(Jointly Administered)
	Re. Docket Nos. 17, 65

CERTIFICATION OF COUNSEL REGARDING SECOND INTERIM ORDER UNDER BANKRUPTCY CODE SECTIONS 105, 361, 362, 363, 364, 503, 506, 507, AND 552, AND BANKRUPTCY RULES 2002, 4001, 6003, 6004, AND 9014 (I) AUTHORIZING DEBTORS TO (A) OBTAIN POSTPETITION FINANCING AND (B) USE CASH COLLATERAL, (II) GRANTING (A) LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS AND (B) ADEQUATE PROTECTION TO PREPETITION SECURED CREDITORS, (III) MODIFYING AUTOMATIC STAY, (IV) SCHEDULING A FINAL HEARING, AND (V) GRANTING RELATED RELIEF

The undersigned counsel to the above-captioned debtors and debtors in possession (collectively, the "Debtors"), hereby certifies as follows:

1. On August 19, 2026, the Debtors filed the *Debtors' Motion for Entry of Interim and Final Orders Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting*

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BFG Supply Co., LLC (6660); Bamboo Purchaser, Inc. (1173); BFG Purchaser Parent, Inc. (2451); BFG Supply Holdings, Inc. (4070); BFG Holdings I, Inc. (1502); BFG Supply Canada Holdings, Inc. (9737); De Cloet Greenhouse Mfg. Ltd. (N/A); BFG Kalamazoo, LLC (0121); BFG Logistics, LLC (4172); L&L Nursery Supply, Inc. (9972); Gard'N-Wise Distributors, Inc. (8418); International Greenhouse Contractors LLC (7313); Greenhouse Solutions, LLC (1860); Greenhouse Contracting Services, LLC (3738); Green-Tek, LLC (8749); GROSouth, Inc. (4231); BFG VG Supply Acquisition, LLC (0219). The Debtors' service address in these chapter 11 cases is 4660 East Paris Avenue SE, Grand Rapids, Michigan 49512.

Related Relief [Docket No. 17] (the "Motion"). with the United States Bankruptcy Court for the District of Delaware (the "Court").

2. On August 20, 2026, the Court entered the *Interim Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 65] (the "Interim Order"), approving the Motion on an interim basis.

3. Attached hereto as **Exhibit A** is a proposed second interim DIP financing order (the "Proposed Second Interim Order").

4. The Motion is adjourned until the hearing scheduled for October 14, 2026 at 9:30 a.m. (ET).

5. A blackline comparing the Proposed Second Interim Order against the Interim Order is attached hereto as **Exhibit B**.

6. The Committee, the DIP Agent and Prepetition ABL Agent, the Prepetition Term Loan Secured Parties, and the Office of the United States Trustee have no objection to the entry of the Proposed Second Interim Order.

7. The Debtors respectfully request that the Proposed Second Interim Order be entered at the earliest convenience of the Court.

[*Remainder of Page Intentionally Left Blank*]

Dated: September 25, 2026
Wilmington, Delaware

COLE SCHOTZ P.C.

/s/ Carol E. Thompson

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Counsel for Debtors and Debtors in Possession

EXHIBIT A

Proposed Second Interim Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
BFG Supply Co., LLC, *et al.*,	Case No. 26-11284 (CTG)
Debtors.[1]	(Jointly Administered)
	Related to Docket Nos. 17, 18, 65

SECOND INTERIM ORDER UNDER BANKRUPTCY CODE SECTIONS 105, 361, 362, 363, 364, 503, 506, 507, AND 552, AND BANKRUPTCY RULES 2002, 4001, 6003, 6004, AND 9014 (I) AUTHORIZING DEBTORS TO (A) OBTAIN POSTPETITION FINANCING AND (B) USE CASH COLLATERAL, (II) GRANTING (A) LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS AND (B) ADEQUATE PROTECTION TO PREPETITION SECURED CREDITORS, (III) MODIFYING AUTOMATIC STAY, (IV) SCHEDULING A FINAL HEARING, AND (V) GRANTING RELATED RELIEF

Upon the motion (the "***Motion***")[2] of BFG Supply Co., LLC, and certain of its affiliates, each of which is a debtor and debtor in possession (collectively, the "***Debtors***") in the above-captioned chapter 11 cases (the "***Chapter 11 Cases***"), pursuant to sections 105, 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1), 364(e), 503, 506, and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "***Bankruptcy Code***"), rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "***Bankruptcy Rules***"), and rules 2002-1(b), 4001-2, and 9013-1(m) of the Local Rules for the United States Bankruptcy Court for the District

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BFG Supply Co., LLC (6660); Bamboo Purchaser, Inc. (1173); BFG Purchaser Parent, Inc. (2451); BFG Supply Holdings, Inc. (4070); BFG Holdings I, Inc. (1502); BFG Supply Canada Holdings, Inc. (9737); De Cloet Greenhouse Mfg. Ltd. (N/A); BFG Kalamazoo, LLC (0121); BFG Logistics, LLC (4172); L&L Nursery Supply, Inc. (9972); Gard'N-Wise Distributors, Inc. (8418); International Greenhouse Contractors LLC (7313); Greenhouse Solutions, LLC (1860); Greenhouse Contracting Services, LLC (3738); Green-Tek, LLC (8749); GROSouth, Inc. (4231); BFG VG Supply Acquisition, LLC (0219). The Debtors' service address in these chapter 11 cases is 4660 East Paris Avenue SE, Grand Rapids, Michigan 49512.

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion, or if not defined therein, the DIP Loan Documents (as defined herein).

of Delaware (the "***Local Rules***"), seeking entry of this second interim order (this "***Second Interim Order***"), among other things:

a. authorizing the Debtors to obtain postpetition financing consisting of the obligations under a superpriority senior secured asset-based credit facility in the aggregate principal amount of $55 million (the "***DIP Facility***" and such funding commitment thereunder, the "***DIP Commitments***"), pursuant to the terms and conditions of that certain Senior Secured Super-Priority Debtor-in-Possession Credit Agreement, attached to the First Interim Order (as defined herein) as **Exhibit 2** (as the same may be amended, restated, amended and restated, supplemented, waived, or otherwise modified in accordance with the terms thereof from time to time the "***DIP Credit Agreement***") by and among (A) Bamboo Purchaser, Inc. (the "***Borrower***"), (B) the subsidiaries of the Borrower from time to time party thereto as guarantors, (C) ACF FINCO I LP, as Administrative Agent and collateral agent (in such capacities, the "***DIP Agent***"), and (D) the lenders from time to time party thereto (collectively, the "***DIP Lenders***"; the DIP Agent and the DIP Lenders are collectively referred to herein as the "***DIP Credit Parties***") and allocated and made available to the Borrower as follows:

i. following entry of the First Interim Order, subject to the terms and conditions set forth in the DIP Credit Agreement, the other DIP Loan Documents (as defined herein), and the First Interim Order, the DIP Commitments were available to the Borrower to draw upon pursuant to a "creeping roll-up" whereby all Cash Collateral (as defined herein) is used to pay down the Prepetition Revolving Loans (as defined herein) and gives rise to a corresponding amount of availability under the DIP Facility (subject to the terms of the DIP Credit Agreement); *provided*, that all Banking Services Obligations and Secured Hedging Obligations (each as defined in the Prepetition ABL Credit Agreement) were deemed DIP Obligations upon entry of the First Interim Order (the "***Interim Financing***");

ii. upon entry of the Final Order (as defined herein), subject to the terms and conditions set forth in the DIP Credit Agreement and the other DIP Loan Documents, the repayment and refinancing of any outstanding and remaining Prepetition Revolving Loans (as defined herein) (all amounts so repaid and refinanced, the "***DIP Roll-Up Loan***" and together with the Interim Financing, the "***DIP Loans***") pursuant to a "creeping roll-up" under the First Interim Order whereby all cash was used to pay down the Prepetition Revolving Loans and gave rise to a corresponding amount of availability under the DIP Facility (subject to the terms of the DIP Credit Agreement), and any remaining outstanding Prepetition Revolving Loans shall be fully "rolled" into the DIP Facility and

shall constitute DIP Obligations (as defined herein) upon the entry of the Final Order granting such relief.

b. authorizing the Debtors to execute and deliver the DIP Credit Agreement and all other related documents, instruments, letters, notes, and agreements, including, without limitation, security agreements, deposit account control agreements, pledge agreements, guaranties, and promissory notes (collectively, with the First Interim Order, this Second Interim Order, and the Final Order, the "***DIP Loan Documents***") and to perform such other acts as may be necessary, convenient, advisable, or appropriate in connection with the DIP Loan Documents;

c. authorizing the Debtors to incur, guarantee, and pay, as applicable, loans, advances, extensions of credit, financial accommodations, reimbursement obligations, fees (including, without limitation, any commitment fees, exit fees, and collateral management fees, the reasonable and documented fees and disbursements of the DIP Credit Parties' attorneys (which firms shall be (x) Choate, Hall & Stewart, LLP and (y) Womble Bond Dickinson (US) LLP advisers, accountants, and other consultants, and all related expenses of the DIP Credit Parties, in each case, subject to the terms and provisions of the DIP Loan Documents, and other fees payable pursuant to the DIP Loan Documents), costs, expenses, and other liabilities, all other obligations (including indemnities and similar obligations, whether contingent or absolute) and all other Secured Obligations (as defined in the DIP Credit Agreement) due or payable under the DIP Facility to the DIP Lenders (the "***DIP Obligations***"), which, for the avoidance of doubt, shall include the DIP Roll-Up Loan, and to perform such other and further acts as may be necessary, convenient, advisable, desirable, or appropriate in connection therewith;

d. authorizing BFG Purchaser Parent Inc. ("***Holdings***") and each existing and future direct and indirect subsidiary of Holdings (other than any such subsidiary acting as Borrower) to jointly and severally guarantee (such entities together with Holdings, the "***Guarantors***" and the Guarantors collectively with the Borrower, the "***DIP Loan Parties***") the DIP Facility and DIP Obligations as set forth herein and in the DIP Loan Documents;

e. subject and subordinate only to the Carve Out (as defined herein) and the relative priorities as agreed upon by the parties-in-interest set forth on **Exhibit 1** hereto (the "***Lien Priority Annex***"), granting allowed superpriority administrative expense claim status pursuant to section 364(c)(1) of the Bankruptcy Code in each of the Chapter 11 Cases and any Successor Cases (as defined herein) to the DIP Obligations;

f. authorizing the Debtors to use the "cash collateral" (as defined in section 363(a) of the Bankruptcy Code, the "***Cash Collateral***") of the Prepetition Secured Creditors (as defined herein) in accordance with the terms of this Second Interim Order, that the Debtors are holding or may obtain, pursuant to sections 361 and

363 of the Bankruptcy Code and Bankruptcy Rules 4001(b) and 6004 and in accordance with the Approved Budget (as defined herein);

g. granting to the DIP Agent, for the benefit of the DIP Credit Parties, automatically perfected security interests in and liens on all DIP Collateral (as defined herein), including, without limitation, all property constituting Cash Collateral, which liens shall be subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex;

h. authorizing the Debtors to provide adequate protection to the Prepetition Secured Creditors (as defined herein) solely to the extent of any Diminution in Value (as defined herein) on the terms set forth herein;

i. approving certain stipulations by the Debtors with respect to the Prepetition Credit Documents and the Prepetition Collateral (each as defined herein) as set forth herein;

j. waiving any applicable stay and provisions for immediate effectiveness of this Second Interim Order;

k. vacating and modifying the automatic stay imposed by section 362 of the Bankruptcy Code solely to the extent necessary to implement and effectuate the terms and provisions of the DIP Loan Documents and this Second Interim Order;

l. granting related relief; and

m. scheduling a final hearing (the "***Final Hearing***") to consider entry of a final order (the "***Final Order***") authorizing and approving, among other things, the relief requested in the Motion on a final basis, which order shall be in form substantially similar to this Second Interim Order and otherwise reasonably acceptable to the Debtors, the DIP Agent, the DIP Lenders, and the Prepetition ABL Agent (as defined herein), and approving the form of notice with respect to the Final Hearing.

This Court having considered the interim relief requested in the Motion, the exhibits attached thereto, the *Declaration of Adam Zalev in Support of the Debtors' Chapter 11 Petitions and First Day Motions* [Docket No. 16] and the *Declaration of Neil Gupta in Support of the Debtors' Motion Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors To (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection To Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing,*

and (V) Granting Related Relief [Docket No. 18], each filed concurrently with the Motion, the DIP Loan Documents, and the evidence submitted or adduced and the arguments of counsel made at the interim hearing held on August 20, 2026 (the "***Interim Hearing***") and the Court having entered on August 20, 2026 *the Interim Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 65] (the "***First Interim Order***" and, together with this Second Interim Order and the Final Order, collectively, the "***Orders***"); and the Interim Hearing to consider the interim relief requested in the Motion having been held and concluded; and the Official Committee of Unsecured Creditors (the "***Committee***") having filed an objection to approval of the Motion on a final basis on September 22, 2026 (the "***Committee Objection***") [Docket No. 205]; and upon the agreement of the Debtors, the DIP Lenders, the Prepetition Lenders and the Committee to maintain the status quo and defer consideration of the issues raised in the Committee Objection for the Final Hearing and to proceed with this Second Interim Order without prejudice to the rights of any parties; and all other objections, if any, to the interim relief requested in the Motion having been withdrawn, resolved, or overruled by this Court; and it appearing to this Court that, pursuant to Bankruptcy Rule 4001(c)(2), granting the interim relief requested at the Interim Hearing was necessary to avoid immediate and irreparable harm to the Debtors and their estates pending the Final Hearing, and otherwise is fair and reasonable and in the best interests of the Debtors and their estates, and is essential for the continued operation of the Debtors' businesses and the preservation of the value of the Debtors'

assets; and it appearing that the Debtors' entry into the DIP Loan Documents is a sound and prudent exercise of the Debtors' business judgment; and after due deliberation and consideration, and for good and sufficient cause appearing therefor;

BASED UPON THE RECORD ESTABLISHED AT THE INTERIM HEARING BY THE DEBTORS, INCLUDING THE SUBMISSIONS OF DECLARATIONS AND THE REPRESENTATIONS OF COUNSEL, THIS COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:[3]

A. *Petition Date*. On August 18, 2026 (the "***Petition Date***"), each of the Debtors filed a separate voluntary petition under chapter 11 of the Bankruptcy Code (the "***Petitions***") in the United States Bankruptcy Court for the District of Delaware (the "***Court***") commencing the Chapter 11 Cases. On August 20, 2026, this Court entered an order directing joint administration of the Chapter 11 Cases.

B. *Debtors in Possession*. The Debtors are continuing in the management and operation of their businesses and properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

C. *Jurisdiction and Venue*. This Court has jurisdiction, pursuant to 28 U.S.C. § 1334, over these proceedings and over the persons and property affected hereby. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b)(2), and this Court may enter a final order consistent with Article III of the United States Constitution. Venue for the Chapter 11 Cases and proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The bases for the relief sought in the Motion and granted in this Second Interim Order are

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

sections 105, 361, 362, 363, 364, 503, 506, and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004, and 9014, and Local Rules 2002-1(b), 4001-2, and 9013-1(m).

D. *Committee Formation*. On September 1, 2026, the United States Trustee for the District of Delaware (the "***U.S. Trustee***") appointed the Committee pursuant to section 1102 of the Bankruptcy Code

E. *Notice*. The Interim Hearing was held pursuant to Bankruptcy Rule 4001(b)(2) and (c)(2). Notice was provided by or on behalf of the Debtors to (a) the U.S. Trustee, (b) those creditors holding the thirty (30) largest unsecured claims against the Debtors' estates (on a consolidated basis), (c) the Securities and Exchange Commission, (d) the Internal Revenue Service, (e) the United States Attorney's Office for the District of Delaware, (f) the state attorneys general for states in which the Debtors conduct business, (g) counsel to the DIP Agent and the Prepetition ABL Agent, (h) counsel to the Prepetition Term Loan Secured Parties (as defined herein), and (i) any party that has requested notice pursuant to Bankruptcy Rule 2002, and therefore complied with Local Rule 9013-1(m).

F. *Debtors' Stipulations, Releases, and Acknowledgements*. In requesting the use of Cash Collateral, and in exchange for and as a material inducement to the Prepetition Secured Creditors consenting to the Debtors' access to and use of the Cash Collateral, and without prejudice to the rights of the parties-in-interest as set forth in paragraph 44 herein, the Debtors admitted, stipulated, acknowledged, agreed, and reaffirm as follows (collectively, the admissions, stipulations, acknowledgements, and agreements set forth in this paragraph F, the "***Debtors' Stipulations***"):

(i) *Prepetition ABL Obligations*. The Borrower, certain of the other Debtors (in their respective capacities as guarantors of the Prepetition ABL Facility (as defined herein),

collectively, the ***"Prepetition ABL Obligors***") and ACF FINCO I LP, as administrative agent and collateral agent (in such capacities, the ***"Prepetition ABL Agent***"), for its own benefit and the benefit of the lenders and letter of credit issuers from time to time party under the Prepetition ABL Facility (the "***Prepetition ABL Lenders***" and collectively with the Prepetition ABL Agent and the other Secured Parties (as defined in the Prepetition ABL Credit Agreement), collectively, the "***Prepetition ABL Secured Parties***"), are party to that certain ABL Credit Agreement dated as of November 5, 2021 (as amended, restated, amended and restated, supplemented, replaced, or otherwise modified from time to time, the ***"Prepetition ABL Credit Agreement***," and together with the Loan Documents (as defined therein), collectively, the "***Prepetition ABL Documents***," and the revolving facility thereunder, the "***Prepetition ABL Facility***"). Pursuant to the Prepetition ABL Documents, the Prepetition ABL Lenders provided revolving credit, certain banking products, and other financial accommodations to, and issued letters of credit for the account of, the Prepetition ABL Obligors (the "***Prepetition ABL Loans***"). Under the Prepetition ABL Documents, the Prepetition ABL Lenders provided the Prepetition ABL Obligors with, among other things, up to $120,000,000 in Aggregate Revolving Commitments (as defined in the Prepetition ABL Credit Agreement). As of the Petition Date, there were approximately: (a) $43,079,675.97 in outstanding prepetition revolving loans ("***Prepetition Revolving Loans***") (as defined in the Prepetition ABL Credit Agreement); plus (b) other outstanding obligations under the Prepetition ABL Documents, including, without limitation, all accrued, accruing, and unpaid interest (including default rate interest), reimbursement obligations (contingent or otherwise) in respect of letters of credit, any fees, expenses, and disbursements (including, without limitation, attorneys' fees, accountants' fees, auditor fees, appraisers' fees, and financial advisors' fees, and related expenses and disbursements, in each case, solely to the extent

chargeable or reimbursable under the Prepetition ABL Credit Agreement), treasury, cash management, bank product and derivative obligations, indemnification obligations, guarantee obligations, and other charges, amounts and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, arising, due, owing, or chargeable in respect of any of the Prepetition ABL Obligors' obligations pursuant to, or secured by, the Prepetition ABL Documents, in each case payable pursuant to the terms and conditions of the Prepetition ABL Credit Agreement (collectively, the "***Prepetition ABL Obligations***"). The Prepetition ABL Facility matures on December 31, 2028. The Prepetition ABL Obligations are secured by (i) first priority security interests in and liens on the ABL Priority Collateral (as defined in the Intercreditor Agreement (as defined below), the "***Prepetition ABL Priority Collateral***") pursuant to the terms of the Intercreditor Agreement, and (ii) junior security interests in and liens on the Term Loan Priority Collateral (as defined in the Intercreditor Agreement, the "***Prepetition Term Loan Priority Collateral***") pursuant to the terms of the Intercreditor Agreement (the Prepetition ABL Priority Collateral and the Prepetition Term Loan Priority Collateral, together, the "***Prepetition Collateral***" and the immediately forgoing liens and security interests, the "***Prepetition ABL Liens***").

(ii) *Prepetition Term Loan Obligations*. The Borrower, certain of the other Debtors (in their respective capacities as guarantors of the Prepetition Term Loan Facility (as defined herein), collectively, the "***Prepetition Term Loan Obligors***"), Ares Capital Corporation, as administrative agent and collateral agent (in such capacities, the "***Prepetition Term Loan Agent***", and together with the Prepetition ABL Agent, the "***Prepetition Agents***") for its own benefit and the benefit of the lenders from time to time party thereto (the "***Prepetition Term Loan Lenders***", collectively with the Prepetition Term Loan Agent, the "***Prepetition Term Loan***

Secured Parties" and, together with the Prepetition ABL Secured Parties, the "***Prepetition Secured Creditors***") are party to that certain Credit Agreement, dated as of November 5, 2021, among BFG Purchaser Parent, Inc., Bamboo Purchaser, Inc., and the other Loan Parties party thereto, (as amended, restated, amended and restated, supplemented, replaced, or otherwise modified from time to time prior to the filing of the Petitions, the ***"Prepetition Term Loan Credit Agreement***", and together with the other "Loan Documents" (as defined therein), the "***Prepetition Term Loan Documents***" (together with the Prepetition ABL Documents, the "***Prepetition Credit Documents***"), and the term loan facility thereunder, the "***Prepetition Term Loan Facility***" and, together with the Prepetition ABL Facility, the "***Prepetition Loan Facilities***"). As of the Petition Date, the Prepetition Term Loan Obligors were obligated under the Prepetition Term Loan Credit Agreement to the Prepetition Term Loan Lenders in the aggregate outstanding principal amount of not less than $299,456,012.99, consisting of Term Loans A (as defined in the Prepetition Term Loan Credit Agreement) in the aggregate outstanding principal amount of not less than $137,608,289.31 and Term Loans B (as defined in the Prepetition Term Loan Credit Agreement) in the aggregate outstanding principal amount of not less than $161,847,723.68, plus all other "Obligations" (as defined in the Prepetition Term Loan Credit Agreement), including, without limitation, all accrued, accruing, and unpaid interest (including default rate interest), fees, costs, expenses, indemnity obligations and disbursements (including, without limitation, all attorneys' fees, accountants' fees, auditor fees, appraisers' fees, financial advisors' fees, and related fees, costs, expenses, and disbursements), in each case payable pursuant to the Prepetition Term Loan Documents, plus (b) all amounts allowable under section 506(b) of the Bankruptcy Code (the "***Prepetition Term Loan Obligations***" and, together with the Prepetition ABL Obligations, the "***Prepetition Secured Obligations***"). The Prepetition Term Loan Obligations are secured by (i)

first priority security interests in and liens on the Prepetition Term Loan Priority Collateral pursuant to the terms of the Intercreditor Agreement, and (ii) second priority security interests in and liens on the Prepetition ABL Priority Collateral pursuant to the terms of the Intercreditor Agreement (the immediately forgoing liens and security interests, the "***Prepetition Term Loan Liens***" and, together with the Prepetition ABL Liens, the "***Prepetition Liens***").

(iii) Intercreditor Agreement. That certain Intercreditor Agreement, dated as of November 5, 2021, entered into by and among the Prepetition ABL Agent and the Prepetition Term Loan Agent, and acknowledged and agreed to by Holdings, the Borrower, and the other Loan Parties party thereto (as amended, restated, amended and restated, supplemented, replaced, or otherwise modified from time to time, the "***Intercreditor Agreement***") governs the respective priority rights of the Prepetition Secured Creditors' interests in and liens on the Prepetition Collateral as it concerns the Prepetition ABL Priority Collateral and the Prepetition Term Loan Priority Collateral, as applicable.

(iv) *Prepetition Obligations*. Subject to paragraph 44 herein, each of the Debtors acknowledged and reaffirms that the Prepetition Secured Obligations owing to the Prepetition Secured Creditors, (a) constitute legal, valid, binding and non-avoidable obligations of the Debtors and their applicable affiliates, enforceable against them in accordance with their terms, and (b) no portion of the Prepetition Secured Obligations owing to the Prepetition Secured Creditors is subject to avoidance, recharacterization, reduction, set-off, offset, counterclaim, cross-claim, recoupment, defenses, disallowance, disgorgement, impairment, recovery, subordination (equitable or otherwise), or any other challenges pursuant to the Bankruptcy Code or applicable non-bankruptcy law or regulation by any person or entity, including in any Successor Cases.

(v) *Prepetition Liens.* Subject to paragraph 44 herein, the Debtors acknowledged and reaffirm that, as of the Petition Date, the Prepetition Liens granted to the Prepetition Secured Creditors (a) constitute legal, valid, binding, enforceable, non-avoidable, and properly perfected security interests in and liens on the Prepetition Collateral, and were granted to, or for the benefit of, the Prepetition Secured Creditors for fair consideration and reasonably equivalent value, (b) are not subject to defense, counterclaim, recharacterization, subordination, avoidance, or recovery pursuant to the Bankruptcy Code or applicable non-bankruptcy law or regulation by any person or entity, and (c) are senior in priority over any and all other liens on the Prepetition Collateral; *provided* that the Prepetition Term Loan Liens may be subject to certain liens senior (solely to the extent any such liens were valid, non-avoidable, and senior in priority to the Prepetition Term Loan Liens as of the Petition Date and properly perfected prior to the Petition Date or perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code) or otherwise permitted by the Prepetition Term Loan Documents (the "***Prepetition Term Loan Permitted Liens***"); *provided* further that the Prepetition ABL Liens may be subject to certain liens senior (solely to the extent any such liens were valid, non-avoidable, and senior in priority to the Prepetition ABL Liens as of the Petition Date and properly perfected prior to the Petition Date or perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code) or otherwise permitted by the Prepetition ABL Documents (the "***Prepetition ABL Permitted Liens***" and, together with the Prepetition Term Loan Permitted Liens, the "***Prepetition Permitted Liens***").

(vi) *No Challenges / Claims*. Subject to an investigation by the Committee, permitted pursuant to paragraph 32 and 44 herein, the Debtors' estates have no valid Claims (as such term is defined in section 101(5) of the Bankruptcy Code), objections, challenges, causes of

action, and/or choses in action against any of the Prepetition Secured Creditors or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors, and employees with respect to the Prepetition Credit Documents, the Prepetition Secured Obligations, the Prepetition Liens, or otherwise, whether arising at law or at equity, including, without limitation, any challenge, recharacterization, subordination, avoidance, recovery, disallowance, disgorgement, reduction, or other claims arising under or pursuant to sections 105, 502, 510, 541, 542 through 553, inclusive, or 558 of the Bankruptcy Code or applicable state law equivalents. The Prepetition Secured Obligations constitute allowed, secured claims within the meaning of sections 502 and 506 of the Bankruptcy Code. Subject to paragraph 44 herein, the Debtors have waived, discharged, and released any right to challenge any of the Prepetition Secured Obligations, the priority of the Debtors' obligations thereunder, and the validity, extent, and priority of the Prepetition Liens.

(vii) *Cash Collateral*. Except as otherwise provided in the Prepetition Credit Documents, all of the Debtors' cash, including, without limitation, the cash in their deposit accounts, wherever located, whether as original collateral or proceeds of other Prepetition Collateral, constitutes Cash Collateral within the meaning of section 363(a) of the Bankruptcy Code and is Prepetition Collateral of the Prepetition Secured Creditors, subject to the Lien Priority Annex.

(viii) *Debtors' Stipulations Regarding Initial Funding*. In accordance with the First Interim Order, this Court authorized, among other things: (a) the Borrower to obtain DIP Financing pursuant to the DIP Credit Agreement; (b) the Guarantors to jointly and severally guarantee the DIP Loans and the other DIP Obligations; and (c) the DIP Loan Parties to execute, deliver the DIP Loan Documents, and perform under the DIP Credit Agreement in accordance

with and subject to the terms of the First Interim Order and the DIP Loan Documents. On August 20, 2026, the Court entered the First Interim Order, and the Debtors were authorized to incur the Interim Financing on the terms and conditions set forth in the DIP Documents and in the First Interim Order.

(ix) *No Control*. None of the DIP Agent, the DIP Lenders, the Prepetition ABL Agent, the Prepetition Term Loan Agent or the other Prepetition Secured Creditors, controls the Debtors or their operations, has authority to determine the manner in which any of the Debtors' operations are conducted or is a control person or "insider" (as defined in section 101(31) of the Bankruptcy Code) of the Debtors or any of their affiliates by virtue of any of the actions taken through the date of this Second Interim Order with respect to, in connection with, related to, or arising from this Second Interim Order, the DIP Facility, the DIP Loan Documents, the Prepetition Secured Obligations, and/or the Prepetition Credit Documents.[4]

(x) *Release*. Effective as of the date of entry of this Second Interim Order and subject to the rights of all parties-in-interest hereunder (including with respect to a Challenge (as defined herein)), other than the Debtors, as set forth in paragraph 44 herein, each of the Debtors, on their own behalf and on behalf of each of their past, present, and future predecessors, successors, heirs, subsidiaries, and assigns, and solely to the extent permitted under applicable law, hereby forever, unconditionally, permanently, and irrevocably releases, discharges, and acquits each of the following solely in their capacity as such: DIP Agent, the DIP Credit Parties, the Prepetition ABL Agent, the other Prepetition ABL Secured Parties, the Prepetition Term Loan Agent, the other Prepetition Term Loan Secured Parties, and each of their respective successors, assigns, affiliates, parents, subsidiaries, partners, controlling persons, representatives, agents,

[4] Pamplona Equity Partners, L.P., the Debtors' principal equity investor, holds a minority position under the Prepetition Term Loan Facility.

attorneys, advisors, financial advisors, consultants, professionals, officers, directors, members, managers, shareholders, and employees, past, present and future, advisors, sub-fund advisors, and collateral managers, and each of their respective heirs, predecessors, successors, and assigns, in each case solely in their capacity as such (collectively, the "***Released Parties***") of and from any and all claims, controversies, disputes, liabilities, obligations, demands, damages, expenses (including, without limitation, attorneys' fees), actions, suits, controversies, proceedings, losses, damages, injuries, debts, liens, actions, judgments, and causes of action of any and every nature whatsoever, whether arising in law or otherwise, and whether known or unknown, matured or contingent, asserted, unasserted, suspected, unsuspected, accrued, unaccrued, pending, or threatened, arising under, in connection with, or relating to the DIP Obligations or DIP Loan Documents, the Prepetition Secured Obligations or the Prepetition Credit Documents, including, without limitation: (a) any so-called "lender liability" or equitable subordination claims or defenses; (b) Claims and causes of action arising under the Bankruptcy Code; and (c) any and all offsets, defenses, claims, counterclaims, set off rights, objections, challenges, causes of action, and/or choses in action of any kind or nature whatsoever, whether arising at law or in equity, including any recharacterization, recoupment, subordination, avoidance, or other claim or cause of action arising under or pursuant to section 105 or chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state, federal, or foreign law, including, without limitation, any right to assert any disgorgement or recovery, in each case, with respect to the extent, amount, validity, enforceability, priority, security, and perfection of any of the DIP Obligations, the DIP Loan Documents, the DIP Liens, the Prepetition Secured Obligations, the Prepetition Credit Documents, or the Prepetition Liens, and further waive and release any defense, right of counterclaim, right of setoff, or deduction to the payment of the DIP Obligations and the

Prepetition Secured Obligations that the Debtors now have or may claim to have against the Released Parties, arising under, in connection with, based upon, or released to any and all acts, omissions, conduct undertaken, or events occurring prior to entry of this Second Interim Order. For the avoidance of doubt, nothing in this paragraph F(x) shall relieve the DIP Agent, the other DIP Lenders, or the Debtors of their obligations hereunder or under the DIP Obligations.

G. *Findings Regarding the Postpetition Financing*.

(i) *Request for Postpetition Financing*. The Debtors seek authority on an interim basis to: (a) enter into, and access and use the liquidity provided under, the DIP Facility on the terms described herein and in the DIP Loan Documents; and (b) use Cash Collateral on the terms described herein to administer the Chapter 11 Cases and fund operations. For the avoidance of doubt, the Debtors shall apply the proceeds of the DIP Collateral and the Prepetition Collateral in accordance with the DIP Loan Documents, the Lien Priority Annex and paragraph 17 of this Second Interim Order, including, without limitation, upon entry of the Final Order, the exchange and conversion on a cashless basis of the remaining outstanding Prepetition ABL Obligations into DIP Obligations.

(ii) *Priming of Certain Prepetition Liens; Consent to Use of Cash Collateral*. For the avoidance of doubt, with respect to the Prepetition Term Loan Priority Collateral, the DIP Liens shall not prime, and shall instead be subject and subordinate to the Prepetition Term Loan Liens solely with respect to the Prepetition Term Loan Priority Collateral; *provided, however*, that the Prepetition Term Loan Liens shall in all cases be subject and subordinate to the Carve Out, subject to paragraph 31(j). The Prepetition ABL Secured Parties have consented to the use of the Cash Collateral and to the subordination of the Prepetition ABL Liens to the DIP Liens and the Carve Out on the terms and conditions set forth in this Second Interim Order.

(iii) *Immediate Need for Postpetition Financing and Use of Cash Collateral*. The Debtors' immediate need to use Cash Collateral and to obtain credit pursuant to the DIP Facility as provided for herein is necessary and critical in order to enable the Debtors to continue operations and to administer and preserve the value of their estates. The ability of the Debtors to finance their operations, to maintain business relationships with their vendors, suppliers, and customers, to pay their employees, to protect the value of their assets, and to otherwise finance their operations requires the availability of working capital from the DIP Facility and the use of Cash Collateral. Without the ability to access the DIP Facility or use Cash Collateral, the Debtors, their estates, their creditors, their equity holders, and the possibility for a successful reorganization or sale of all or substantially all of the Debtors' assets, would suffer immediate and irreparable harm. The Debtors do not have sufficient available sources of working capital and financing to operate their businesses or maintain their properties in the ordinary course of business without the DIP Facility and authorized use of Cash Collateral.

(iv) *DIP Roll-Up Loan.* Upon (i) entry of the First Interim Order, without any further action by the Debtors or any other party, but subject to paragraph 44 herein, all cash, collections and proceeds of DIP Collateral (other than Prepetition Term Loan Priority Collateral) was used, on a dollar-for-dollar basis, to reduce the Prepetition Revolving Loans and resulted in a corresponding increase to availability under the DIP Facility (the "***Creeping Roll-Up***"), and (ii) entry of the Final Order granting such relief, but subject to paragraph 44 herein, all remaining outstanding Prepetition Revolving Loans shall automatically be deemed exchanged and converted on a cashless basis into and constitute DIP Obligations (the "***Full Roll-Up***" and, together with the Creeping Roll-Up, the "***DIP Roll-Up Obligations***"). All accrued and unpaid interest, expenses, fees, and other sums payable in respect of the outstanding Prepetition ABL Obligations through

the entry of the Final Order including any amounts not previously paid pursuant to the First Interim Order or this Second Interim Order shall be paid in cash by the Loan Parties to the Administrative Agent on the date of entry of the Final Order. The Prepetition ABL Secured Parties would not otherwise consent to the use of their Cash Collateral, and the DIP Agent and the DIP Lenders would not be willing to provide the DIP Facility or extend credit to the Debtors thereunder, without the inclusion of (a) the Creeping Roll-Up, upon entry of the First Interim Order, and (b) the Full Roll-Up, upon entry of the Final Order granting such relief. The DIP Roll-Up Obligations shall be authorized as compensation for, in consideration for, and solely on account of, the agreement of the Prepetition ABL Lenders to fund amounts under the DIP Facility and not as adequate protection for, or otherwise on account of, any Prepetition ABL Obligations. All accrued interest, expenses, fees and other sums constituting Prepetition ABL Obligations owing to the Prepetition ABL Lenders prior to the Closing Date were paid in cash on the Closing Date, and all Banking Services Obligations and Secured Hedging Obligations (each as defined in the Prepetition ABL Credit Agreement) were deemed DIP Obligations upon entry of the First Interim Order.

(v) *No Credit Available on More Favorable Terms*. Given their current financial condition, financing arrangements, and capital structure, the Debtors are unable to obtain financing from sources other than the DIP Credit Parties on terms more favorable than the DIP Facility. The Debtors are unable to obtain adequate unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense. The Debtors are unable to obtain adequate credit: (a) having priority over that of administrative expenses of the kind specified in sections 503(b), 507(a), and 507(b) of the Bankruptcy Code; (b) secured by a lien on property of the Debtors and their estates that is not otherwise subject to a lien; or (c) secured solely by a junior

lien on property of the Debtors and their estates that is subject to a lien. Financing on a postpetition basis is not otherwise available under sections 364(c)(1), 364(c)(2), and 364(c)(3) of the Bankruptcy Code without granting the DIP Agent, for the benefit of the DIP Credit Parties, in each case, subject to the terms of this Second Interim Order: (x) perfected security interests in and liens on (each as provided herein) all of the Debtors' existing and after-acquired assets with the priorities and to the extent set forth herein; (y) superpriority claims and priming liens to the extent set forth herein; and (z) the other protections set forth in the Orders, and without incurring the Adequate Protection Superpriority Claims and Adequate Protection Liens (each as defined herein) described herein.

(vi) *Adequacy of the Approved Budget*. As set forth in the DIP Loan Documents, the Debtors have prepared and delivered to the DIP Credit Parties, a budget, a summary copy of which is attached as **Exhibit 2** hereto (as the same may be modified from time to time consistent with the terms of the DIP Loan Documents and this Second Interim Order, and once approved by DIP Agent, the "***Approved Budget***"). As a condition to entry into the DIP Credit Agreement, the extensions of credit under the DIP Facility, and the authorization to use Cash Collateral, the DIP Credit Parties require, and the Debtors have agreed, that proceeds of the DIP Facility and the Cash Collateral shall be used in a manner consistent with the terms and conditions of the DIP Loan Documents and this Second Interim Order and in accordance with the Approved Budget (subject to Permitted Variances (as defined herein)).

(vii) *Certain Conditions to DIP Facility*. The DIP Lenders' willingness to make the DIP Loans is conditioned upon, among other things: (a) the Debtors obtaining Court approval to enter into the DIP Loan Documents and to incur all of the respective obligations thereunder, and to confer upon the DIP Credit Parties and the Prepetition ABL Secured Parties all applicable

rights, powers, and remedies thereunder in each case as modified by this Second Interim Order; (b) the provision and scope of adequate protection, as set forth in the Orders, of the Prepetition ABL Secured Parties' interests in the Prepetition Collateral pursuant to sections 361, 363, and 364 of the Bankruptcy Code; and (c) the DIP Credit Parties being granted, as security for the prompt payment of the DIP Facility and all other obligations of the Debtors under the DIP Loan Documents, subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex, senior, first priority perfected security interests in and liens upon the DIP Collateral to the extent set forth in the Orders.

H. *Prepetition ABL Lenders' Adequate Protection*. Until such time as the Prepetition ABL Obligations are Paid in Full,[5] the Prepetition ABL Secured Parties are entitled to receive adequate protection pursuant to sections 361, 362, 363, and 364 of the Bankruptcy Code and as set forth in paragraph 12 of this Second Interim Order resulting from, among other things: (i)

[5] "Paid in Full" or "Payment in Full" means the indefeasible repayment in full in cash of all obligations (including principal, accrued and unpaid interest and fees, reimbursable expenses and indemnities, other than contingent indemnification obligations for which no claim has been asserted and threatened, and all other amounts due and owing by the Debtors) under the applicable credit facility and this Second Interim Order, the cash collateralization or repayment in full in cash of all treasury and cash management obligations, hedging obligations, and bank product obligations, and the cancelation, replacement, backing, or cash collateralization of letters of credit, in each case, in accordance with the terms of the applicable facility and that each of the Prepetition ABL Agent, Prepetition ABL Lenders, Prepetition Term Loan Agent, Prepetition Term Loan Secured Parties, DIP Agent and DIP Lenders, as the case may be, shall have received a release from each Debtor and the Committee of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities (including, without limitation any obligations or liabilities of any kind related to the Carve Out upon payment in full of the Prepetition ABL Obligations, the Prepetition Term Loan Obligations or DIP Obligations) in form and substance acceptable to the Prepetition ABL Agent, the Prepetition Term Loan Agent the Prepetition Term Loan Secured Parties, or the DIP Agent, as applicable or in the case of the Committee, instead of such release, (A) if the Challenge Deadline (as defined in this Second Interim Order) has not elapsed, a written notice or other confirmation that no Challenge or any other claims of any kind (including with respect to the Carve Out upon payment in full of the Prepetition ABL Obligations, Prepetition Term Loan Obligations or DIP Obligations) will be asserted or (B) if the Challenge Deadline has elapsed, then no Challenge or any other claim has been asserted or any Challenge or other claim asserted has been dismissed pursuant to a final, non-appealable order of a court of competent jurisdiction and a written notice or other confirmation that no claim of any kind with respect to the Carve Out will be asserted against the Prepetition ABL Agent, any Prepetition ABL Secured Party, the Prepetition Term Loan Agent, any Prepetition Term Loan Secured Party, the DIP Agent or any DIP Lender.

provisions of the Orders granting the DIP Liens; (ii) the use of the Cash Collateral; (iii) the use, sale, lease, or depreciation or other Diminution in Value of the Prepetition Collateral; and/or (iv) the imposition of the automatic stay under the Bankruptcy Code, subject in each case to the Carve Out and the relative priorities set forth on the Lien Priority Annex. The terms of the adequate protection being provided reflect the Debtors' prudent exercise of business judgment and constitute a reasonable compromise for the use of the Prepetition ABL Priority Collateral, including Cash Collateral.

I. *Prepetition Term Loan Secured Parties' Adequate Protection*. Until such time as the Prepetition Term Loan Obligations are Paid in Full, the Prepetition Term Loan Secured Parties are entitled to receive adequate protection pursuant to sections 361, 362, 363 and 364 of the Bankruptcy Code and as set forth in paragraph 12 of this Second Interim Order resulting from, among other things: the (i) provisions of the Orders granting the DIP Liens; (ii) use, sale, lease, or depreciation or other Diminution in Value of the Prepetition Collateral; and/or (iii) the imposition of the automatic stay under the Bankruptcy Code, subject in each case to the Carve Out and the relative priorities set forth on the Lien Priority Annex. The terms of the adequate protection being provided reflect the Debtors' prudent exercise of business judgment and constitute a reasonable compromise for the use of the Prepetition Term Loan Priority Collateral as provided herein.

J. *Sections 506(c) and 552(b)*. The Debtors have agreed as a condition to obtaining financing under the DIP Facility and the use of Cash Collateral that as a material inducement to the DIP Credit Parties' agreement to provide the DIP Facility and the Prepetition ABL Secured Parties' consent to the use of Cash Collateral, and in exchange for: (a) the DIP Credit Parties' willingness to provide the DIP Facility to the extent set forth herein; (b) the DIP Credit Parties'

and the Prepetition ABL Secured Parties' agreement to subordinate the DIP Liens and the Prepetition ABL Liens, respectively, to the Carve Out; and (c) the consensual use of Cash Collateral consistent with the Approved Budget (subject to Permitted Variances), the terms of the DIP Loan Documents, and the terms of this Second Interim Order, subject to and upon entry of the Final Order, each of the DIP Credit Parties and Prepetition ABL Secured Parties shall receive a waiver of any equities of the case exceptions or claims under section 552(b) of the Bankruptcy Code and a waiver of unjust enrichment and similar equitable relief as set forth below; and the DIP Credit Parties and Prepetition ABL Secured Parties shall receive a waiver of the provisions of section 506(c) of the Bankruptcy Code.

K. *Good Faith of the DIP Credit Parties*.

(i) *Willingness to Provide Financing*. Each of the DIP Lenders has indicated a willingness to provide financing to the Debtors subject to: (a) on an interim basis, the entry by this Court of the First Interim Order and this Second Interim Order, and on a final basis, the entry by this Court of a Final Order; (b) approval by this Court of the terms and conditions of the DIP Facility and the DIP Loan Documents; and (c) entry of findings by this Court that such financing is essential to the Debtors' estates, that each of the DIP Credit Parties is extending credit to the Debtors pursuant to the DIP Loan Documents in good faith, and that each of the DIP Credit Parties' claims, superpriority claims, security interests, liens, rights, and other protections granted pursuant to the Orders and the DIP Loan Documents will have the protections provided in section 364(e) of the Bankruptcy Code.

(ii) *Business Judgment and Good Faith Pursuant to Section 364(e)*. The terms and conditions of this Second Interim Order, the DIP Loan Documents, the extension of credit and the fees paid and to be paid thereunder: (a) are fair, reasonable, and the best available to the

Debtors under the circumstances; (b) reflect the Debtors' exercise of prudent and sound business judgment; and (c) are supported by reasonably equivalent value and consideration. The DIP Facility and the use of Cash Collateral were negotiated in good faith and at arm's length among the Debtors and the DIP Credit Parties and the Prepetition ABL Secured Parties. The use of Cash Collateral and credit extended under the DIP Loan Documents was and shall be deemed to have been so allowed, advanced, made, used, and extended in good faith, and for valid business purposes and uses, within the meaning of section 364(e) of the Bankruptcy Code, and each of the DIP Credit Parties is therefore entitled to the protection and benefits of section 364(e) of the Bankruptcy Code and this Second Interim Order in the event that this Second Interim Order or any provision hereof is vacated, reversed, or modified, on appeal or otherwise. The DIP Credit Parties and Prepetition ABL Secured Parties have acted in good faith in connection with the Orders and their reliance on this Second Interim Order is in good faith.

L. *Prepetition Permitted Liens*. Nothing herein shall constitute a finding or ruling by this Court that any alleged Prepetition Permitted Lien is valid, senior, enforceable, prior, perfected, or non-avoidable. Moreover, nothing shall prejudice the rights of any party-in-interest, including, but not limited to, the Debtors, the DIP Credit Parties, the Prepetition Secured Creditors or the Committee, to challenge the validity, priority, enforceability, seniority, perfection, or extent of any alleged Prepetition Permitted Lien and/or security interests. Subject to entry of the Final Order granting such relief, the right of a seller of goods to reclaim such goods under section 546(c) of the Bankruptcy Code is not a Prepetition Permitted Lien and is expressly subject to the Prepetition Liens and the DIP Liens.

M. *Good Cause*. Good cause has been shown for the entry of this Second Interim Order. The relief requested in the Motion is necessary, essential, and appropriate and is in the

best interest of and will benefit the Debtors, their creditors, and their estates, as its implementation will, among other things, provide the Debtors with the necessary liquidity to: (a) minimize disruption to the Debtors' businesses and on-going operations; (b) preserve and maximize the value of the Debtors' estates for the benefit of all the Debtors' creditors; and (c) avoid immediate and irreparable harm to the Debtors, their creditors, their businesses, their employees, and their assets. The terms of the DIP Facility are fair and reasonable, reflect each Debtor's exercise of its business judgment, and are supported by reasonably equivalent value and fair consideration. The DIP Facility is the product of reasonable, arm's-length, good faith negotiations between the Debtors and the DIP Credit Parties.

N. *Immediate Entry*. Good and sufficient cause exists for immediate entry of this Second Interim Order pursuant to Bankruptcy Rule 4001(c)(2).

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

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Motion Granted; Interim Financing Approved. The Motion is granted on an interim basis, the Interim Financing is authorized on an interim basis, and the use of Cash Collateral on an interim basis is authorized, solely to the extent of the terms and conditions set forth in this Second Interim Order.

2. Objections Overruled. All objections, reservations of rights, or other statements with respect to the DIP Loans and/or entry of this Second Interim Order, other than the Committee Objection, to the extent not withdrawn or resolved are hereby overruled on the merits. For the avoidance of doubt, the Committee Objection is not hereby deemed withdrawn, resolved or overruled with respect to the final relief requested in the Motion and shall be deferred until the Final Hearing.

DIP Facility Authorization

3. Authorization of the DIP Financing and DIP Loan Documents. The Debtors are expressly and immediately authorized and empowered to: (a) execute and deliver the DIP Loan Documents; (b) incur and to perform the DIP Obligations (including the Creeping Roll-Up)[6] in accordance with, and subject to, the terms of this Second Interim Order and the DIP Loan Documents (including the Approved Budget); and (c) deliver all instruments, agreements, certificates, letters, and documents that may be necessary, desirable, or required for performance by the Debtors under the DIP Facility and the creation and perfection of the DIP Liens described in and provided for by this Second Interim Order and the DIP Loan Documents. The Debtors are hereby authorized to pay the principal, interest, fees, expenses and other amounts described in the DIP Loan Documents as such become due on the terms set forth in the DIP Loan Documents and without need to obtain further Court approval, including, without limitation, commitment fees, exit fees, collateral management fees, any additional fees and other amounts set forth in the DIP Loan Documents, and the reasonable and documented fees and disbursements of the DIP Credit Parties' attorneys, advisers, accountants, and other consultants, all to the extent required by the DIP Loan Documents, with invoices to be provided in accordance with paragraph 25 below. Upon execution and delivery, the DIP Loan Documents shall represent valid and binding, and joint and several, obligations of the Debtors, enforceable against each of the Debtors and their estates in accordance with the terms of the DIP Loan Documents. The Debtors are also hereby authorized, by this Second Interim Order, to make the Adequate Protection Payments. Without any further action by the Debtors or any other party, but subject to any Challenge (as defined herein) and an appropriate remedy fashioned by this Court in the event of a successful Challenge,

[6] The Full Roll-Up remains subject to entry of the Final Order.

the Debtors shall be authorized and deemed to have repaid and refinanced (i) the Prepetition ABL Obligations with proceeds of the Creeping Roll-Up, as applicable and (ii) upon entry of the Final Order, all additional outstanding Prepetition ABL Obligations with the Full Roll-Up.

4. Authorization to Borrow. Until a Termination Declaration Date (as defined herein), and subject to the terms and conditions set forth in the DIP Loan Documents, the DIP Facility, and this Second Interim Order, and in order to prevent immediate and irreparable harm to the Debtors' estates, the Debtors are hereby authorized, prior to the entry of the Final Order, to request extensions of credit under the DIP Facility up to an aggregate principal amount of $55 million at any one time outstanding. No other corporate action is required for the Debtors to execute and deliver the DIP Loan Documents, perform their obligations thereunder, or request any extension of credit under the DIP Facility as set forth herein.

5. DIP Obligations. The DIP Loan Documents, the First Interim Order, and this Second Interim Order shall constitute and evidence the validity and binding effect of the DIP Obligations, which DIP Obligations shall be enforceable against the Debtors, their estates and any successors thereto, including, without limitation, any trustee or other estate representative appointed in the Chapter 11 Cases, or any case under chapter 7 of the Bankruptcy Code upon the conversion of any of the Chapter 11 Cases (collectively, "***Successor Cases***"). Upon entry of the First Interim Order, the DIP Obligations included all loans (for the avoidance of doubt, the DIP Roll-Up Loan shall be included upon entry of the Final Order), and any other indebtedness or obligations, contingent or absolute, which may now or from time to time be owing by any of the Debtors to any of the DIP Credit Parties under the DIP Loan Documents or the First Interim Order or this Second Interim Order, including, without limitation, all principal, accrued interest, costs, fees, expenses, and other amounts owed pursuant to the DIP Loan Documents, and shall be joint

and several obligations of the Debtors in all respects; *provided* that the DIP Roll-Up Loan shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder. No obligation, payment, transfer, or grant of security under the DIP Credit Agreement, the other DIP Loan Documents or this Second Interim Order shall be stayed, restrained, voidable, or recoverable under the Bankruptcy Code or under any applicable law (including, without limitation, under section 502(d) of the Bankruptcy Code), or be subject to any defense, reduction, setoff, recoupment, or counterclaim.

6. Postpetition Liens and Collateral.

(a) Effective immediately upon the entry of the First Interim Order, pursuant to sections 364(c)(3) and 364(d) of the Bankruptcy Code, the DIP Agent (for the benefit of itself and the other DIP Lenders under and as described in the DIP Loan Documents) was granted continuing valid, binding, enforceable, non-avoidable, and automatically and properly perfected postpetition security interests in and liens, (collectively, the "***DIP Liens***") on all tangible and intangible prepetition and postpetition assets and real property of the DIP Loan Parties, whether existing on the Petition Date or thereafter acquired, and the proceeds, products, rents, and profits thereof including, without limitation, the following (the "***DIP Collateral***"):

(i) all Accounts;[7]

(ii) all Goods, including Equipment, Inventory and Fixtures;

(iii) all Documents, Instruments and Chattel Paper;

(iv) all Letters of Credit and Letter-of-Credit Rights;

(v) all Securities Collateral;

[7] All defined terms in the description of DIP Collateral shall have the meaning ascribed thereto in the DIP Loan Documents. All terms not specifically defined in the DIP Loan Documents shall have the meanings ascribed to such terms in Article 8 or 9 of the Uniform Commercial Code, as applicable.

(vi) all Investment Property;

(vii) all Intellectual Property Assets;

(viii) all Commercial Tort Claims;

(ix) all General Intangibles (including, without limitation, all Payment Intangibles);

(x) all Deposit Accounts, money, cash, and cash equivalents;

(xi) all Supporting Obligations;

(xii) all money, cash or cash equivalents;

(xiii) all credit balances, deposits and other property now or hereafter held or received by or in transit to the DIP Agent or at any other depository or other institution from or for the account of the DIP Loan Parties, whether for safekeeping, pledge, custody, transmission, collection or otherwise;

(xiv) all real property, and all right, title, and interests therein (including both fee and leasehold interests) and proceeds thereof;

(xv) the Prepetition Collateral;

(xvi) all claims and causes of action and the proceeds thereof to avoid a transfer of property (or an interest in property) pursuant to Section 549 of the Bankruptcy Code;

(xvii) subject to and effective upon the entry of the Final Order granting such relief, all other claims and causes of action, and any proceeds thereof, to avoid a transfer of property (or an interest in property) or an obligation incurred by the DIP Loan Parties pursuant to any applicable section of the Bankruptcy Code, including, without limitation, chapter 5 and section 724(a) of the Bankruptcy Code (collectively, the "***Avoidance Actions***" and any proceeds therefrom "***Avoidance Proceeds***");

(xviii) subject to and effective upon the entry of the Final Order granting such relief, the DIP Loan Parties' rights under Sections 506(c) and 552 of the Bankruptcy Code;

(xix) to the extent not otherwise described above, all receivables and all present and future claims, rights, interests, assets and properties recovered by or on behalf of the DIP Loan Parties;

(xx) all books, records, and information relating to any of the foregoing and/or to the operation of the DIP Loan Parties' business, and all rights of access to such books, records, and information, and all property in which such books, records and information are stored, recorded and maintained; and

(xxi) to the extent not otherwise included or specifically excluded, all other personal property of the DIP Loan Parties, whether tangible or intangible and all Proceeds and products of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing, and any and all proceeds of any insurance, indemnity, warranty or guaranty payable to the DIP Loan Parties from time to time with respect to any of the foregoing.

(b) Notwithstanding anything in this Second Interim Order or the DIP Loan Documents to the contrary, in no event shall DIP Collateral include: (a) any leasehold interest in non-residential real property that prohibits or restricts the granting of liens thereon (except as permitted pursuant to applicable non-bankruptcy law), but shall include the proceeds of the sale or other disposition of such leases; and (b) any security deposits held by a landlord under any non-residential real property lease or the Debtors' interest in any pre-paid rent under any such lease (but shall include the Debtors' reversionary interests therein), in each case, unless such lien is expressly permitted under such lease.

7. DIP Lien Priority in DIP Collateral.

(a) *DIP Liens*. Pursuant to Section 364(d), the DIP Liens on the DIP Collateral securing the DIP Obligations shall be first and senior in priority to all other interests and liens of every kind, nature, and description, whether created consensually, by an order of this Court or otherwise, including, without limitation, liens or security interests granted in favor of third parties in conjunction with sections 363, 364, or any other section of the Bankruptcy Code or applicable law; ***provided, however***, that the DIP Liens on the DIP Collateral shall be subordinate to the Prepetition Permitted Liens and subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex.

(b) Other than as set forth herein, the DIP Liens, the DIP Superpriority Claims, the Carve Out, the Adequate Protection Liens, and the Adequate Protection Superpriority Claims (each of which shall be subject to the relative priorities set forth on the Lien Priority Annex): (i) shall not be made subject to or *pari passu* with (A) any lien, security interest, or claim heretofore or hereinafter granted in any of the Chapter 11 Cases or any Successor Cases or any claim for reclamation or return (whether asserted pursuant to section 546(c) of the Bankruptcy Code or otherwise), and shall be valid and enforceable against the Debtors, their estates, any trustee, or any other estate representative appointed or elected in the Chapter 11 Cases or any Successor Cases and/or upon the dismissal of any of the Chapter 11 Cases or any Successor Cases, (B) any lien that is avoided and preserved for the benefit of the Debtors and their estates under section 551 of the Bankruptcy Code or otherwise, and (C) any intercompany or affiliate lien or claim; and (ii) shall not be subject to challenge under sections 510, 549, 550, or 551 of the Bankruptcy Code; ***provided*** that the DIP Roll-Up Loan shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder.

8. DIP Superpriority Claims.

(a) *DIP Superpriority Claim*. Subject to the Carve Out on account of all DIP Obligations now existing or hereafter arising pursuant to the First Interim Order, this Second Interim Order, or the other DIP Loan Documents, or otherwise, the DIP Agent (for the benefit of itself and the other DIP Lenders) is hereby granted to the maximum extent permitted pursuant to sections 364(c)(1), 503, and 507 of the Bankruptcy Code, an allowed superpriority administrative expense claim in each of the Chapter 11 Cases and any Successor Cases (collectively, the "***DIP Superpriority Claim***") for all DIP Obligations; *provided* that the DIP Roll-Up Loan shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder. Subject to paragraph 8(b) of this Second Interim Order, the Carve Out, the Lien Priority Annex, and Prepetition Permitted Liens, the DIP Superpriority Claim shall have, to the fullest extent permitted under the Bankruptcy Code, priority over any and all other obligations, liabilities, and indebtedness of each Debtor, whether now in existence or hereafter incurred by such Debtor including without limitation administrative expenses of the kinds specified in or ordered pursuant to sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c) (upon entry of the Final Order), 507(a), 507(b), 546(c), 546(d), 726, and 1114 of the Bankruptcy Code.

(b) *Priority of DIP Superpriority Claim.* The DIP Superpriority Claim, subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex, shall be payable from and have recourse to all prepetition and postpetition property of the Debtors and all proceeds thereof, including subject to entry of the Final Order granting such relief, Avoidance Proceeds.

9. No Obligation to Extend Credit. Except as may be required to fund the Professional Fee Escrow Account (as defined herein) or as otherwise required under this Second Interim Order, no DIP Credit Party shall have any obligation to make any loan or advance under

the DIP Loan Documents unless all of the conditions precedent to the making of such extension of credit under the applicable DIP Loan Documents and this Second Interim Order have been satisfied in full or waived in accordance with the DIP Loan Documents.

10. Use of Proceeds of the DIP Facility. The DIP Loans were made available to the Debtors: (a) on the Closing Date (as defined in the DIP Credit Agreement) to pay the fees, costs and expenses incurred in connection with the transactions contemplated hereby; and (b) on and/or after the Closing Date (i) to repay the Prepetition ABL Obligations pursuant to the Creeping Roll-Up and, subject to entry of the Final order, the Full Roll-Up, (ii) for the Debtors' working capital requirements in accordance with the provisions governing the Approved Budget (including the Permitted Variances) set forth herein and in the DIP Credit Agreement, (iii) to fund the costs, fees, and expenses in connection with administration of the Chapter 11 Cases in accordance with the provisions governing the Approved Budget (including the Permitted Variances) set forth herein and in the DIP Credit Agreement, (iv) payment of all reasonable and documented out of pocket costs, fees, and expenses required by the DIP Loan Documents, (v) payment of Court approved prepetition liabilities of the DIP Loan Parties in accordance with the provisions governing the Approved Budget (including the Permitted Variances) set forth herein and in the DIP Credit Agreement, (vi) to fund the Professional Fee Escrow Account and obligations benefitting from the Carve Out, and (vii) to fund such other costs and expenses of the Debtors and their estates as the DIP Agent may approve in writing, in its sole discretion, as to both the amount thereof and the permitted uses thereof, in each case of (a) and (b) above, in accordance with the terms of the DIP Loan Documents. For the avoidance of doubt, until such time as the DIP Obligations and the Prepetition ABL Obligations have been Paid in Full, except as may be otherwise agreed by the DIP Agent, any fees or disbursements of any Case Professional (which

shall not include, for the avoidance of doubt, those payments authorized or required pursuant to paragraphs 12(b), 25 and 26 of this Second Interim Order) shall be paid solely from the Professional Fee Escrow Account (including, to the extent applicable, the Case Professional Carve Out Limit funded into the Professional Fee Escrow Account following delivery of a Carve Out Trigger Notice (as each term is defined herein)) and any retainer held by a Case Professional, as applicable.

Authorization to Use Cash Collateral

11. Authorization to Use Cash Collateral. Subject to the terms and conditions of the First Interim Order, this Second Interim Order, and the other DIP Loan Documents, and in compliance with the Approved Budget (subject to Permitted Variances), the Debtors are authorized to use Cash Collateral only in accordance with the Approved Budget (subject to Permitted Variances) until such time that the DIP Credit Parties or the Prepetition ABL Secured Parties terminate the Debtors' use of Cash Collateral as provided herein; *provided* that the Adequate Protection Payments, as applicable, and other forms of adequate protection set forth herein are paid and maintained; *provided further* that nothing herein shall impede the Debtors' ability and entitlement to fund the Carve Out as provided in paragraph 31 hereof; *provided further* that during the Remedies Notice Period (as defined herein), the Debtors may use Cash Collateral solely to fund the Carve Out in accordance with, and subject to, the terms of this Second Interim Order and the Approved Budget, and (i) pay payroll (provided that the Debtors shall be prohibited from paying any severance or bonuses), (ii) U.S. Trustee fees and fees payable to the Clerk of the Court, and (iii) subject to the consent of the DIP Agent in its reasonable discretion (such consent not to be unreasonably withheld), other day-to-day operational expenses that are critical to the administration of the Debtors' estates during the Remedies Notice Period (not to exceed the Approved Budget under any circumstances absent the written consent of the DIP Agent and,

solely if the proposed payment relates to the Prepetition Term Loan Priority Collateral, the written consent of the Prepetition Term Loan Agent). All fees and costs incurred by the Debtors in connection with any Remedies Determination (including the fees and costs of its professionals) shall be funded solely by the Carve Out.

Adequate Protection Provisions

12. As adequate protection for the interest of the Prepetition Secured Creditors in the Prepetition Collateral (including Cash Collateral) on account of the granting of, among other things, the DIP Liens, the incurrence of the DIP Obligations, the subordination, as applicable, of the Prepetition Liens to the Carve Out, the Debtors' use of Cash Collateral, and any other diminution in value arising out of the imposition of the automatic stay or the Debtors' use, sale, lease, depreciation, or disposition of the Prepetition Collateral and Cash Collateral during the pendency of the Chapter 11 Cases (collectively, "***Diminution in Value***"), the Prepetition Secured Creditors, effective as of entry of the First Interim Order, shall continue to receive adequate protection as follows:

(a) *Adequate Protection Liens*. To the extent of any Diminution in Value, each of the Prepetition ABL Agent and Prepetition Term Loan Agent (for the benefit of itself and the other Prepetition Secured Creditors, as applicable) are hereby granted, pursuant to sections 361, 363(e), and 364(d) of the Bankruptcy Code, valid, binding, enforceable, non-avoidable and perfected replacement and additional postpetition security interests in, and liens on the DIP Collateral (the "***Adequate Protection Liens***"), which shall each be (x) subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex and (y) subordinate to the Prepetition Permitted Liens, as applicable. The Adequate Protection Liens granted to the Prepetition ABL Agent (on behalf of the Prepetition ABL Lenders) shall secure the Prepetition ABL Obligations and the Adequate Protection Liens granted to the Prepetition Term

Loan Agent (on behalf of the Prepetition Term Loan Lenders) shall secure the Prepetition Term Loan Obligations.

(i) The Adequate Protection Liens shall be: (A) deemed to be valid, binding, non-avoidable, enforceable, and fully perfected as of the Petition Date; and (B) in all instances, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex. Other than as set forth herein, until all of the Prepetition Secured Obligations are Paid in Full, the Adequate Protection Liens shall not be made subject to or *pari passu* with any lien or security interest by any court order heretofore or hereinafter granted in the Chapter 11 Cases or any Successor Cases. The Adequate Protection Liens shall be valid and enforceable against any trustee or other estate representative appointed in the Chapter 11 Cases or any Successor Cases, upon the conversion of any of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code (or in any other Successor Cases), and/or upon the dismissal of any of the Chapter 11 Cases or Successor Cases. The Adequate Protection Liens shall not be subject to Bankruptcy Code sections 506(c) (upon entry of the Final Order), 510, 549, or 550. No lien or interest avoided and preserved for the benefit of any Debtor's estate pursuant to Bankruptcy Code section 551 shall be made *pari passu* with or senior to the Adequate Protection Liens.

(ii) *Priority of Adequate Protection Liens*. The Adequate Protection Liens shall be payable from and have recourse to all DIP Collateral, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex.

(b) *Adequate Protection Payments.*

(i) Until the Prepetition ABL Obligations have been Paid in Full, all claims (including principal, interest at the default rate of interest specified in Section 2.12(c) of the Prepetition ABL Credit Agreement, and letter of credit fees, costs and other charges) arising from

or related to the Prepetition ABL Obligations shall continue to accrue and be paid in cash at the default rate of interest specified in Section 2.12(c) of the Prepetition ABL Credit Agreement monthly in arrears on the first Business Day of each calendar month. Such payments commenced with the first such date to occur after entry of the First Interim Order (the "***ABL Lender Payments***").

(ii) Until the Prepetition Term Loan Obligations have been Paid in Full, all claims (including principal, interest at the default rate and letter of credit fees, costs and other charges) arising from or related to the Prepetition Term Loan Obligations shall continue to accrue interest at the applicable rate as provided for in the Prepetition Term Loan Documents through the Chapter 11 Cases.

(iii) The Prepetition ABL Agent (including any successor thereto) shall further be entitled to the payment of all reasonable and documented fees, costs, expenses and charges of the Prepetition ABL Agent, to the extent payable under the Prepetition ABL Credit Agreement (the "***ABL Fees and Expenses***") and the Prepetition Term Loan Agent (including any successor thereto) shall further be entitled to the payment of all reasonable and documented fees, costs, expenses and charges of the Prepetition Term Loan Agent, to the extent payable under the Prepetition Term Loan Credit Agreement and solely from, and to the extent of, funds in the Term Loan Reserve (as defined herein), until Payment in Full of the DIP Obligations and Prepetition ABL Obligations and thereafter without limitation (the "***Term Loan Fees and Expenses***", and together with ABL Fees and Expenses and the ABL Lender Payments collectively, the "***Adequate Protection Payments***"); *provided, however*, that notwithstanding the foregoing, the out-of-pocket expenses incurred by the Prepetition ABL Agent prior to and unpaid as of the Closing Date were paid indefeasibly upon the occurrence of the Closing Date without the Prepetition ABL Agent (or

their counsel or other professionals) being required to deliver an invoice in summary form as set forth herein. For all ABL Fees and Expenses and Term Loan Fees and Expenses incurred after the Closing Date, counsel and/or professionals to the Prepetition Agents shall each deliver an invoice in summary form, which shall not be required to include time entry detail, but shall include a general description of the nature of the matters for which services were performed, and may be redacted for privileged information; ***provided, however***, that the Debtors, the U.S. Trustee and the Committee reserve their rights to request additional detail regarding the services rendered and expenses incurred by such professionals to counsel to the Debtors, the U.S. Trustee, and the Committee. If no written objection is received on the date that is ten (10) days after delivery of such invoice to counsel to the Debtors, the U.S. Trustee, and the Committee, the Debtors shall promptly pay such fees and expenses in full. If an objection to the applicable Prepetition Agent's invoice is timely received, the Debtors shall promptly pay the undisputed amount of the invoice, and this Court shall have jurisdiction to determine the disputed portion of such invoice if the parties are unable to resolve the dispute consensually. None of the Adequate Protection Payments shall be subject to further approval by this Court or the U.S. Trustee guidelines, and counsel and/or professionals to the Prepetition Agents shall not be required to file applications or motions with this Court for the payment of any of its fees or out-of-pocket expenses (other than with respect to disputed amounts). Payments of any amounts set forth in this paragraph are not subject to avoidance, subordination, or disgorgement. For the avoidance of doubt, the Adequate Protection Payments shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder.

(c) *Adequate Protection Superpriority Claims.*

(i) *Superpriority Claims of the Prepetition Agents*. As further adequate protection of the interests of the Prepetition Agents and the other Prepetition Secured Creditors with respect to the Prepetition Secured Obligations, the Prepetition ABL Agent and Prepetition Term Loan Agent (for the benefit of itself and the other Prepetition Secured Creditors, as applicable) is hereby granted an allowed administrative claim against the Debtors' estates to the maximum extent permitted under section 503 of the Bankruptcy Code, with priority over all administrative expense claims and unsecured claims against the Debtors and their estates of any kind or nature whatsoever, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex, including, without limitation, administrative expense claims of the kinds specified in or ordered pursuant to sections 105, 326, 328, 330, 331, 365, 503(a), 503(b), 506(c) (subject to entry of the Final Order granting such relief), 507(a), 507(b), 546(c), 726, 1113, and 1114 of the Bankruptcy Code, as provided for by section 507(b) of the Bankruptcy Code (the "***Adequate Protection Superpriority Claims***"), to the extent that the Adequate Protection Liens do not adequately protect against any Diminution in Value of the Prepetition Agents' respective interests in the Prepetition Collateral.

(ii) *Priority of Adequate Protection Superpriority Claims*. The Adequate Protection Superpriority Claims, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex, shall be payable from and have recourse to all prepetition and postpetition property of the Debtors and all proceeds thereof, including subject to entry of the Final Order granting such relief, Avoidance Proceeds.

(d) *Reservations of Rights.* Subject only to the Carve Out, the relative priorities set forth on the Lien Priority Annex, and the Prepetition Permitted Liens, nothing

contained herein shall impair or modify the Prepetition Secured Creditors' rights under section 507(b) of the Bankruptcy Code in the event that the adequate protection provided to the Prepetition Secured Creditors in this Second Interim Order is insufficient to compensate for the Diminution in Value of the interest of the Prepetition Secured Creditors in the Prepetition Collateral during the Chapter 11 Cases or any Successor Cases. Nothing contained in this Second Interim Order shall be construed as an admission as to the extent of any Diminution in Value, if any, in the interest of any Prepetition Secured Creditors in the Prepetition Collateral and nothing shall impair or modify the rights of any party to contest any assertion of Diminution in Value or contest any request for additional adequate protection.

Provisions Common to DIP Financing and Use of Cash Collateral Authorizations

13. Amendments. The DIP Loan Documents may from time to time be amended, restated, amended and restated, supplemented, or otherwise modified, in each case in accordance with the provisions of the DIP Loan Documents governing amendments thereto, by the parties thereto, each without further application to or order of this Court; *provided*, that any amendment to the DIP Credit Agreement: that (a) shortens or lengthens the maturity of the extensions of credit thereunder; (b) increases or decreases the aggregate commitments thereunder; or (c) increases the rate of interest payable with respect thereto (each, a "***Material DIP Amendment***"), shall be (a) provided (which may be by electronic mail) to the U.S. Trustee, the Prepetition Agents and the Committee, which shall have five (5) days from the date of receipt of such notice within which to object, in writing to the Material DIP Amendment and (b) filed with the Court for approval, it being understood that, among other things, (i) waivers for the benefit of the Debtors and extensions of Chapter 11 Case Milestones and similar deadlines, (ii) waivers for the benefit of the Debtors regarding Approved Budget testing, or any modifications, amendments, or updates to the Approved Budget made in accordance with paragraph 14 of this Second Interim Order and

the DIP Loan Documents, shall not be considered "material" for purposes hereof, and may become immediately effective. If the U.S. Trustee, Prepetition Agent(s) or the Committee timely objects to the Material DIP Amendment, the Material DIP Amendment shall only be permitted pursuant to an order of this Court. The foregoing shall be without prejudice to the Debtors' right to seek approval from this Court of a Material DIP Amendment on an expedited basis.

14. Approved Budget, Testing, and Permitted Variances.

(a) *Approved Budget.* The Approved Budget and any modification to, or amendment or update of, the Approved Budget shall be in form and substance satisfactory to the DIP Agent in its sole discretion and modified or amended in accordance with the DIP Loan Documents. The Approved Budget shall be updated, modified or supplemented by the Debtors in accordance with the DIP Credit Agreement and this Second Interim Order, but in any event the budget shall be updated from time to time upon the written request of the Administrative Agent and otherwise every two weeks; ***provided*** that, on or before the fourth Business Day of the first week (but in any event not later than Friday of such week) of each successive two-week period following the Closing Date (*i.e.*, commencing with the week of August 30, 2026), the Borrowers shall submit an updated budget for the next successive thirteen-week period (it being understood that, unless otherwise agreed by the DIP Agent, each updated budget shall only add projections for periods not previously covered by any Approved Budget and shall not modify any prior periods). Each such updated, modified or supplemented budget shall be in form and substance satisfactory to the DIP Agent in its sole discretion, and no such updated, modified or supplemented budget shall be effective until so approved and once approved shall be deemed the Approved Budget; ***provided, however***, that, in the event that the DIP Agent and the Debtors cannot agree as to a new Approved Budget, such disagreement shall give rise to an Event of Default

under the DIP Credit Agreement once the period covered by the most recent Approved Budget has terminated.

(b) *Permitted Variances*. The Debtors shall comply with the Approved Budget subject to the permitted variances set out in the DIP Credit Agreement (as amended from time to time as provided herein, the "***Permitted Variances***").

(c) *Approved Budget Testing*. Permitted Variances shall be reported by the Debtors on the Wednesday following the last Saturday of each completed week. For the avoidance of doubt, the testing of covenant compliance began on the first full calendar week following the Petition Date. The Debtors shall prepare a variance report, and deliver such variance report to the DIP Agent, the Prepetition ABL Agent, the Prepetition Term Loan Agent and their advisors in accordance with the requirements set out in the DIP Credit Agreement.

15. Modification of Automatic Stay. The automatic stay imposed under section 362(a) of the Bankruptcy Code is hereby modified as necessary to effectuate all of the terms and provisions of this Second Interim Order, including, without limitation, to permit: (a) the Debtors to grant the DIP Liens, the Adequate Protection Liens, the DIP Superpriority Claims, and the Adequate Protection Superpriority Claims on a continuing basis; (b) the Debtors to incur all liabilities and obligations to the DIP Agent on a continuing basis as contemplated under the DIP Loan Documents; and (c) the Debtors to pay, and the DIP Credit Parties and Prepetition Secured Creditors to retain and apply, all amounts referred to, required under, and in accordance with the terms of this Second Interim Order and the DIP Loan Documents.

16. Perfection of DIP Liens and Adequate Protection Liens.

(a) This Second Interim Order shall be sufficient and conclusive evidence of the priority, perfection, and validity of the DIP Liens, the Adequate Protection Liens, and the

other security interests granted herein, effective as of the Petition Date, without any further act and without regard to any other federal, state, or local requirements or law requiring notice, execution, filing, registration, recording, or possession of the DIP Collateral, or other act to validate or perfect such security interest or lien, including, without limitation: (i) entering into any control agreements with any financial institution(s) party to a control agreement or other depository account consisting of DIP Collateral; (ii) any requirement to register liens on any certificates of title; (iii) the filing of any financing statements; (iv) the filing of any intellectual property filings; (v) entering into any mortgages; (vi) noticing any liens; and/or (vii) the taking of any similar actions (each of the foregoing (i)-(vii) a "***Perfection Act***"). Notwithstanding the foregoing, if the DIP Agent or any Prepetition Agent, as applicable, shall, in its sole discretion, elect for any reason to file, record, or otherwise effectuate any Perfection Act, then such DIP Agent or Prepetition Agent, as applicable, is authorized to perform such act, and the Debtors are authorized to perform such act to the extent necessary or required by the DIP Loan Documents, which act or acts shall be deemed to have been accomplished as of the date and time of entry of the First Interim Order notwithstanding the date and time actually accomplished, and, in such event, the subject filing or recording office is authorized to accept, file, or record any document in regard to such act in accordance with applicable law. The DIP Agent or either Prepetition Agent, as applicable, may choose to file, record, or present a certified copy of the First Interim Order or this Second Interim Order in the same manner as a Perfection Act, which shall be tantamount to a Perfection Act, and, in such event, the subject filing or recording office is authorized to accept, file, or record such certified copy of the First Interim Order or this Second Interim Order in accordance with applicable law. Should the DIP Agent or either Prepetition Agent, as applicable, so choose and attempt to file, record, or perform a Perfection Act, no defect

or failure in connection with such attempt shall in any way limit, waive, or alter the validity, enforceability, attachment, priority, or perfection of the postpetition liens and security interests granted herein by virtue of the entry of this Second Interim Order.

(b) To the extent that any applicable non-bankruptcy law otherwise would restrict the granting, scope, enforceability, attachment, or perfection of any liens and security interests granted and created by the Orders (including the DIP Liens and the Adequate Protection Liens) or otherwise would impose filing or registration requirements with respect to such liens and security interests, such law is hereby pre-empted to the maximum extent permitted by the Bankruptcy Code, applicable federal or foreign law, and the judicial power and authority of this Court; ***provided, however***, that nothing herein shall excuse the Debtors from payment of any local fees, if any, required in connection with such liens. By virtue of the terms of the Orders, to the extent that the DIP Agent or either Prepetition Agent, as applicable, has filed Uniform Commercial Code financing statements, mortgages, deeds of trust, or other security or perfection documents under the names of any of the Debtors, such filings shall be deemed to properly perfect its liens and security interests granted and confirmed by the Orders without further action by the DIP Agent or applicable Prepetition Agent.

17. (a) Application of Proceeds of DIP Collateral. Subject to the Carve Out, the relative priorities set forth on the Lien Priority Annex, and the Prepetition Permitted Liens, as applicable, the proceeds of DIP Collateral shall be applied in accordance with the terms of the DIP Loan Documents, the Prepetition Credit Documents and this Second Interim Order. The Debtors shall not, directly or indirectly, voluntarily purchase, redeem, defease, or prepay any principal of, premium, if any, interest or other amount payable in respect of any indebtedness prior to its scheduled maturity, other than the DIP Obligations, the Adequate Protection Payments

required under this Second Interim Order, and obligations authorized by an order of this Court (which may include, without limitation, obligations secured by Prepetition Permitted Liens). The Debtors shall apply the proceeds of the DIP Collateral, the proceeds of the Prepetition ABL Priority Collateral, and any other cash and collections and receipts of cash from any source, including accounts, sale of property, loan advances, or refunds (but excluding amounts reserved for the Carve Out and proceeds of Prepetition Term Loan Priority Collateral, which shall be applied in accordance with paragraph 17(b) hereof) to the repayment and refinancing of the Prepetition ABL Obligations as set forth in this Second Interim Order, the Prepetition Credit Documents and the DIP Credit Agreement. The extension of the DIP Facility and the repayment and refinancing of the Prepetition ABL Obligations with the proceeds of the DIP Loans are part of an integrated transaction.

(b) Proceeds of Prepetition Term Loan Priority Collateral. Notwithstanding anything herein to the contrary, all proceeds of Prepetition Term Loan Priority Collateral shall be deposited into a segregated account maintained by the Debtors (the "Term Loan Reserve") and all Prepetition Liens of the Prepetition Secured Creditors shall attach to funds in the Term Loan Reserve to the same extent and with the same priority as such Prepetition Liens attached to the Prepetition Term Loan Priority Collateral and the Debtors shall not use such cash collateral or make any distributions from the Term Loan Reserve without further order of the Court (the "Term Loan Reserve Release Order") or the prior written consent of the Prepetition Term Loan Agent and Prepetition ABL Agent. All estate retained Case Professionals shall use reasonable efforts to indicate in their respective monthly fee applications, interim fee applications, final fee applications and/or other applicable reporting whether and to what extent any fees or expenses were incurred in connection with preserving or disposing of the Prepetition Term Loan Priority

Collateral. For the avoidance of doubt, any reasonable fees and expenses of the Prepetition Term Loan Secured Parties and their counsel shall be paid solely from funds in the Term Loan Reserve. Notwithstanding anything to the contrary contained herein, all parties' rights, claims and defenses under this paragraph, including with respect to (i) the gross cash proceeds received by the Debtors in connection with the sale or disposition of Prepetition Collateral, (ii) the allocation of proceeds from a mixed sale or other disposition of Prepetition Term Loan Priority Collateral and Prepetition ABL Priority Collateral, and (iii) the allocation of costs, fees, and expenses incurred in connection with such sale or disposition of Prepetition Collateral, are fully reserved and preserved, *provided*, that the Prepetition Term Loan Secured Parties shall raise, assert, and/or file any rights, claims, and/or defenses with respect to the allocation of proceeds from a mixed sale or other disposition of Prepetition Term Loan Priority Collateral and Prepetition ABL Priority Collateral that are included among the assets proposed to be sold in connection with the October 14, 2026 sale hearing by October 12, 2026 (or, with respect to assets not proposed to be sold in connection with such hearing, prior to the applicable sale hearing) and any such rights, claims, or defenses, will be heard, resolved, and/or overruled at the sale hearing before the Court on October 14, 2026 (or such other applicable sale hearing) subject to any extension of the foregoing dates for the Prepetition Term Loan Secured Parties that are consented to by the Debtors and DIP Agent or ordered by the Court.

18. Proceeds of Subsequent Financing. If the Debtors, any trustee, any examiner with enlarged powers, any responsible officer or any other estate representative subsequently appointed in the Chapter 11 Cases or any Successor Cases shall obtain credit or incur debt pursuant to sections 364(b), 364(c), or 364(d) of the Bankruptcy Code in violation of the DIP Loan Documents at any time prior to the repayment in full in cash of all DIP Obligations, and the

termination of the DIP Credit Parties' obligations to extend credit under the DIP Facility, then all the cash proceeds derived from such credit or debt shall immediately be turned over to the DIP Agent to be applied as set forth in paragraph 17 herein, subject to the Lien Priority Annex.

19. Maintenance of DIP Collateral and Prepetition Collateral. Until the Prepetition Secured Obligations and DIP Obligations are Paid in Full and the DIP Credit Parties' obligations to extend credit under the DIP Loan Documents are terminated, as provided therein, the Debtors shall insure the Prepetition Collateral and the DIP Collateral as required under the DIP Loan Documents and the Prepetition Credit Documents including, without limitation: (i) the payment of all past due tax obligations and assessments, solely in accordance with the Approved Budget; (ii) the payment of taxes and assessments that come due following the Petition Date as they come due, solely in accordance with the Approved Budget; and (iii) the maintenance of insurance consistent with the Debtors' practices prior to the Petition Date and any insurance related relief granted by the Court.

20. Termination Declaration Date. On a Termination Declaration Date (as defined herein), consistent with Article VII of the DIP Credit Agreement: (a) all DIP Obligations shall be immediately due and payable; and (b) all commitments to extend credit under the DIP Facility will terminate (subject, in each case, to funding of the Carve Out as provided herein).

21. Events of Default. The occurrence of an "Event of Default" under the DIP Credit Agreement, including failure to comply with any Chapter 11 Case Milestones (as defined in the DIP Credit Agreement and attached to the First Interim Order hereto as **Exhibit 4**) as and when required as set forth in section 5.15 of the DIP Credit Agreement and on **Exhibit 3** hereto (unless otherwise extended by the DIP Agent in its sole discretion), in each case, on terms and conditions and subject to documentation (including, in all cases, forms of all applicable motions and orders)

in form and substance reasonably satisfactory to the DIP Agent in all respects, shall constitute an event of default under this Second Interim Order after giving effect to any applicable cure period set forth in the DIP Credit Agreement (each, an "***Event of Default***").

22. Rights and Remedies Upon Event of Default.

(a) Subject to the terms of the DIP Loan Documents, immediately upon the occurrence and during the continuation of an Event of Default, notwithstanding the provisions of section 362 of the Bankruptcy Code, without any application, motion, or notice to, hearing before, or order from this Court, but subject to the terms of this Second Interim Order, including, without limitation, the funding of the Carve Out, the Remedies Notice Period (as defined herein) and the notice and grace period provisions of the DIP Credit Agreement set forth in Article VII of the DIP Credit Agreement: (1) (i) the DIP Agent may declare in writing (the "***DIP Termination Declaration***") (A) all DIP Obligations owing under the DIP Loan Documents to be immediately due and payable, (B) the termination, reduction, or restriction of any further commitment to extend applicable credit to the Debtors to the extent any such commitment remains under the DIP Facility, (C) termination of the DIP Facility and the DIP Loan Documents as to any future liability or obligation of the DIP Agent and the DIP Lenders, but without affecting any of the DIP Liens or the DIP Obligations, and/or (D) that any obligations to fund amounts in respect to the Carve Out shall be triggered, through the delivery of the Carve Out Trigger Notice (each as defined herein) to the Debtors; and (ii) the DIP Agent may declare a termination, reduction, or restriction on the ability of the Debtors to use Cash Collateral except solely to fund the ABL Carve Out Reserve and to seek a Remedies Determination (as defined herein) (the date on which a DIP Termination Declaration is delivered by the DIP Agent, the "***Termination Declaration Date***").

(b) Any DIP Termination Declaration shall not be effective until notice has been provided by electronic mail (or other electronic means) to counsel to the Debtors, counsel to the Committee, the U.S. Trustee, and counsel to each of the Prepetition Agents. The automatic stay in the Chapter 11 Cases otherwise applicable to the DIP Agent, the DIP Lenders, and the Prepetition Secured Creditors is hereby modified so that five (5) Business Days after the Termination Declaration Date (as such period may be extended pursuant to the terms hereof, the "***Remedies Notice Period***") and the funding of the Carve Out in accordance with paragraph 31(b) of this Second Interim Order, as applicable, and subject to the relative priorities set forth on the Lien Priority Annex and the Prepetition Permitted Liens: (x) the DIP Agent shall be entitled to exercise its rights and remedies in accordance with the DIP Loan Documents and this Second Interim Order; and (y) the applicable Prepetition Agent shall be entitled to exercise its respective rights and remedies to the extent available in accordance with the applicable Prepetition Credit Documents and this Second Interim Order.

(c) During the Remedies Notice Period, the Debtors and all other parties in interest shall be entitled to seek an emergency hearing with this Court (the "***Remedies Determination***"); *provided* that if the Debtors seek an emergency hearing during the Remedies Notice Period, but such hearing is scheduled for a later date by this Court (without any request by the Debtors to this Court with respect to such later scheduling), the Remedies Notice Period shall be tolled and the automatic stay shall not be modified until such hearing occurs. The Court may fashion an appropriate remedy at a hearing on a Remedies Determination; *provided* that the rights of the Debtors, the DIP Credit Parties, and the Prepetition Secured Creditors to contest such relief are expressly preserved. Except as set forth in this paragraph 22(c), after the Remedies Notice Period, the Debtors shall waive their right to seek relief, including, without

limitation, under section 105 of the Bankruptcy Code, to the extent such relief would in any way impair or restrict the rights and remedies of the DIP Agent, the DIP Lenders, or the Prepetition Secured Creditors under this Second Interim Order. Furthermore, during the Remedies Notice Period, the Debtors may use Cash Collateral solely to fund the Carve Out in accordance with, and subject to, the terms of this Second Interim Order and the Approved Budget, and (i) pay payroll (provided that the Debtors shall be prohibited from paying any severance or bonuses), (ii) U.S. Trustee fees and fees payable to the Clerk of Court, and (iii) subject to the consent of the DIP Agent in its reasonable discretion (such consent not to be unreasonably withheld), other day-to-day operational expenses that are critical to the administration of the Debtors' estates during the Remedies Notice Period (not to exceed the Approved Budget under any circumstances absent the written consent of the DIP Agent and, solely if the proposed payment relates to the Prepetition Term Loan Priority Collateral, the written consent of the Prepetition Term Loan Agent). All fees and costs incurred by the Debtors in connection with any Remedies Determination (including the fees and costs of its professionals) shall be funded solely by the Carve Out. Unless this Court orders otherwise prior to the expiration of the Remedies Notice Period, the automatic stay, as to all of the DIP Agent, the DIP Lenders, and the Prepetition Secured Creditors shall automatically be terminated at the end of the Remedies Notice Period (as it may be extended in accordance with this paragraph) without further notice or order. Upon expiration of the Remedies Notice Period (as it may be extended in accordance with this paragraph) and the funding of the Carve Out in accordance with paragraph 31(b) of this Second Interim Order, as applicable, and subject to the relative priorities set forth on the Lien Priority Annex and the Prepetition Permitted Liens, the applicable DIP Agent and the applicable Prepetition Secured Creditors shall be permitted to exercise all remedies set forth herein, and in the DIP Loan Documents, and as otherwise available

at law without further order of or application or motion to this Court consistent with this Second Interim Order and the applicable loan documents. The DIP Credit Parties and the Prepetition Secured Creditors may, subject to the Prepetition Credit Documents, the funding of the Carve Out, as applicable, the relative priorities set forth on the Lien Priority Annex, and the Prepetition Permitted Liens, after the Remedies Notice Period, enter onto the premises of any Debtor in accordance with paragraph 23(b) herein.

23. Leased Premises.

(a) Notwithstanding anything to the contrary in this Second Interim Order, for purposes of this Second Interim Order, DIP Liens and Adequate Protection Liens shall not encumber and DIP Collateral shall not include (i) leasehold interests of non-residential real property that prohibit or restrict the granting of such liens in the applicable lease except as permitted pursuant to applicable non-bankruptcy law (but shall include the proceeds of the sale or disposition of such leases) and (ii) any security deposits (in possession of the Debtors or the landlord) or the Debtors' interests, if any, in pre-paid rent, unless liens on such security deposits or pre-paid rent are expressly permitted pursuant to the underlying lease documents; ***provided*** that, the DIP Liens and Adequate Protection Liens shall extend to any such security deposits or pre-paid rent upon reversion thereof to the Debtors, if at all, as well as any proceeds or value of such leasehold interests whether by sale, financing, or other disposition or form of transfer, termination or transaction; ***provided, further,*** that any liens granted herein relating to the Debtors' insurance policies shall not interfere with any rights held by a landlord under such policies to any such insurance proceeds for damage to landlord's property.

(b) Notwithstanding anything to the contrary in this Second Interim Order, the DIP Loan Documents, or the Prepetition Credit Documents, the DIP Agent's or the Prepetition

Agents' exercise of their remedies pursuant to paragraph 22 and in accordance with the DIP Loan Documents and the Prepetition Credit Documents shall be subject to, as may be applicable: (a) any agreement in writing between the DIP Agent or Prepetition Agents and any applicable landlord; (b) pre-existing rights of the DIP Agent or Prepetition Agents, and any applicable landlord under applicable non-bankruptcy law; (c) written consent of the applicable landlord; or (d) further order of this Court following notice and a hearing.

24. Good Faith Under Section 364 of the Bankruptcy Code; No Modification or Stay of this Second Interim Order. In accordance with sections 364(e) and 363(m) of the Bankruptcy Code, in the event any or all of the provisions of this Second Interim Order are hereafter reversed, modified, amended, or vacated by a subsequent order of this Court, or any other court, the DIP Credit Parties and Prepetition Secured Creditors are entitled, upon entry of this Second Interim Order, to the protections provided in section 364(e) of the Bankruptcy Code. Any such reversal, modification, amendment, or vacatur shall not affect the validity and enforceability of any advances previously made or made hereunder, or lien, claim or priority authorized or created hereby. Any liens or claims granted to the DIP Credit Parties and Prepetition Secured Creditors hereunder arising prior to the effective date of any such reversal, modification, amendment, or vacatur of this Second Interim Order shall be governed in all respects by the original provisions of this Second Interim Order, including, without limitation, entitlement to all rights, remedies, privileges, and benefits granted herein.

25. DIP and Other Expenses. The Debtors are authorized to pay, without duplication of fees paid for the benefit of the DIP Credit Parties, all reasonable and documented out-of-pocket costs and expenses (and the DIP Agent is authorized to make advances or charges against the loan account to pay such agreed costs and expenses of the DIP Credit Parties in accordance with the

DIP Loan Documents) of the DIP Credit Parties in connection with the DIP Facility (including, without limitation, costs and expenses incurred prior to the Petition Date) (the "***DIP Agent Fees and Expenses***"), to the extent set forth in the DIP Loan Documents. The professionals for the DIP Agent, shall deliver an invoice in summary form (which shall not be required to include time entry detail and may be redacted for privileged information, but shall include (i) a general description of the nature of the matters for which services were performed and (ii) contain sufficiently detailed information to permit the Review Parties (as defined herein) to determine whether the fees and expenses sought to be paid are reasonable); *provided, however*, that the Debtors, the Prepetition Term Loan Agent, the U.S. Trustee and the Committee reserve their rights to request unredacted copies of such invoices and additional detail regarding the services rendered and expenses incurred by such professionals to counsel to the Debtors, the Prepetition Term Loan Agent, the U.S. Trustee, and the Committee (together, the "***Review Parties***"); *provided, however*, that notwithstanding the foregoing, the out-of-pocket expenses (including, without limitation, all attorneys' and other professionals' fees and expenses) incurred by the DIP Agent prior to and unpaid as of the Closing Date were paid indefeasibly upon the occurrence of the Closing Date without the DIP Agent being required to deliver an invoice in summary form as set forth herein. If no written objection is received by ten (10) calendar days after receipt of such invoice by the Review Parties, the Debtors shall promptly pay such fees and expenses in full. If an objection to a professional's invoice is timely received, the Debtors shall promptly pay the undisputed amount of the invoice, and this Court shall have jurisdiction to determine the disputed portion of such invoice if the parties are unable to resolve the dispute consensually. The DIP Agent's professionals shall not be required to comply with the U.S. Trustee guidelines or to file

applications or motions with, or obtain approval of, this Court for the payment of any of their fees or out-of-pocket expenses (other than with respect to disputed amounts).

26. Indemnification. The Debtors shall indemnify and hold harmless the DIP Agent, each other DIP Credit Party, and each Indemnitee (as defined in the DIP Credit Agreement), subject to and in accordance with each DIP Credit Agreement, including, without limitation, Section 9.03(b) of the DIP Credit Agreement.

27. [Reserved.]

28. [Reserved.]

29. Proofs of Claim. Notwithstanding any order entered by this Court in relation to the establishment of a bar date in any of these Chapter 11 Cases or any Successor Cases, neither the DIP Credit Parties, the Prepetition Agents, nor any of the Prepetition Secured Creditors shall be required to file proofs of claim in these cases or any Successor Cases in order to assert claims for payment of any of the DIP Obligations or the Prepetition Secured Obligations, including, without limitation, any principal, unpaid interest, fees, expenses and other amounts due and payable under the Prepetition Credit Documents or this Second Interim Order. None of the DIP Credit Parties or the Prepetition Secured Creditors will be required to file proofs of claim or requests for approval of administrative expenses in any of the Chapter 11 Cases or Successor Cases, and the provisions of this Second Interim Order relating to the DIP Obligations, the DIP Superpriority Claims, the Adequate Protection Superpriority Claims, the Prepetition ABL Obligations, or the Prepetition Term Loan Obligations, and the Debtors' Stipulations shall constitute timely filed proofs of claim and/or administrative expense requests (as applicable) in each of the Chapter 11 Cases.

30. Rights of Access and Information. The Debtors shall use commercially reasonable efforts to afford the DIP Credit Parties all of the rights of access and information provided for under the DIP Loan Documents, including, but not limited to, the right to conduct field examinations and inventory appraisals during normal business hours and upon reasonable advance notice (at the expense of the Debtors) as frequently as determined by the DIP Agent in its reasonable discretion.

31. Carve Out.

(a) *Priority of Carve Out.* Each of the DIP Liens, the Prepetition Liens, the Adequate Protection Liens, the DIP Superpriority Claims, the Adequate Protection Superpriority Claims, the DIP Obligations, and the Prepetition Secured Obligations shall be subject and subordinate to payment of the Carve Out (as defined herein). The Carve Out shall be senior to all claims and liens over all assets of the Debtors, including any DIP Collateral, as set forth in the Lien Priority Annex.

(b) *Definition of Carve Out.* As used in this Second Interim Order, the Carve Out means the sum of (i) all unpaid professional fees and disbursements incurred by the Debtors and the Committee pursuant to Sections 327 and 1103 of the Bankruptcy Code, including (A) Cole Schotz P.C., as Debtors' restructuring counsel, and (B) Reflect Advisors, in their professional capacity providing services and additional staff to the chief restructuring officer (the "***Case Professionals***") prior to the delivery of the Carve Out Trigger Notice to the extent allowed by the Court at any time, but in each case under clause (i) solely to the extent the same are incurred by each Case Professional in accordance with any Approved Budget; plus (ii) following the delivery of a Carve Out Trigger Notice, the unpaid professional fees and disbursements incurred by the Case

Professionals in an amount collectively up to (x) $250,000 for Case Professionals retained by the Debtors (the *"**Debtors' Professional Carve Out Limit**") and* (y) $50,000 for Case Professionals retained by the Committee (the *"**Committee Professional Carve Out Limit***" and, together with the Debtors' Professional Carve Out Limit, the "***Case Professional Carve Out Limit***"), plus (iii) the payment of fees pursuant to 28 U.S.C. § 1930(a), including fees owed to the U.S. Trustee, and any fees required to be paid to the Clerk of the Court, which fees shall not be limited to amounts that may be set forth in the Approved Budget; plus (iv) all reasonable fees and expenses up to $50,000 incurred by a chapter 7 trustee under Section 726(b) of the Bankruptcy Code (the "***Chapter 7 Trustee Carve Out Limit***", and together with the Case Professional Carve Out Limit, the "***Carve Out Limit***") (items (i) through (iv), collectively, the "***Carve Out***"). Within three (3) Business Days of delivery of a Carve Out Trigger Notice, the outstanding amount of the Carve Out shall be funded by the Debtors into the Professional Fee Escrow Account; *provided*, that (i) the Debtors shall first utilize cash on hand to fund the Carve Out, and (ii) solely to the extent that the Debtors are unable to fully fund the Carve Out with cash on hand in the manner and in the amount set forth in this paragraph 31(b), then proceeds from the DIP Facility shall be used to fund any shortfall, which funding may be in the form of additional DIP Loans. For purposes of the foregoing, "***Carve Out Trigger Notice***" shall mean a written notice delivered by email (or other electronic means) by the DIP Agent to the Debtors, their lead restructuring counsel (Cole Schotz P.C.), the U.S. Trustee, counsel to the Prepetition Term Loan Secured Parties, and lead counsel to the Committee (Kelley Drye & Warren LLP), which notice may be delivered only following the occurrence and during the continuation of an Event of Default.

(c) *Professional Fee Escrow Account*. Notwithstanding anything to the contrary contained in this Second Interim Order, until an Event of Default or the Termination Declaration Date has occurred, the Debtors shall be permitted to borrow under the DIP Facility on a weekly basis to fund a segregated non-interest bearing account (which may be the trust account of the Debtors' restructuring counsel) and hold in trust solely for the benefit of the Case Professionals (the "***Professional Fee Escrow Account***") in the amounts contemplated under clause (i) of the immediately preceding paragraph. The Debtors shall be permitted to pay, or cause to be paid from the Professional Fee Escrow Account, as and when the same may become due and payable, the allowed professional fees of Case Professionals regardless of whether an Event of Default or the Termination Declaration Date has occurred. Subject to paragraph 31(j) hereof, none of the provisions of this Second Interim Order or any DIP Loan Document shall prohibit or restrict the payment of the fees and expenses of any Case Professionals from any retainers held by such Case Professional. The amounts held in the Professional Fee Escrow Account shall not be subject to any lien, attachment, garnishment, or other claim of any creditor of the Debtors other than the Case Professionals for whose benefit such amounts are held in trust. Any amounts remaining in the Professional Fee Escrow Account after the payment in full of all allowed professional fees of Case Professionals pursuant to final fee applications and orders shall be returned to the Debtors, the amounts which shall be applied in accordance with paragraph 17 hereof and the Lien Priority Annex. The DIP Liens and Adequate Protection Liens shall attach, in accordance with the relative priorities set forth in the Lien Priority Annex, to any cash held in the Professional Fee Escrow Account following the payment of Case Professionals from the Carve Out.

(d) *Payment of Allowed Professional Fees Prior to the Termination Declaration Date*. Any payment or reimbursement made prior to the occurrence of the Termination Declaration Date in respect of any allowed professional fees shall not reduce or be deemed to reduce the Carve Out; ***provided, however***, that the obligation of the DIP Credit Parties to fund the Professional Fee Escrow Account shall be deemed satisfied so long as the DIP Credit Parties have complied with their obligations with respect to the Professional Fee Escrow Account as set forth in this paragraph 31.

(e) *Payment of Carve Out On or After the Termination Declaration Date*. Any payment or reimbursement made on or after the occurrence of the Termination Declaration Date in respect of any allowed professional fees shall permanently reduce the Carve Out on a dollar-for-dollar basis. Any funding or payment of the Carve Out shall be added to, and made a part of the DIP Obligations secured by the DIP Collateral and shall be otherwise entitled to the protections granted under this Second Interim Order, the DIP Loan Documents, the Bankruptcy Code, and applicable law; ***provided*** that any funding or payment that (i) constituted DIP Obligations shall not be further added to the DIP Obligations and (ii) was made with the proceeds of Prepetition Term Loan Priority Collateral shall not constitute DIP Obligations.

(f) *No Direct Obligation To Pay Allowed Professional Fees*. None of the DIP Credit Parties or the Prepetition Secured Creditors shall be responsible for the payment or reimbursement of any fees or disbursements of any Case Professional or any fees or expenses of the U.S. Trustee or Clerk of this Court incurred in connection with the Chapter 11 Cases or any Successor Cases under any chapter of the Bankruptcy Code. Nothing in this Second Interim Order or otherwise shall be construed to obligate the DIP Credit Parties or the Prepetition Secured Creditors, in any way, to pay compensation to, or to reimburse expenses of, any Case Professional

or to guarantee that the Debtors have sufficient funds to pay such compensation or reimbursement. Until the DIP Obligations and Prepetition Secured Obligations have been Paid in Full, allowed professional fees of Case Professionals shall be paid solely from the Professional Fee Escrow Account or any retainers held by Case Professionals.

(g) *Subordination to Carve Out*. Notwithstanding anything to the contrary in this Second Interim Order, the Debtors' obligations to the DIP Credit Parties and the Prepetition Secured Creditors and the liens, security interests, and superpriority claims granted herein, under the DIP Loan Documents, and/or under the Prepetition Credit Documents, including, without limitation, the DIP Liens, the DIP Superpriority Claims, the Adequate Protection Liens, Adequate Protection Superpriority Claims, and the Prepetition Secured Obligations, shall be subject in all respects and subordinate to the Carve Out, including paragraph 31(j) hereof. For the avoidance of doubt, upon the funding of the Carve Out as set forth in this paragraph 31, the DIP Credit Parties and the Prepetition Secured Creditors shall have no further obligation to fund the Carve Out (including the Professional Fee Escrow Account), and their liens and claims shall not be subordinate to any obligations or amounts other than that which is held in the Carve Out, subject to paragraph 31(j) hereof.

(h) *ABL Carve Out Reserve.* In accordance with the DIP Credit Agreement, the DIP Agent shall be entitled to at all times maintain a reserve (the "***ABL Carve Out Reserve***") against the Borrowing Base (as defined in the DIP Credit Agreement) in an amount not to exceed, at any time of determination, the sum of the Carve Out Limit, *provided* that the DIP Agent may reserve for the fees and expenses of any Case Professionals to be included in the Professional Fee Escrow Account to the extent they are not timely funded in accordance with paragraph 31(c) hereof.

(i) *Reservation of Rights With Respect to Allowance of Fees*. Nothing in this Second Interim Order shall be construed as consent to the allowance of any professional fees or expenses of any Case Professional or shall be construed as a waiver of any right of the DIP Credit Parties and the Prepetition Secured Creditors with respect to any fee statement, interim application or monthly application issued or filed by the Case Professionals. Notwithstanding anything to the contrary herein or in the DIP Loan Documents, (x) in no event shall any DIP Lender be required to fund any amounts in excess of its DIP Commitment and (y) the payment of any allowed professional fees pursuant to the Carve Out shall not (i) reduce any Debtor's obligations owed to the DIP Agent, any DIP Lender, the DIP Credit Parties, the Prepetition Agents, and the Prepetition Secured Creditors (whether under this Second Interim Order or otherwise) or (ii) modify, alter or otherwise affect any of the liens and security interests of such parties (whether granted under this Second Interim Order or otherwise) in the Prepetition Collateral or the DIP Collateral (or their claims against the Debtors).

(j) *Reservation of Rights With Respect to Allocation of Proceeds Used to Fund Carve Out*. The DIP Secured Parties, the Prepetition ABL Secured Parties, and the Prepetition Term Loan Secured Parties reserve their respective rights as to the allocation of proceeds used to fund the Carve Out as among the Prepetition ABL Priority Collateral, the Prepetition Term Loan Priority Collateral, and the DIP Collateral.

32. Limitation on Use of DIP Loans and DIP Collateral (Including Cash Collateral). For the avoidance of doubt and notwithstanding any other provision of this Second Interim Order or any other order entered by this Court to the contrary, no portion of the Carve Out, DIP Collateral, or Prepetition Collateral (including Cash Collateral) may be used directly or indirectly in connection with: (i) the investigation, initiation, or prosecution of any claims, causes of action,

motions, adversary proceedings, or other litigation, (A) against any of the DIP Lenders, the DIP Agent, the Prepetition Secured Creditors (whether in such capacity or otherwise), or (B) challenging the amount, validity, perfection, priority, or enforceability of or asserting any defense, counterclaim or offset to, the obligations and the liens and security interests granted under the DIP Loan Documents or in connection with the Prepetition Loan Facilities, including, in each case without limitation, for lender liability or pursuant to Sections 105, 510, 544, 547, 548, 549, 550, or 552 of the Bankruptcy Code, applicable non-bankruptcy law or otherwise; (ii) attempts to modify any of the rights granted to the DIP Lenders or the DIP Agent with respect to the DIP Facility or the Prepetition Agents or the other Prepetition Secured Creditors with respect to the Prepetition Loan Facilities; (iii) any objection to, motion to reconsider or appeal of any order with respect to the DIP Facility; (iv) attempts to prevent, hinder, or otherwise delay any of the DIP Lenders' or the DIP Agent's assertion, enforcement, or realization upon any DIP Collateral in accordance with the DIP Loan Documents and the Final Order once an Event of Default has occurred and any applicable Remedies Notice Period expired; *provided, however*, that the proceeds of the DIP Loans and DIP Collateral (including Cash Collateral) may be used by the Committee to investigate prior to the Challenge Deadline (as defined herein), but not to prosecute, (A) the claims and liens of the Prepetition Secured Creditors, and (B) potential claims, counterclaims, causes of action or defenses against any of the Prepetition Secured Creditors, up to an aggregate cap of no more than $50,000.

33. No Third Party Rights. Except as explicitly provided for herein, this Second Interim Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, or incidental beneficiary.

34. Release. Subject to paragraph 44 hereof, and the challenge rights granted thereunder, effective upon entry of the First Interim Order, each of the Released Parties was released and continues to be released by the Debtors as provided in paragraph F(x) hereof.

35. Section 506(c) Claims. Subject to and upon entry of the Final Order granting such relief, no costs or expenses of administration which have been or may be incurred in the Chapter 11 Cases or Successor Cases at any time shall be charged against the DIP Credit Parties or the DIP Collateral (other than the Prepetition Term Loan Priority Collateral pursuant to subsequent order of this Court) or the Prepetition ABL Secured Parties or the Prepetition ABL Priority Collateral pursuant to sections 105 or 506(c) of the Bankruptcy Code, or otherwise and all rights to surcharge the DIP Credit Parties or the DIP Collateral (other than the Prepetition Term Loan Priority Collateral pursuant to subsequent order of this Court) or the Prepetition ABL Secured Parties or the Prepetition ABL Priority Collateral under sections 105 or 506(c) of the Bankruptcy Code or any other applicable principle of equity or law shall be and are hereby finally and irrevocably waived, and such waiver shall be binding upon the Debtors and all parties-in-interest in this or any Successor Cases.

36. No Marshaling / Applications of Proceeds. Subject to and upon entry of the Final Order granting such relief, none of the DIP Credit Parties or the Prepetition Secured Creditors shall be subject to the equitable doctrine of "marshaling" or any other similar doctrine with respect to any of the DIP Collateral or Prepetition Collateral.

37. Section 552(b). The DIP Agent and the other DIP Credit Parties shall be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code. Subject to and upon entry of the Final Order granting such relief, and subject to approval by this Court therein, the "equities of the case" exception under section 552(b) of the Bankruptcy Code shall not apply to

the DIP Credit Parties or the Prepetition Secured Creditors with respect to proceeds, products, offspring, or profits of any of the Prepetition Collateral or DIP Collateral.

38. Limits on Lender Liability. Nothing in this Second Interim Order, any of the DIP Loan Documents, the Prepetition Credit Documents, or any other documents related thereto shall in any way be construed or interpreted to impose or allow the imposition upon the DIP Agent, the DIP Lenders, the Prepetition Agents, or the Prepetition Secured Creditors of any liability for any claims arising from any activities by the Debtors in the operation of their businesses or in connection with the administration of the Chapter 11 Cases. The DIP Agent, the DIP Lenders, the Prepetition Agents, and the Prepetition Secured Creditors shall not, solely by reason of having made loans under the DIP Facility or permitting the use of Cash Collateral, as applicable, be deemed in control of the operations of the Debtors or to be acting as a "responsible person" or "owner or operator" with respect to the operation or management of the Debtors (as such terms, or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 *et seq.*, as amended, or any similar federal or state statute). Nothing in this Second Interim Order or the DIP Loan Documents, shall in any way be construed or interpreted to impose or allow the imposition upon the DIP Agent, the DIP Lenders, the Prepetition Agents, or the Prepetition Secured Creditors of any liability for any claims arising from the prepetition or postpetition activities of any of the Debtors.

39. Joint and Several Liability. Nothing in this Second Interim Order shall be construed to constitute a substantive consolidation of any of the Debtors' estates, it being understood, however, that the Debtors shall be jointly and severally liable for the obligations hereunder and in accordance with the terms of the DIP Facility and the DIP Loan Documents.

40. No Superior Rights of Reclamation. The extension of the DIP Facility and the repayment and refinancing of the Prepetition ABL Obligations with the proceeds of the DIP Loans are part of an integrated transaction. Based on the findings and rulings herein concerning the integrated nature of the DIP Facility and the Prepetition ABL Documents and the relation back of the DIP Liens, in no event shall any alleged right of reclamation or return (whether asserted under section 546(c) of the Bankruptcy Code or otherwise) be deemed to have any additional or greater rights and priority with respect to the Prepetition ABL Liens as such claim had on the Petition Date.

41. Debtors' Waivers/Covenants. At all times during the Chapter 11 Cases prior to the DIP Obligations and Prepetition Secured Obligations being Paid in Full, and whether or not an Event of Default has occurred, it shall be an Event of Default for the Debtors to seek authority to take any of the following actions prior to the DIP Obligations and Prepetition Secured Obligations being Paid in Full, other than as expressly provided for in this Second Interim Order or the DIP Loan Documents, or unless the DIP Agent or applicable Prepetition Agent otherwise consents in writing: (i) use Cash Collateral under Section 363 of the Bankruptcy Code, (ii) obtain postpetition loans or other financial accommodations pursuant to Section 364(c) or 364(d) of the Bankruptcy Code, (iii) challenge the application of any payments authorized hereunder pursuant to Section 506(b) of the Bankruptcy Code, or assert that the value of the Prepetition ABL Priority Collateral is less than the Prepetition ABL Obligations, or assert that the value of the applicable Prepetition Term Loan Priority Collateral is less than the Prepetition Term Loan Obligations secured thereby, (iv) propose, support or have a plan of reorganization or liquidation that does not provide for all DIP Obligations and Prepetition Secured Obligations to be Paid in Full on the effective date of such plan, (v) seek relief under the Bankruptcy Code, including without limitation, under Section

105 of the Bankruptcy Code, to the extent any such relief would in any way restrict or impair the rights and remedies of any DIP Credit Parties as provided in this Second Interim Order and the DIP Loan Documents or any DIP Credit Parties' exercise of such rights or remedies, (vi) challenge, contest or otherwise seek to impair or object to the validity, extent, enforceability or priority of the DIP Agent's postpetition liens and claims, or (vii) take any action prohibited pursuant to Section 5.11 or 7.01(l) of the DIP Credit Agreement. No consent to any of the foregoing shall be implied from any other action, inaction, or acquiescence by any of the DIP Credit Parties, and the written consent of the DIP Agent shall be required to relieve the Debtors of their obligations under this paragraph 41 and the consent of the Prepetition Term Loan Agent required to relieve the Debtor of their obligations under this paragraph 41 pertaining to any of the Prepetition Term Loan Priority Collateral, Prepetition Term Loan Liens or Prepetition Term Loan Obligations.

42. Rights Preserved. Notwithstanding anything herein to the contrary, the entry of this Second Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly: (a) the DIP Credit Parties' or the Prepetition Secured Creditors' right to seek any other or supplemental relief in respect of the Debtors (including, the right to seek additional or different adequate protection); (b) the rights of any of the Prepetition Secured Creditors to seek the payment by the Debtors of postpetition interest or fees pursuant to section 506(b) of the Bankruptcy Code; or (c) any of the rights of the DIP Credit Parties or the Prepetition Secured Creditors under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of section 362 of the Bankruptcy Code, (ii) request dismissal of any of the Chapter 11 Cases or Successor Cases, conversion of any of the Chapter 11 Cases to cases under chapter 7, or appointment of a chapter 11 trustee or examiner

with expanded powers, (iii) seek an injunction, (iv) oppose any request for use of Cash Collateral, (v) object to any sale of assets, or (vi) propose, subject to the provisions of section 1121 of the Bankruptcy Code, a chapter 11 plan or plans; ***provided***, that the rights of the DIP Credit Parties and the Prepetition Secured Creditors with respect to sections (i)–(iii) of this paragraph 42 shall be subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex. Other than as expressly set forth in this Second Interim Order, any other rights, claims or privileges (whether legal, equitable or otherwise) of the DIP Credit Parties and the Prepetition Secured Creditors are preserved.

43. No Waiver by Failure to Seek Relief. The failure of the DIP Credit Parties to seek relief or otherwise exercise rights and remedies under this Second Interim Order, the DIP Loan Documents, or applicable law, as the case may be, shall not constitute a waiver of any of the rights hereunder, thereunder, or otherwise of the DIP Credit Parties.

44. Binding Effect of Second Interim Order. Subject to any timely commenced Challenge (as defined herein), the stipulations (including the Debtors' Stipulations), admissions, waivers, and releases contained in the First Interim Order and this Second Interim Order, and other terms and provisions of the Orders (including, without limitation, the Adequate Protection Liens, Adequate Protection Payments, and the Adequate Protection Superpriority Claims) shall be valid and binding upon and inure to the benefit of the Debtors, the DIP Credit Parties, the Prepetition Secured Creditors, all other creditors of any of the Debtors, the Committee, and all other parties-in-interest and their respective successors and assigns, including, without limitation, any trustee or other fiduciary hereafter appointed in any of the Chapter 11 Cases, any Successor Cases, or upon dismissal of any Chapter 11 Case or Successor Case, unless, and solely to the extent that: (A) any person or any party-in-interest (including the Committee) has sought and

obtained standing and the requisite authority to commence a Challenge[8] (other than the Debtors, as to which any Challenge is hereby irrevocably waived and relinquished) and has timely commenced a Challenge on or before November 3, 2026, subject to the tolling provision below (the "***Challenge Deadline***"); *provided* that the Challenge Deadline to commence a Challenge with respect to the Prepetition Term Loan Secured Parties, Prepetition Term Loan Documents, Prepetition Term Loan Obligations, Prepetition Term Loan Liens and/or Prepetition Term Loan Priority Collateral shall be on or before December 3, 2026, solely for the Committee, as such applicable dates may be extended in writing from time to time by the applicable Prepetition Secured Creditor in its sole discretion, or by this Court for good cause shown pursuant to an application filed by a party in interest prior to the expiration of the Challenge Deadline; *provided* further that if the Chapter 11 Cases are converted to chapter 7 or a chapter 7 or chapter 11 trustee is appointed or elected prior to the expiration of the Challenge Deadline, any such estate representative or trustee shall receive the full benefit of any remaining time before expiration of the Challenge Deadline, which, solely if not yet expired, shall be extended for a period of sixty (60) days; and (B) this Court enters judgment in favor of the plaintiff or movant in any such timely commenced Challenge proceeding and any such judgment has become a final judgment that is not subject to any further review or appeal. The Challenge Deadline set forth herein shall be tolled if a party-in-interest (including the Committee) files a motion seeking standing to bring a

[8] "Challenge" as used herein shall mean an adversary proceeding or contested matter (subject to the limitations contained herein) (a) objecting to or challenging the amount, validity, perfection, enforceability, priority or extent of the Prepetition Secured Obligations or the Prepetition Liens, or (b) asserting or prosecuting any Avoidance Action or any other claims, counterclaims or causes of action, objections, contests or defenses against any Prepetition Secured Creditors or their respective subsidiaries, affiliates, officers, directors, managers, principals, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives and other professionals and the respective successors and assigns thereof in connection with or related to the Prepetition Credit Documents, the Prepetition Secured Obligations, the Prepetition Liens and the Prepetition Collateral.

Challenge ("***Standing Motion***"), which attaches one or more draft complaints that detail the alleged challenge(s) that the applicable party in interest seeks to file, until such time as the Court decides the Standing Motion and solely with respect to (i) the party-in-interest that files the Standing Motion and (ii) the contents of the complaint attached to the Standing Motion. Notwithstanding any other provision in this Second Interim Order, the Court retains the right to enter any appropriate remedy in connection with a successful Challenge.

45. Credit Bidding. Subject to paragraph 44 of this Second Interim Order and the rights of parties-in-interest under section 363(k) of the Bankruptcy Code, in connection with any sale process authorized by the Court, the Prepetition Agents may seek to credit bid some or all of their claims for their respective priority collateral (each a "***Credit Bid***"). A Credit Bid may be applied only to reduce the cash consideration with respect to those assets in which the party submitting such Credit Bid holds a senior, perfected security interest. For the avoidance of doubt, unless and until the Prepetition Term Loan Obligations are Paid in Full, the Prepetition ABL Secured Parties may not Credit Bid for Prepetition Term Loan Priority Collateral and, unless and until the Prepetition ABL Obligations are Paid in Full, the Prepetition Term Loan Secured Parties may not Credit Bid for Prepetition ABL Priority Collateral.

46. Continuation of Jurisdiction and Binding Effect. Any order dismissing one or more of the Chapter 11 Cases or Successor Cases under section 1112 of the Bankruptcy Code or otherwise shall be deemed to provide (in accordance with sections 105 and 349 of the Bankruptcy Code) that: (i) the DIP Liens, Prepetition Liens, and Adequate Protection Liens shall continue in full force and effect, subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex, notwithstanding such dismissal until the DIP Obligations, the Prepetition Secured Obligations, and/or Adequate Protection Superpriority Claims, as applicable, are Paid in Full; and

(ii) this Court shall retain jurisdiction, to the extent permissible under applicable law, notwithstanding such dismissal, for the purposes of enforcing the DIP Superpriority Claims, DIP Liens, Carve Out, Adequate Protection Superpriority Claims, Adequate Protection Liens, and the Prepetition Liens. Notwithstanding anything contained herein with respect to the obligations or limitations when a Final Order is entered, the terms of the Final Order shall be what is binding on all parties.

47. No Modification of Second Interim Order. Until and unless the DIP Obligations have been Paid in Full (such payment being without prejudice to any terms or provisions contained in the DIP Facility which survive such discharge by their terms) and all commitments to extend credit under the DIP Facility have been terminated, it shall be an Event of Default for the Debtors to seek: (a) without the prior written consent of the DIP Agent (i) any reversal, modification, stay, vacatur, or amendment to this Second Interim Order or (ii) a priority claim for any administrative expense or unsecured claim against the Debtors (now existing or hereafter arising of any kind or nature whatsoever, including, without limitation, any administrative expense of the kind specified in sections 503(b), 507(a), or 507(b) of the Bankruptcy Code) in any of the Chapter 11 Cases or Successor Cases, equal or superior to the DIP Superpriority Claims or the Adequate Protection Superpriority Claims, other than the Carve Out; (b) any order, other than the First Interim Order, this Second Interim Order, or the Final Order, allowing use of Cash Collateral resulting from DIP Collateral; and (c) except as set forth in the First Interim Order, this Second Interim Order or the Final Order, any lien on any of the DIP Collateral or Prepetition Collateral with priority equal or superior to the DIP Liens, the Adequate Protection Liens or the Prepetition Liens.

48. DIP Obligations Paid in Full and Commitments Terminated. In connection with (i) the DIP Obligations being Paid in Full (such payment being without prejudice to any terms or provisions contained in the DIP Facility which survive such discharge by their terms), and (ii) all commitments to extend credit under the DIP Facility being terminated, all obligations of the DIP Credit Parties or the Prepetition ABL Secured Parties to pay or otherwise satisfy any obligations under this Second Interim Order (including, without limitation, with respect to the Carve Out), the DIP Loan Documents, and/or the Prepetition ABL Documents shall be terminated.

49. Second Interim Order Controls. In the event of any inconsistency between the terms and conditions of the DIP Loan Documents or this Second Interim Order, the provisions of this Second Interim Order shall govern and control.

50. Survival. The provisions of this Second Interim Order and any actions taken pursuant hereto shall survive entry of any order which may be entered: (a) confirming any plan of reorganization in any of the Chapter 11 Cases; (b) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code; (c) dismissing any of the Chapter 11 Cases or any Successor Cases; or (d) pursuant to which this Court abstains from hearing any of the Chapter 11 Cases or Successor Cases. Upon entry of the Final Order, the terms and provisions of this Second Interim Order, including, without limitation, the claims, liens, security interests, and other protections granted to the DIP Credit Parties and Prepetition Secured Creditors pursuant to this Second Interim Order and/or the DIP Loan Documents, notwithstanding the entry of any such order, shall continue in the Chapter 11 Cases, in any Successor Cases, or following dismissal of the Chapter 11 Cases or any Successor Cases, and shall maintain their priority as provided by this Second Interim Order, subject in all cases to the Carve Out and the relative priorities set forth on the Lien Priority Annex, until (x) all DIP Obligations have been Paid in Full and all commitments

to extend credit under the DIP Facility are terminated and (y) all Prepetition Secured Obligations have been Paid in Full.

51. Final Hearing. A final hearing to consider the relief requested in the Motion shall be held on **October 14, 2026, at 9:30 a.m., prevailing Eastern Time** before this Court.

52. Notice of Entry of Second Interim Order. The Debtors shall promptly serve copies of this Second Interim Order (which shall constitute adequate notice of the Final Hearing) to the parties having been given notice of the Interim Hearing and to any party that has filed a request for notices with this Court.

53. Texas Taxing Authorities. Notwithstanding any other provisions in this Second Interim Order or any final orders pertaining to the use of cash collateral in these Chapter 11 Cases, any statutory liens on account of ad valorem taxes held by the Texas Taxing Authorities[9] (the "***Tax Liens***") shall neither be primed by nor made subordinate to any liens granted to any party hereby to the extent the Tax Liens are valid, senior, perfected, and unavoidable, and all parties' rights to object to the priority, validity, amount, and extent of the claims and liens asserted by the Texas Taxing Authorities are fully preserved. Furthermore, as adequate protection for the asserted secured tax claims of the Texas Taxing Authorities to such Tax Liens (the "***Tax Claims***"), the Debtors shall set aside the amount of $84,517.41 in a segregated account (the "***Tax Reserve***"). The Tax Liens of the Texas Taxing Authorities shall attach to the Tax Reserve to the same extent and with the same priority as the liens attached to the Debtors' assets securing the Tax Liens. The funds in the Tax Reserve shall be on the order of adequate protection and shall constitute neither the allowance of the Tax Claims nor a cap on the amounts the Texas Taxing Authorities may be entitled to receive. The funds from the Tax Reserve may be distributed only upon agreement

[9] "***Texas Taxing Authorities***" is defined as all ad valorem taxing jurisdictions represented by the firm of McCreary Veselka Bragg & Allen P.C., including Denton County.

between the Texas Taxing Authorities and the Debtors, and consent by the DIP Agent or by subsequent order of the Court, duly noticed to the Texas Taxing Authorities. Notwithstanding any order that may be entered converting these Chapter 11 cases to cases under chapter 7, the funds in the Tax Reserve will continue to be held for the benefit of the Texas Tax Authorities and the Tax Liens shall remain attached to the funds in the Tax Reserve in their relative priority until the Tax Claims are paid in full. Any payment made to the Texas Taxing Authorities from a source other than the Tax Reserve on account of the taxes secured by the Tax Liens shall reduce the Tax Reserve dollar-for-dollar. Subject to the Tax Liens solely to the extent set forth herein, the Tax Reserve and any excess amounts remaining therein after payment or other resolution of the applicable tax claims shall constitute DIP Collateral and shall be subject to the DIP Liens, the Adequate Protection Liens, and the Lien Priority Annex as provided in this Second Interim Order.

54. Effectiveness. This Second Interim Order shall constitute findings of fact and conclusions of law in accordance with Bankruptcy Rule 7052 and shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon entry hereof. Notwithstanding anything to the contrary prescribed by applicable law, this Second Interim Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Second Interim Order.

55. Retention of Jurisdiction. This Court has and will retain jurisdiction to enforce this Second Interim Order.

Exhibit 1

Lien Priority Annex[10]

Assets of the type constituting both DIP Collateral and ABL Priority Collateral and Avoidance Proceeds with respect to Such Assets	Assets of the type constituting both DIP Collateral and Term Loan Priority Collateral and Avoidance Proceeds with respect to Such Assets
Carve Out	Carve Out
Prepetition ABL Permitted Liens	Prepetition Term Loan Permitted Liens
DIP Liens DIP Superpriority Claim	Adequate Protection Liens (for Prepetition Term Loan Secured Parties) Adequate Protection Superpriority Claims (for Prepetition Term Loan Secured Parties)
Adequate Protection Liens (for Prepetition ABL Secured Parties) Adequate Protection Superpriority Claims (for Prepetition ABL Secured Parties)	Prepetition Term Loan Liens Prepetition Term Loan Obligations
Prepetition ABL Liens Prepetition ABL Obligations	DIP Liens DIP Superpriority Claim
Adequate Protection Liens (for Prepetition Term Loan Secured Parties) Adequate Protection Superpriority Claims (for Prepetition Term Loan Secured Parties)	Adequate Protection Liens (for Prepetition ABL Secured Parties) Adequate Protection Superpriority Claims (for Prepetition ABL Secured Parties)

[10] Notwithstanding anything provided in this Order, the priority of the liens against the assets in Canada of De Cloet Greenhouse Mfg. Ltd. (the "Canadian Debtor") will be as set out in the Supplemental Recognition Order granted by the Ontario Superior Court of Justice (Commercial List) in the proceedings commenced by the Canadian Debtor.

Prepetition Term Loan Liens Prepetition Term Loan Obligations	Prepetition ABL Liens Prepetition ABL Obligations

Exhibit 2

DIP Credit Agreement

Exhibit 3

Approved Budget

BFG Supply
Weekly Cash Flow Forecast
($000s)

Week #	W-1	W-2	W-3	W-4	W-5	W-6	W-7	W-8	W-9	W-10	W-11	W-12	W-13	13-Week
Week ending, Friday:	18-Sep	25-Sep	2-Oct	9-Oct	16-Oct	23-Oct	30-Oct	6-Nov	13-Nov	20-Nov	27-Nov	4-Dec	11-Dec	Total
Receipts														
BFG collections	3,583	3,537	3,108	3,956	4,574	5,744	5,950	5,873	5,734	2,542	1,782	-	-	46,382
Subsidiary collections	693	614	531	682	958	1,046	1,559	1,662	1,524	715	432	-	-	10,416
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Receipts	**4,276**	**4,151**	**3,639**	**4,638**	**5,532**	**6,790**	**7,509**	**7,535**	**7,258**	**3,256**	**2,214**	**-**	**-**	**56,798**
Disbursements														
Employee compensation and benefits	123	1,953	161	3,252	123	1,159	123	787	233	804	749	-	-	9,468
Rent, warehouse, and utilities	283	347	1,273	315	278	354	273	981	103	80	128	-	-	4,417
Insurance	111	-	-	-	111	-	-	-	-	-	-	-	-	221
Taxes	7	-	-	-	18	-	-	-	14	-	7	-	-	45
Technology and communications	14	34	17	56	8	34	6	17	56	32	95	-	-	369
Freight and transportation	552	441	349	230	193	105	18	24	30	19	64	-	-	2,024
Repair and maintenance	30	116	39	110	30	116	30	39	76	30	149	-	-	764
Other	13	36	114	36	44	16	32	117	36	53	36	-	-	535
Subsidiary payments	117	117	328	118	118	118	118	50	50	50	50	-	-	1,230
Liquidator fees and expenses	402	400	366	350	343	413	416	417	410	230	234	-	-	3,981
Total Disbursements	**1,651**	**3,444**	**2,647**	**4,469**	**1,265**	**2,316**	**1,016**	**2,430**	**1,008**	**1,298**	**1,512**	**-**	**-**	**23,055**
Net Operating Cash Flow	**2,624**	**707**	**992**	**169**	**4,266**	**4,474**	**6,494**	**5,105**	**6,250**	**1,959**	**703**	**-**	**-**	**33,743**
Non-operating disbursements														
Board fees	-	-	35	-	-	-	-	35	-	-	-	-	-	70
DIP interest and fees	-	-	524	-	-	-	-	401	-	-	879	-	-	1,804
Professional fees	2,118	636	649	667	617	541	759	593	454	451	1,101	-	-	8,588
Contingency	132	107	107	82	82	82	82	82	82	82	82	250	250	1,500
Total Non-op. Disbursements	**2,250**	**742**	**1,315**	**749**	**699**	**623**	**840**	**1,111**	**536**	**533**	**2,062**	**250**	**250**	**11,962**
Net Cash Flow	**374**	**(36)**	**(323)**	**(580)**	**3,568**	**3,851**	**5,653**	**3,994**	**5,714**	**1,425**	**(1,360)**	**(250)**	**(250)**	**21,781**
Beginning Cash	**2,798**	**1,609**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,798**
Net Cash Flow	374	(36)	(323)	(580)	3,568	3,851	5,653	3,994	5,714	1,425	(1,360)	(250)	(250)	21,781
Revolver Draws/Repayment	(1,563)	(1,573)	323	580	(3,568)	(3,851)	(5,653)	(3,994)	(5,714)	(1,425)	1,360	250	250	(24,579)
Ending Cash	**1,609**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Revolver Beginning Balance	**20,977**	**15,092**	**10,941**	**7,303**	**2,665**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**20,977**
Repayments	(5,884)	(4,151)	(3,639)	(4,638)	(2,665)	-	-	-	-	-	-	-	-	(20,977)
Revolver Roll to DIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revolver Ending Balance	**15,092**	**10,941**	**7,303**	**2,665**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(0)**
DIP Beginning Balance	**9,003**	**11,715**	**14,293**	**18,254**	**23,472**	**22,569**	**18,718**	**13,065**	**9,071**	**3,357**	**1,932**	**3,292**	**3,542**	**9,003**
Draws	1,103	2,578	3,962	5,217	1,964	2,939	1,856	3,541	1,544	1,831	3,574	250	250	30,610
Repayments	1,609	-	-	-	(2,867)	(6,790)	(7,509)	(7,535)	(7,258)	(3,256)	(2,214)	-	-	(35,822)
Final DIP Rollup	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Ending Balance	**11,715**	**14,293**	**18,254**	**23,472**	**22,569**	**18,718**	**13,065**	**9,071**	**3,357**	**1,932**	**3,292**	**3,542**	**3,792**	**3,792**
Total Ending Revolver & DIP Balance	**26,807**	**25,234**	**25,557**	**26,137**	**22,569**	**18,718**	**13,065**	**9,071**	**3,357**	**1,932**	**3,292**	**3,542**	**3,792**	**3,792**

Exhibit 4

Chapter 11 Case Milestones

Each of the following DIP Milestones and Sale Milestones (each, a "***Chapter 11 Case Milestone***" and collectively, the "***Chapter 11 Case Milestones***"):

(a) The Debtors shall achieve each of the following milestones (the "***DIP Milestones***"), in each case on terms and conditions, and subject to documentation (including, in all cases, forms of all applicable orders of the Court) in form and substance, acceptable to the DIP Agent in all respects:

(i) On the Petition Date (*i.e.*, August 18, 2026), the Debtors shall file a motion with the Court seeking approval of the DIP Facility.

(ii) On or before August 20, 2026 (*i.e.*, 2 Business Days after Petition Date), the Court shall have entered the Interim Order authorizing the DIP Facility on an interim basis.

(iii) On or before October 15, 2026, the Court shall have entered the Final Order authorizing the DIP Facility on a final basis.

(b) The Debtors shall achieve each of the following milestones (the "***Sale Milestones***"), in each case on terms and conditions, and subject to documentation (including, in all cases, forms of all applicable orders of the Court) in form and substance, acceptable to the DIP Agent in all respects:

(i) On the Petition Date (*i.e.*, August 18, 2026), the Debtors shall file (i) a motion with the Court seeking, among other things, approval of bidding procedures governing the sale of all or substantially all of the Debtors' assets (the "***Bidding Procedures***" and such sale, the "***Sale***"), and (ii) a motion with the Court seeking, among other things, the Court's authorization of the Debtors' assumption of the Specified Sales Agreement (as defined in the DIP Credit Agreement).

(ii) On or before August 20, 2026 (*i.e.*, 2 Business Days after Petition Date), the Court shall have entered an order authorizing the Debtors' assumption of the Specified Sales Agreement on an interim basis.

(iii) On or before September 17, 2026 (*i.e.*, 21 Business Days after Petition Date), the Court shall have entered an order (i) approving the Bidding Procedures (the "***Bidding Procedures Order***"), and (ii) authorizing the Debtors' assumption of the Specified Sales Agreement on a final basis.

(iv) On or before October 15, 2026 (*i.e.*, 58 days after the Petition Date), the Court shall have entered one or more orders approving the Sale (each, a "***Sale Order***").

(v) On or before October 22, 2026 (*i.e.*, 65 days after the Petition Date), the Debtors shall have consummated the Sale(s) approved pursuant to the Sale Order.

The Debtors shall provide the DIP Agent (and any Agent Advisor (as defined in the DIP Credit Agreement)) with any information or materials reasonably requested by such Person in connection with the Debtors' progress on achieving any Chapter 11 Case Milestones.

The DIP Agent may in its sole and absolute discretion extend any of the Chapter 11 Case Milestones for a period of not more than ten (10) days or for such longer period with the consent of the Required Lenders.

Any amendments to the dates set forth in this Exhibit including to (a)(iii) shall be deemed modified and updated in the DIP Credit Agreement.

EXHIBIT B

Blackline

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: BFG Supply Co., LLC, *et al.*, Debtors.[1]	Chapter 11 Case No. 26-11284 (CTG) (Jointly Administered) **Related to Docket Nos. 17, 18, 65**

SECOND INTERIM ORDER UNDER BANKRUPTCY CODE SECTIONS 105, 361, 362, 363, 364, 503, 506, 507, AND 552, AND BANKRUPTCY RULES 2002, 4001, 6003, 6004, AND 9014 (I) AUTHORIZING DEBTORS TO (A) OBTAIN POSTPETITION FINANCING AND (B) USE CASH COLLATERAL, (II) GRANTING (A) LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS AND (B) ADEQUATE PROTECTION TO PREPETITION SECURED CREDITORS, (III) MODIFYING AUTOMATIC STAY, (IV) SCHEDULING A FINAL HEARING, AND (V) GRANTING RELATED RELIEF

Upon the motion (the "***Motion***")[2] of BFG Supply Co., LLC, and certain of its affiliates, each of which is a debtor and debtor in possession (collectively, the "***Debtors***") in the above-captioned chapter 11 cases (the "***Chapter 11 Cases***"), pursuant to sections 105, 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1), 364(e), 503, 506, and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "***Bankruptcy Code***"), rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "***Bankruptcy Rules***"), and rules 2002-1(b), 4001-2, and 9013-1(m) of the Local Rules for the United States Bankruptcy Court for the District

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BFG Supply Co., LLC (6660); Bamboo Purchaser, Inc. (1173); BFG Purchaser Parent, Inc. (2451); BFG Supply Holdings, Inc. (4070); BFG Holdings I, Inc. (1502); BFG Supply Canada Holdings, Inc. (9737); De Cloet Greenhouse Mfg. Ltd. (N/A); BFG Kalamazoo, LLC (0121); BFG Logistics, LLC (4172); L&L Nursery Supply, Inc. (9972); Gard'N-Wise Distributors, Inc. (8418); International Greenhouse Contractors LLC (7313); Greenhouse Solutions, LLC (1860); Greenhouse Contracting Services, LLC (3738); Green-Tek, LLC (8749); GROSouth, Inc. (4231); BFG VG Supply Acquisition, LLC (0219). The Debtors' service address in these chapter 11 cases is 4660 East Paris Avenue SE, Grand Rapids, Michigan 49512.

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion, or if not defined therein, the DIP Loan Documents (as defined herein).

of Delaware (the "***Local Rules***"), seeking entry of this second interim order (this "***Second Interim Order***"), among other things:

a. authorizing the Debtors to obtain postpetition financing consisting of the obligations under a superpriority senior secured asset-based credit facility in the aggregate principal amount of $55 million (the "***DIP Facility***" and such funding commitment thereunder, the "***DIP Commitments***"), pursuant to the terms and conditions of that certain Senior Secured Super-Priority Debtor-in-Possession Credit Agreement, attached to the First Interim Order (as defined hereto in) as **Exhibit 2** (as the same may be amended, restated, amended and restated, supplemented, waived, or otherwise modified in accordance with the terms thereof from time to time the "***DIP Credit Agreement***") by and among (A) Bamboo Purchaser, Inc. (the "***Borrower***"), (B) the subsidiaries of the Borrower from time to time party thereto as guarantors, (C) ACF FINCO I LP, as Administrative Agent and collateral agent (in such capacities, the "***DIP Agent***"), and (D) the lenders from time to time party thereto (collectively, the "***DIP Lenders***"; the DIP Agent and the DIP Lenders are collectively referred to herein as the "***DIP Credit Parties***") and allocated and made available to the Borrower as follows:

i. upon following entry of this First Interim Order, subject to the terms and conditions set forth in the DIP Credit Agreement, the other DIP Loan Documents (as defined herein), and this First Interim Order, the DIP Commitments shall be were available to the Borrower to draw upon pursuant to a "creeping roll-up" whereby all Cash Collateral (as defined herein) is used to pay down the Prepetition Revolving Loans (as defined herein) and gives rise to a corresponding amount of availability under the DIP Facility (subject to the terms of the DIP Credit Agreement); *provided*, that all Banking Services Obligations and Secured Hedging Obligations (each as defined in the Prepetition ABL Credit Agreement) shall be were deemed DIP Obligations upon entry of this First Interim Order (the "***Interim Financing***");

ii. upon entry of the Final Order (as defined herein), subject to the terms and conditions set forth in the DIP Credit Agreement and the other DIP Loan Documents, the repayment and refinancing of any outstanding and remaining Prepetition Revolving Loans (as defined herein) (all amounts so repaid and refinanced, the "***DIP Roll-Up Loan***" and together with the Interim Financing, the "***DIP Loans***") pursuant to a "creeping roll-up" under this First Interim Order whereby all cash is was used to pay down the Prepetition Revolving Loans and gives gave rise to a corresponding amount of availability under the DIP Facility (subject to the terms of the DIP Credit Agreement), and any remaining outstanding Prepetition Revolving Loans shall be fully "rolled" into the DIP Facility and

shall constitute DIP Obligations (as defined herein) upon the entry of the Final Order granting such relief.

b. authorizing the Debtors to execute and deliver the DIP Credit Agreement and all other related documents, instruments, letters, notes, and agreements, including, without limitation, security agreements, deposit account control agreements, pledge agreements, guaranties, and promissory notes (collectively, with the First Interim Order, this Second Interim Order, and the Final Order, the "***DIP Loan Documents***") and to perform such other acts as may be necessary, convenient, advisable, or appropriate in connection with the DIP Loan Documents;

c. authorizing the Debtors to incur, guarantee, and pay, as applicable, loans, advances, extensions of credit, financial accommodations, reimbursement obligations, fees (including, without limitation, any commitment fees, exit fees, and collateral management fees, the reasonable and documented fees and disbursements of the DIP Credit Parties' attorneys (which firms shall be (x) Choate, Hall & Stewart, LLP and (y) Womble Bond Dickinson (US) LLP advisers, accountants, and other consultants), and all related expenses of the DIP Credit Parties, in each case, subject to the terms and provisions of the DIP Loan Documents, and other fees payable pursuant to the DIP Loan Documents), costs, expenses, and other liabilities, all other obligations (including indemnities and similar obligations, whether contingent or absolute) and all other Secured Obligations (as defined in the DIP Credit Agreement) due or payable under the DIP Facility to the DIP Lenders (the "***DIP Obligations***"), which, for the avoidance of doubt, shall include the DIP Roll-Up Loan, and to perform such other and further acts as may be necessary, convenient, advisable, desirable, or appropriate in connection therewith;

d. authorizing BFG Purchaser Parent Inc. ("***Holdings***") and each existing and future direct and indirect subsidiary of Holdings (other than any such subsidiary acting as Borrower) to jointly and severally guarantee (such entities together with Holdings, the "***Guarantors***" and the Guarantors collectively with the Borrower, the "***DIP Loan Parties***") the DIP Facility and DIP Obligations as set forth herein and in the DIP Loan Documents;

e. subject and subordinate only to the Carve Out (as defined herein) and the relative priorities as agreed upon by the parties-in-interest set forth on **Exhibit 1** hereto (the "***Lien Priority Annex***"), granting allowed superpriority administrative expense claim status pursuant to section 364(c)(1) of the Bankruptcy Code in each of the Chapter 11 Cases and any Successor Cases (as defined herein) to the DIP Obligations;

f. authorizing the Debtors to use the "cash collateral" (as defined in section 363(a) of the Bankruptcy Code, the "***Cash Collateral***") of the Prepetition Secured Creditors (as defined herein) in accordance with the terms of this Second Interim Order, that the Debtors are holding or may obtain, pursuant to sections 361 and

363 of the Bankruptcy Code and Bankruptcy Rules 4001(b) and 6004 and in accordance with the Approved Budget (as defined herein);

g. granting to the DIP Agent, for the benefit of the DIP Credit Parties, automatically perfected security interests in and liens on all DIP Collateral (as defined herein), including, without limitation, all property constituting Cash Collateral, which liens shall be subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex;

h. authorizing the Debtors to provide adequate protection to the Prepetition Secured Creditors (as defined herein) solely to the extent of any Diminution in Value (as defined herein) on the terms set forth herein;

i. approving certain stipulations by the Debtors with respect to the Prepetition Credit Documents and the Prepetition Collateral (each as defined herein) as set forth herein;

j. waiving any applicable stay and provisions for immediate effectiveness of this Second Interim Order;

k. vacating and modifying the automatic stay imposed by section 362 of the Bankruptcy Code solely to the extent necessary to implement and effectuate the terms and provisions of the DIP Loan Documents and this Second Interim Order;

l. granting related relief; and

m. scheduling a final hearing (the "***Final Hearing***") to consider entry of a final order (the "***Final Order***") authorizing and approving, among other things, the relief requested in the Motion on a final basis, which order shall be in form substantially similar to this Second Interim Order and otherwise reasonably acceptable to the Debtors, the DIP Agent, the DIP Lenders, and the Prepetition ABL Agent (as defined herein), and approving the form of notice with respect to the Final Hearing.

This Court having considered the interim relief requested in the Motion, the exhibits attached thereto, the *Declaration of Adam Zalev in Support of the Debtors' Chapter 11 Petitions and First Day Motions* [Docket No. 16] and the *Declaration of Neil Gupta in Support of the Debtors' Motion Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors To (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection To Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing,*

and (V) Granting Related Relief [Docket No. 18], each filed concurrently with the Motion, the DIP Loan Documents, and the evidence submitted or adduced and the arguments of counsel made at the interim hearing held on August 20, 2026 (the "***Interim Hearing***") and the Court having entered on August 20, 2026 *the Interim Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [Docket No. 65] (the "***First Interim Order***" and, together with this Second Interim Order and the Final Order, collectively, the "***Orders***"); and the Interim Hearing to consider the interim relief requested in the Motion having been held and concluded; and ~~all~~ the Official Committee of Unsecured Creditors (the "***Committee***") having filed an objection to approval of the Motion on a final basis on September 22, 2026 (the "***Committee Objection***") [Docket No. 205]; and upon the agreement of the Debtors, the DIP Lenders, the Prepetition Lenders and the Committee to maintain the status quo and defer consideration of the issues raised in the Committee Objection for the Final Hearing and to proceed with this Second Interim Order without prejudice to the rights of any parties; and all other objections, if any, to the interim relief requested in the Motion having been withdrawn, resolved, or overruled by this Court; and it appearing to this Court that, pursuant to Bankruptcy Rule 4001(c)(2), granting the interim relief requested ~~is~~at the Interim Hearing was necessary to avoid immediate and irreparable harm to the Debtors and their estates pending the Final Hearing, and otherwise is fair and reasonable and in the best interests of the Debtors and their estates, and is essential for the continued operation of the Debtors' businesses and the preservation of the value of the Debtors'

assets; and it appearing that the Debtors' entry into the DIP Loan Documents is a sound and prudent exercise of the Debtors' business judgment; and after due deliberation and consideration, and for good and sufficient cause appearing therefor;

BASED UPON THE RECORD ESTABLISHED AT THE INTERIM HEARING BY THE DEBTORS, INCLUDING THE SUBMISSIONS OF DECLARATIONS AND THE REPRESENTATIONS OF COUNSEL, THIS COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:[3]

A. *Petition Date*. On August 18, 2026 (the "***Petition Date***"), each of the Debtors filed a separate voluntary petition under chapter 11 of the Bankruptcy Code (the "***Petitions***") in the United States Bankruptcy Court for the District of Delaware (the "***Court***") commencing the Chapter 11 Cases. On August 20, 2026, this Court entered an order directing joint administration of the Chapter 11 Cases.

B. *Debtors in Possession*. The Debtors are continuing in the management and operation of their businesses and properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

C. *Jurisdiction and Venue*. This Court has jurisdiction, pursuant to 28 U.S.C. § 1334, over these proceedings and over the persons and property affected hereby. Consideration of the Motion constitutes a core proceeding under 28 U.S.C. § 157(b)(2), and this Court may enter a final order consistent with Article III of the United States Constitution. Venue for the Chapter 11 Cases and proceedings on the Motion is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The bases for the relief sought in the Motion and granted in this Second Interim Order are

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

sections 105, 361, 362, 363, 364, 503, 506, and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004, and 9014, and Local Rules 2002-1(b), 4001-2, and 9013-1(m).

D. *Committee Formation*. ~~As of the date hereof~~On September 1, 2026, the United States Trustee for the District of Delaware (the "***U.S. Trustee***") ~~has not~~ appointed ~~any~~the ~~e~~Committee~~, including an official committee of unsecured creditors, in the Chapter 11 Cases~~ pursuant to section 1102 of the Bankruptcy Code ~~(to the extent appointed in the Chapter 11 Cases, the "***Committee***").~~

E. *Notice*. The Interim Hearing was held pursuant to Bankruptcy Rule 4001(b)(2) and (c)(2). Notice was provided by or on behalf of the Debtors to (a) the U.S. Trustee, (b) those creditors holding the thirty (30) largest unsecured claims against the Debtors' estates (on a consolidated basis), (c) the Securities and Exchange Commission, (d) the Internal Revenue Service, (e) the United States Attorney's Office for the District of Delaware, (f) the state attorneys general for states in which the Debtors conduct business, (g) counsel to the DIP Agent and the Prepetition ABL Agent, (h) counsel to the Prepetition Term Loan Secured Parties (as defined herein), and (i) any party that has requested notice pursuant to Bankruptcy Rule 2002, and therefore complied with Local Rule 9013-1(m).

F. *Debtors' Stipulations, Releases, and Acknowledgements*. In requesting the use of Cash Collateral, and in exchange for and as a material inducement to the Prepetition Secured Creditors consenting to the Debtors' access to and use of the Cash Collateral, and without prejudice to the rights of the parties-in-interest as set forth in paragraph 44 herein, the Debtors admitted, stipulated, acknowledged, agreed, and ~~agree,~~reaffirm as follows (collectively, the admissions, stipulations, acknowledgements, and agreements set forth in this paragraph F, the "***Debtors' Stipulations***"):

"***Prepetition Term Loan Obligations***" and, together with the Prepetition ABL Obligations, the "***Prepetition Secured Obligations***"). The Prepetition Term Loan Obligations are secured by (i) first priority security interests in and liens on the Prepetition Term Loan Priority Collateral pursuant to the terms of the Intercreditor Agreement, and (ii) second priority security interests in and liens on the Prepetition ABL Priority Collateral pursuant to the terms of the Intercreditor Agreement (the immediately forgoing liens and security interests, the "***Prepetition Term Loan Liens***" and, together with the Prepetition ABL Liens, the "***Prepetition Liens***").

(iii) Intercreditor Agreement. That certain Intercreditor Agreement, dated as of November 5, 2021, entered into by and among the Prepetition ABL Agent and the Prepetition Term Loan Agent, and acknowledged and agreed to by Holdings, the Borrower, and the other Loan Parties party thereto (as amended, restated, amended and restated, supplemented, replaced, or otherwise modified from time to time, the "***Intercreditor Agreement***") governs the respective priority rights of the Prepetition Secured Creditors' interests in and liens on the Prepetition Collateral as it concerns the Prepetition ABL Priority Collateral and the Prepetition Term Loan Priority Collateral, as applicable.

(iv) *Prepetition Obligations*. Subject to paragraph 44 herein, each of the Debtors acknowledge~~s~~d and reaffirms that the Prepetition Secured Obligations owing to the Prepetition Secured Creditors, (a) constitute legal, valid, binding and non-avoidable obligations of the Debtors and their applicable affiliates, enforceable against them in accordance with their terms, and (b) no portion of the Prepetition Secured Obligations owing to the Prepetition Secured Creditors is subject to avoidance, recharacterization, reduction, set-off, offset, counterclaim, cross-claim, recoupment, defenses, disallowance, disgorgement, impairment, recovery, subordination (equitable or otherwise), or any other challenges pursuant to the Bankruptcy Code

or applicable non-bankruptcy law or regulation by any person or entity, including in any Successor Cases.

(v) *Prepetition Liens*. Subject to paragraph 44 herein, the Debtors acknowledged and reaffirm that, as of the Petition Date, the Prepetition Liens granted to the Prepetition Secured Creditors (a) constitute legal, valid, binding, enforceable, non-avoidable, and properly perfected security interests in and liens on the Prepetition Collateral, and were granted to, or for the benefit of, the Prepetition Secured Creditors for fair consideration and reasonably equivalent value, (b) are not subject to defense, counterclaim, recharacterization, subordination, avoidance, or recovery pursuant to the Bankruptcy Code or applicable non-bankruptcy law or regulation by any person or entity, and (c) are senior in priority over any and all other liens on the Prepetition Collateral; *provided* that the Prepetition Term Loan Liens may be subject to certain liens senior (solely to the extent any such liens were valid, non-avoidable, and senior in priority to the Prepetition Term Loan Liens as of the Petition Date and properly perfected prior to the Petition Date or perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code) or otherwise permitted by the Prepetition Term Loan Documents (the "***Prepetition Term Loan Permitted Liens***"); *provided* further that the Prepetition ABL Liens may be subject to certain liens senior (solely to the extent any such liens were valid, non-avoidable, and senior in priority to the Prepetition ABL Liens as of the Petition Date and properly perfected prior to the Petition Date or perfected subsequent to the Petition Date as permitted by section 546(b) of the Bankruptcy Code) or otherwise permitted by the Prepetition ABL Documents (the

"***Prepetition ABL Permitted Liens***" and, together with the Prepetition Term Loan Permitted Liens, the "***Prepetition Permitted Liens***").

(vi) *No Challenges / Claims*. Subject to an investigation by ~~a~~the Committee, ~~if one is appointed,~~ permitted pursuant to paragraph 32 and 44 herein, the Debtors' estates have no valid Claims (as such term is defined in section 101(5) of the Bankruptcy Code), objections, challenges, causes of action, and/or choses in action against any of the Prepetition Secured Creditors or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors, and employees with respect to the Prepetition Credit Documents, the Prepetition Secured Obligations, the Prepetition Liens, or otherwise, whether arising at law or at equity, including, without limitation, any challenge, recharacterization, subordination, avoidance, recovery, disallowance, disgorgement, reduction, or other claims arising under or pursuant to sections 105, 502, 510, 541, 542 through 553, inclusive, or 558 of the Bankruptcy Code or applicable state law equivalents. The Prepetition Secured Obligations constitute allowed, secured claims within the meaning of sections 502 and 506 of the Bankruptcy Code. Subject to paragraph 44 herein, the Debtors have waived, discharged, and released any right to challenge any of the Prepetition Secured Obligations, the priority of the Debtors' obligations thereunder, and the validity, extent, and priority of the Prepetition Liens.

(vii) *Cash Collateral*. Except as otherwise provided in the Prepetition Credit Documents, all of the Debtors' cash, including, without limitation, the cash in their deposit accounts, wherever located, whether as original collateral or proceeds of other Prepetition Collateral, constitutes Cash Collateral within the meaning of section 363(a) of the Bankruptcy Code and is Prepetition Collateral of the Prepetition Secured Creditors, subject to the Lien Priority Annex.

(viii) *Debtors' Stipulations Regarding Initial Funding*. In accordance with the First Interim Order, this Court authorized, among other things: (a) the Borrower to obtain DIP Financing pursuant to the DIP Credit Agreement; (b) the Guarantors to jointly and severally guarantee the DIP Loans and the other DIP Obligations; and (c) the DIP Loan Parties to execute, deliver the DIP Loan Documents, and perform under the DIP Credit Agreement in accordance with and subject to the terms of the First Interim Order and the DIP Loan Documents. On August 20, 2026, the Court entered the First Interim Order, and the Debtors were authorized to incur the Interim Financing on the terms and conditions set forth in the DIP Documents and in the First Interim Order.

(ix) ~~(viii)~~*No Control*. None of the DIP Agent, the DIP Lenders, the Prepetition ABL Agent, the Prepetition Term Loan Agent or the other Prepetition Secured Creditors, controls the Debtors or their operations, has authority to determine the manner in which any of the Debtors' operations are conducted or is a control person or "insider" (as defined in section 101(31) of the Bankruptcy Code) of the Debtors or any of their affiliates by virtue of any of the actions taken through the date of this Second Interim Order with respect to, in connection with, related to, or arising from this Second Interim Order, the DIP Facility, the DIP Loan Documents, the Prepetition Secured Obligations, and/or the Prepetition Credit Documents.[4]

(x) ~~(ix)~~*Release*. Effective as of the date of entry of this Second Interim Order and subject to the rights of all parties-in-interest hereunder (including with respect to a Challenge (as defined herein)), other than the Debtors, as set forth in paragraph 44 herein, each of the Debtors, on their own behalf and on behalf of each of their past, present, and future predecessors, successors, heirs, subsidiaries, and assigns, and solely to the extent permitted under applicable

[4] Pamplona Equity Partners, L.P., the Debtors' principal equity investor, holds a minority position under the Prepetition Term Loan Facility.

limitation, any right to assert any disgorgement or recovery, in each case, with respect to the extent, amount, validity, enforceability, priority, security, and perfection of any of the DIP Obligations, the DIP Loan Documents, the DIP Liens, the Prepetition Secured Obligations, the Prepetition Credit Documents, or the Prepetition Liens, and further waive and release any defense, right of counterclaim, right of setoff, or deduction to the payment of the DIP Obligations and the Prepetition Secured Obligations that the Debtors now have or may claim to have against the Released Parties, arising under, in connection with, based upon, or released to any and all acts, omissions, conduct undertaken, or events occurring prior to entry of this Second Interim Order. For the avoidance of doubt, nothing in this paragraph F(~~ix~~x) shall relieve the DIP Agent, the other DIP Lenders, or the Debtors of their obligations hereunder or under the DIP Obligations.

G. *Findings Regarding the Postpetition Financing*.

(i) *Request for Postpetition Financing*. The Debtors seek authority on an interim basis to: (a) enter into, and access and use the liquidity provided under, the DIP Facility on the terms described herein and in the DIP Loan Documents; and (b) use Cash Collateral on the terms described herein to administer the Chapter 11 Cases and fund operations. For the avoidance of doubt, the Debtors shall apply the proceeds of the DIP Collateral and the Prepetition Collateral in accordance with the DIP Loan Documents, the Lien Priority Annex and paragraph 17 of this Second Interim Order, including, without limitation, upon entry of the Final Order, the exchange and conversion on a cashless basis of the remaining outstanding Prepetition ABL Obligations into DIP Obligations.

(ii) *Priming of Certain Prepetition Liens; Consent to Use of Cash Collateral*. For the avoidance of doubt, with respect to the Prepetition Term Loan Priority Collateral, the DIP Liens shall not prime, and shall instead be subject and subordinate to the Prepetition Term Loan

Liens solely with respect to the Prepetition Term Loan Priority Collateral; *provided, however*, that the Prepetition Term Loan Liens shall in all cases be subject and subordinate to the Carve Out, subject to paragraph 31(j). The Prepetition ABL Secured Parties have consented to the use of the Cash Collateral and to the subordination of the Prepetition ABL Liens to the DIP Liens and the Carve Out on the terms and conditions set forth in this Second Interim Order.

(iii) *Immediate Need for Postpetition Financing and Use of Cash Collateral*. The Debtors' immediate need to use Cash Collateral and to obtain credit pursuant to the DIP Facility as provided for herein is necessary and critical in order to enable the Debtors to continue operations and to administer and preserve the value of their estates. The ability of the Debtors to finance their operations, to maintain business relationships with their vendors, suppliers, and customers, to pay their employees, to protect the value of their assets, and to otherwise finance their operations requires the availability of working capital from the DIP Facility and the use of Cash Collateral. Without the ability to access the DIP Facility or use Cash Collateral, the Debtors, their estates, their creditors, their equity holders, and the possibility for a successful reorganization or sale of all or substantially all of the Debtors' assets, would suffer immediate and irreparable harm. The Debtors do not have sufficient available sources of working capital and financing to operate their businesses or maintain their properties in the ordinary course of business without the DIP Facility and authorized use of Cash Collateral.

(iv) *DIP Roll-Up Loan*. Upon (i) entry of th~~is~~e First Interim Order, without any further action by the Debtors or any other party, but subject to paragraph 44 herein, all cash, collections and proceeds of DIP Collateral (other than Prepetition Term Loan Priority Collateral) ~~shall be~~was used, on a dollar-for-dollar basis, to reduce the Prepetition Revolving Loans and result~~ed~~ in a corresponding increase to availability under the DIP Facility (the "***Creeping Roll-***

Up"), and (ii) entry of the Final Order granting such relief, but subject to paragraph 44 herein, all remaining outstanding Prepetition Revolving Loans shall automatically be deemed exchanged and converted on a cashless basis into and constitute DIP Obligations (the "***Full Roll-Up***" and, together with the Creeping Roll-Up, the "***DIP Roll-Up Obligations***"). All accrued and unpaid interest, expenses, fees, and other sums payable in respect of the outstanding Prepetition ABL Obligations through the entry of the Final Order including any amounts not previously paid pursuant to ~~this~~ the First Interim Order or this Second Interim Order shall be paid in cash by the Loan Parties to the Administrative Agent on the date of entry of the Final Order. The Prepetition ABL Secured Parties would not otherwise consent to the use of their Cash Collateral, and the DIP Agent and the DIP Lenders would not be willing to provide the DIP Facility or extend credit to the Debtors thereunder, without the inclusion of (a) the Creeping Roll-Up, upon entry of th~~is~~e First Interim Order, and (b) the Full Roll-Up, upon entry of the Final Order granting such relief. The DIP Roll-Up Obligations shall be authorized as compensation for, in consideration for, and solely on account of, the agreement of the Prepetition ABL Lenders to fund amounts under the DIP Facility and not as adequate protection for, or otherwise on account of, any Prepetition ABL Obligations. All accrued interest, expenses, fees and other sums constituting Prepetition ABL Obligations owing to the Prepetition ABL Lenders ~~shall be~~prior to the Closing Date were paid in cash on the Closing Date, and all Banking Services Obligations and Secured Hedging Obligations (each as defined in the Prepetition ABL Credit Agreement) ~~shall be~~were deemed DIP Obligations upon entry of th~~is~~e First Interim Order.

(v) *No Credit Available on More Favorable Terms*. Given their current financial condition, financing arrangements, and capital structure, the Debtors are unable to obtain financing from sources other than the DIP Credit Parties on terms more favorable than the DIP

Facility. The Debtors are unable to obtain adequate unsecured credit allowable under section 503(b)(1) of the Bankruptcy Code as an administrative expense. The Debtors are unable to obtain adequate credit: (a) having priority over that of administrative expenses of the kind specified in sections 503(b), 507(a), and 507(b) of the Bankruptcy Code; (b) secured by a lien on property of the Debtors and their estates that is not otherwise subject to a lien; or (c) secured solely by a junior lien on property of the Debtors and their estates that is subject to a lien. Financing on a postpetition basis is not otherwise available under sections 364(c)(1), 364(c)(2), and 364(c)(3) of the Bankruptcy Code without granting the DIP Agent, for the benefit of the DIP Credit Parties, in each case, subject to the terms of this Second Interim Order: (x) perfected security interests in and liens on (each as provided herein) all of the Debtors' existing and after-acquired assets with the priorities and to the extent set forth herein; (y) superpriority claims and priming liens to the extent set forth herein; and (z) the other protections set forth in ~~this Interim~~the Orders, and without incurring the Adequate Protection Superpriority Claims and Adequate Protection Liens (each as defined herein) described herein.

(vi) *Adequacy of the Approved Budget*. As set forth in the DIP Loan Documents, the Debtors have prepared and delivered to the DIP Credit Parties, a budget, a summary copy of which is attached as **Exhibit ~~3~~2** hereto (as the same may be modified from time to time consistent with the terms of the DIP Loan Documents and this Second Interim Order, and once approved by DIP Agent, the "***Approved Budget***"). As a condition to entry into the DIP Credit Agreement, the extensions of credit under the DIP Facility, and the authorization to use Cash Collateral, the DIP Credit Parties require, and the Debtors have agreed, that proceeds of the DIP Facility and the Cash Collateral shall be used in a manner consistent with the terms and

conditions of the DIP Loan Documents and this Second Interim Order and in accordance with the Approved Budget (subject to Permitted Variances (as defined herein)).

(vii) *Certain Conditions to DIP Facility*. The DIP Lenders' willingness to make the DIP Loans is conditioned upon, among other things: (a) the Debtors obtaining Court approval to enter into the DIP Loan Documents and to incur all of the respective obligations thereunder, and to confer upon the DIP Credit Parties and the Prepetition ABL Secured Parties all applicable rights, powers, and remedies thereunder in each case as modified by this Second Interim Order; (b) the provision and scope of adequate protection, as set forth ~~herein~~in the Orders, of the Prepetition ABL Secured Parties' interests in the Prepetition Collateral pursuant to sections 361, 363, and 364 of the Bankruptcy Code; and (c) the DIP Credit Parties being granted, as security for the prompt payment of the DIP Facility and all other obligations of the Debtors under the DIP Loan Documents, subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex, senior, first priority perfected security interests in and liens upon the DIP Collateral to the extent set forth ~~herein~~in the Orders.

H. *Prepetition ABL Lenders' Adequate Protection*. Until such time as the Prepetition ABL Obligations are Paid in Full,[5] the Prepetition ABL Secured Parties are entitled to receive

[5] "Paid in Full" or "Payment in Full" means the indefeasible repayment in full in cash of all obligations (including principal, accrued and unpaid interest and fees, reimbursable expenses and indemnities, other than contingent indemnification obligations for which no claim has been asserted and threatened, and all other amounts due and owing by the Debtors) under the applicable credit facility and this Second Interim Order, the cash collateralization or repayment in full in cash of all treasury and cash management obligations, hedging obligations, and bank product obligations, and the cancelation, replacement, backing, or cash collateralization of letters of credit, in each case, in accordance with the terms of the applicable facility and that each of the Prepetition ABL Agent, Prepetition ABL Lenders, Prepetition Term Loan Agent, Prepetition Term Loan Secured Parties, DIP Agent and DIP Lenders, as the case may be, shall have received a release from each Debtor and ~~any~~the Committee of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities (including, without limitation any obligations or liabilities of any kind related to the Carve Out upon payment in full of the Prepetition ABL Obligations, the Prepetition Term Loan Obligations or DIP Obligations) in form and substance acceptable to the Prepetition ABL Agent, the Prepetition Term Loan Agent the Prepetition Term Loan Secured Parties, or the DIP Agent, as applicable or in the case of the Committee, instead of such release, (A) if the Challenge Deadline (as defined in

adequate protection pursuant to sections 361, 362, 363, and 364 of the Bankruptcy Code and as set forth in paragraph 12 of this Second Interim Order resulting from, among other things: (i) provisions of ~~this Interim~~the Orders granting the DIP Liens; (ii) the use of the Cash Collateral; (iii) the use, sale, lease, or depreciation or other Diminution in Value of the Prepetition Collateral; and/or (iv) the imposition of the automatic stay under the Bankruptcy Code, subject in each case to the Carve Out and the relative priorities set forth on the Lien Priority Annex. The terms of the adequate protection being provided reflect the Debtors' prudent exercise of business judgment and constitute a reasonable compromise for the use of the Prepetition ABL Priority Collateral, including Cash Collateral.

I. *Prepetition Term Loan Secured Parties' Adequate Protection*. Until such time as the Prepetition Term Loan Obligations are Paid in Full, the Prepetition Term Loan Secured Parties are entitled to receive adequate protection pursuant to sections 361, 362, 363 and 364 of the Bankruptcy Code and as set forth in paragraph 12 of this Second Interim Order resulting from, among other things: the (i) provisions of ~~this Interim~~the Orders granting the DIP Liens; (ii) use, sale, lease, or depreciation or other Diminution in Value of the Prepetition Collateral; and/or (iii) the imposition of the automatic stay under the Bankruptcy Code, subject in each case to the Carve Out and the relative priorities set forth on the Lien Priority Annex. The terms of the adequate protection being provided reflect the Debtors' prudent exercise of business judgment and

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this Second Interim Order) has not elapsed, a written notice or other confirmation that no Challenge or any other claims of any kind (including with respect to the Carve Out upon payment in full of the Prepetition ABL Obligations, Prepetition Term Loan Obligations or DIP Obligations) will be asserted or (B) if the Challenge Deadline has elapsed, then no Challenge or any other claim has been asserted or any Challenge or other claim asserted has been dismissed pursuant to a final, non-appealable order of a court of competent jurisdiction and a written notice or other confirmation that no claim of any kind with respect to the Carve Out will be asserted against the Prepetition ABL Agent, any Prepetition ABL Secured Party, the Prepetition Term Loan Agent, any Prepetition Term Loan Secured Party, the DIP Agent or any DIP Lender.

constitute a reasonable compromise for the use of the Prepetition Term Loan Priority Collateral as provided herein.

J. *Sections 506(c) and 552(b)*. The Debtors have agreed as a condition to obtaining financing under the DIP Facility and the use of Cash Collateral that as a material inducement to the DIP Credit Parties' agreement to provide the DIP Facility and the Prepetition ABL Secured Parties' consent to the use of Cash Collateral, and in exchange for: (a) the DIP Credit Parties' willingness to provide the DIP Facility to the extent set forth herein; (b) the DIP Credit Parties' and the Prepetition ABL Secured Parties' agreement to subordinate the DIP Liens and the Prepetition ABL Liens, respectively, to the Carve Out; and (c) the consensual use of Cash Collateral consistent with the Approved Budget (subject to Permitted Variances), the terms of the DIP Loan Documents, and the terms of this Second Interim Order, subject to and upon entry of the Final Order, each of the DIP Credit Parties and Prepetition ABL Secured Parties shall receive a waiver of any equities of the case exceptions or claims under section 552(b) of the Bankruptcy Code and a waiver of unjust enrichment and similar equitable relief as set forth below; and the DIP Credit Parties and Prepetition ABL Secured Parties shall receive a waiver of the provisions of section 506(c) of the Bankruptcy Code.

K. *Good Faith of the DIP Credit Parties*.

(i) *Willingness to Provide Financing*. Each of the DIP Lenders has indicated a willingness to provide financing to the Debtors subject to: (a) on an interim basis, the entry by this Court of ~~this~~ the First Interim Order and this Second Interim Order, and on a final basis, the entry by this Court of a Final Order; (b) approval by this Court of the terms and conditions of the DIP Facility and the DIP Loan Documents; and (c) entry of findings by this Court that such financing is essential to the Debtors' estates, that each of the DIP Credit Parties is extending credit

to the Debtors pursuant to the DIP Loan Documents in good faith, and that each of the DIP Credit Parties' claims, superpriority claims, security interests, liens, rights, and other protections granted pursuant to ~~this Interim~~the Orders and the DIP Loan Documents will have the protections provided in section 364(e) of the Bankruptcy Code.

(ii) *Business Judgment and Good Faith Pursuant to Section 364(e)*. The terms and conditions of this Second Interim Order, the DIP Loan Documents, the extension of credit and the fees paid and to be paid thereunder: (a) are fair, reasonable, and the best available to the Debtors under the circumstances; (b) reflect the Debtors' exercise of prudent and sound business judgment; and (c) are supported by reasonably equivalent value and consideration. The DIP Facility and the use of Cash Collateral were negotiated in good faith and at arm's length among the Debtors and the DIP Credit Parties and the Prepetition ABL Secured Parties. The use of Cash Collateral and credit ~~to be~~ extended under the DIP Loan Documents was and shall be deemed to have been so allowed, advanced, made, used, and extended in good faith, and for valid business purposes and uses, within the meaning of section 364(e) of the Bankruptcy Code, and each of the DIP Credit Parties is therefore entitled to the protection and benefits of section 364(e) of the Bankruptcy Code and this Second Interim Order in the event that this Second Interim Order or any provision hereof is vacated, reversed, or modified, on appeal or otherwise. The DIP Credit Parties and Prepetition ABL Secured Parties have acted in good faith in connection with ~~this Interim~~the Orders and their reliance on this Second Interim Order is in good faith.

L. *Prepetition Permitted Liens*. Nothing herein shall constitute a finding or ruling by this Court that any alleged Prepetition Permitted Lien is valid, senior, enforceable, prior, perfected, or non-avoidable. Moreover, nothing shall prejudice the rights of any party-in-interest, including, but not limited to, the Debtors, the DIP Credit Parties, the Prepetition Secured Creditors

or the Committee ~~(if any)~~, to challenge the validity, priority, enforceability, seniority, perfection, or extent of any alleged Prepetition Permitted Lien and/or security interests. Subject to entry of the Final Order granting such relief, the right of a seller of goods to reclaim such goods under section 546(c) of the Bankruptcy Code is not a Prepetition Permitted Lien and is expressly subject to the Prepetition Liens and the DIP Liens.

M. *Good Cause*. Good cause has been shown for the entry of this Second Interim Order. The relief requested in the Motion is necessary, essential, and appropriate and is in the best interest of and will benefit the Debtors, their creditors, and their estates, as its implementation will, among other things, provide the Debtors with the necessary liquidity to: (a) minimize disruption to the Debtors' businesses and on-going operations; (b) preserve and maximize the value of the Debtors' estates for the benefit of all the Debtors' creditors; and (c) avoid immediate and irreparable harm to the Debtors, their creditors, their businesses, their employees, and their assets. The terms of the DIP Facility are fair and reasonable, reflect each Debtor's exercise of its business judgment, and are supported by reasonably equivalent value and fair consideration. The DIP Facility is the product of reasonable, arm's-length, good faith negotiations between the Debtors and the DIP Credit Parties.

N. *Immediate Entry*. Good and sufficient cause exists for immediate entry of this Second Interim Order pursuant to Bankruptcy Rule 4001(c)(2).

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

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. Motion Granted; Interim Financing Approved. The Motion is granted on an interim basis, the Interim Financing is authorized on an interim basis, and the use of Cash

Collateral on an interim basis is authorized, solely to the extent of the terms and conditions set forth in this Second Interim Order.

2. Objections Overruled. All objections, reservations of rights, or other statements with respect to the ~~Interim Financing~~DIP Loans and/or entry of this Second Interim Order, other than the Committee Objection, to the extent not withdrawn or resolved are hereby overruled on the merits. For the avoidance of doubt, the Committee Objection is not hereby deemed withdrawn, resolved or overruled with respect to the final relief requested in the Motion and shall be deferred until the Final Hearing.

DIP Facility Authorization

3. Authorization of the DIP Financing and DIP Loan Documents. The Debtors are expressly and immediately authorized and empowered to: (a) execute and deliver the DIP Loan Documents; (b) incur and to perform the DIP Obligations (including the Creeping Roll-Up)[6] in accordance with, and subject to, the terms of this Second Interim Order and the DIP Loan Documents (including the Approved Budget); and (c) deliver all instruments, agreements, certificates, letters, and documents that may be necessary, desirable, or required for performance by the Debtors under the DIP Facility and the creation and perfection of the DIP Liens described in and provided for by this Second Interim Order and the DIP Loan Documents. The Debtors are hereby authorized to pay the principal, interest, fees, expenses and other amounts described in the DIP Loan Documents as such become due on the terms set forth in the DIP Loan Documents and without need to obtain further Court approval, including, without limitation, commitment fees, exit fees, collateral management fees, any additional fees and other amounts set forth in the DIP Loan Documents, and the reasonable and documented fees and disbursements of the DIP Credit

[6] The Full Roll-Up remains subject to entry of the Final Order.

Parties' attorneys, advisers, accountants, and other consultants, all to the extent required by the DIP Loan Documents, with invoices to be provided in accordance with paragraph 25 below. Upon execution and delivery, the DIP Loan Documents shall represent valid and binding, and joint and several, obligations of the Debtors, enforceable against each of the Debtors and their estates in accordance with the terms of the DIP Loan Documents. The Debtors are also hereby authorized, by this Second Interim Order, to make the Adequate Protection Payments. Without any further action by the Debtors or any other party, but subject to any Challenge (as defined herein) and an appropriate remedy fashioned by this Court in the event of a successful Challenge, the Debtors shall be authorized and deemed to have repaid and refinanced (i) the Prepetition ABL Obligations with proceeds of the Creeping Roll-Up, as applicable and (ii) upon entry of the Final Order, all additional outstanding Prepetition ABL Obligations with the Full Roll-Up.

4. Authorization to Borrow. Until a Termination Declaration Date (as defined herein), and subject to the terms and conditions set forth in the DIP Loan Documents, the DIP Facility, and this Second Interim Order, and in order to prevent immediate and irreparable harm to the Debtors' estates, the Debtors are hereby authorized, prior to the entry of the Final Order, to request extensions of credit under the DIP Facility up to an aggregate principal amount of $~~22~~55 million at any one time outstanding. No other corporate action is required for the Debtors to execute and deliver the DIP Loan Documents, perform their obligations thereunder, or request any extension of credit under the DIP Facility as set forth herein.

5. DIP Obligations. The DIP Loan Documents, the First Interim Order, and this Second Interim Order shall constitute and evidence the validity and binding effect of the DIP Obligations, which DIP Obligations shall be enforceable against the Debtors, their estates and any successors thereto, including, without limitation, any trustee or other estate representative

appointed in the Chapter 11 Cases, or any case under chapter 7 of the Bankruptcy Code upon the conversion of any of the Chapter 11 Cases (collectively, "***Successor Cases***"). Upon entry of th~~is~~e First Interim Order, the DIP Obligations ~~shall~~ included all loans (for the avoidance of doubt, the DIP Roll-Up Loan shall be included upon entry of the Final Order), and any other indebtedness or obligations, contingent or absolute, which may now or from time to time be owing by any of the Debtors to any of the DIP Credit Parties under the DIP Loan Documents or ~~this~~ the First Interim Order or this Second Interim Order, including, without limitation, all principal, accrued interest, costs, fees, expenses, and other amounts owed pursuant to the DIP Loan Documents, and shall be joint and several obligations of the Debtors in all respects; *provided* that the DIP Roll-Up Loan shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder. No obligation, payment, transfer, or grant of security under the DIP Credit Agreement, the other DIP Loan Documents or this Second Interim Order shall be stayed, restrained, voidable, or recoverable under the Bankruptcy Code or under any applicable law (including, without limitation, under section 502(d) of the Bankruptcy Code), or be subject to any defense, reduction, setoff, recoupment, or counterclaim.

6. Postpetition Liens and Collateral.

(a) Effective immediately upon the entry of th~~is~~e First Interim Order, pursuant to sections 364(c)(3) and 364(d) of the Bankruptcy Code, the DIP Agent (for the benefit of itself and the other DIP Lenders under and as described in the DIP Loan Documents) ~~is hereby~~ was granted~~,~~ continuing valid, binding, enforceable, non-avoidable, and automatically and properly perfected postpetition security interests in and liens, (collectively, the "***DIP Liens***") on all tangible and intangible prepetition and postpetition assets and real property of the DIP Loan

indemnity, warranty or guaranty payable to the DIP Loan Parties from time to time with respect to any of the foregoing.

(b) Notwithstanding anything in this Second Interim Order or the DIP Loan Documents to the contrary, in no event shall DIP Collateral include: (a) any leasehold interest in non-residential real property that prohibits or restricts the granting of liens thereon (except as permitted pursuant to applicable non-bankruptcy law), but shall include the proceeds of the sale or other disposition of such leases; and (b) any security deposits held by a landlord under any non-residential real property lease or the Debtors' interest in any pre-paid rent under any such lease (but shall include the Debtors' reversionary interests therein), in each case, unless such lien is expressly permitted under such lease.

7. DIP Lien Priority in DIP Collateral.

(a) *DIP Liens*. Pursuant to Section 364(d), the DIP Liens on the DIP Collateral securing the DIP Obligations shall be first and senior in priority to all other interests and liens of every kind, nature, and description, whether created consensually, by an order of this Court or otherwise, including, without limitation, liens or security interests granted in favor of third parties in conjunction with sections 363, 364, or any other section of the Bankruptcy Code or applicable law; *provided*, *however*, that the DIP Liens on the DIP Collateral shall be subordinate to the Prepetition Permitted Liens and subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex.

(b) Other than as set forth herein, the DIP Liens, the DIP Superpriority Claims, the Carve Out, the Adequate Protection Liens, and the Adequate Protection Superpriority Claims (each of which shall be subject to the relative priorities set forth on the Lien Priority Annex): (i) shall not be made subject to or *pari passu* with (A) any lien, security interest, or claim heretofore

or hereinafter granted in any of the Chapter 11 Cases or any Successor Cases or any claim for reclamation or return (whether asserted pursuant to section 546(c) of the Bankruptcy Code or otherwise), and shall be valid and enforceable against the Debtors, their estates, any trustee, or any other estate representative appointed or elected in the Chapter 11 Cases or any Successor Cases and/or upon the dismissal of any of the Chapter 11 Cases or any Successor Cases, (B) any lien that is avoided and preserved for the benefit of the Debtors and their estates under section 551 of the Bankruptcy Code or otherwise, and (C) any intercompany or affiliate lien or claim; and (ii) shall not be subject to challenge under sections 510, 549, 550, or 551 of the Bankruptcy Code; *provided* that the DIP Roll-Up Loan shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder.

8. DIP Superpriority Claims.

(a) *DIP Superpriority Claim*. Subject to the Carve Out on account of all DIP Obligations now existing or hereafter arising pursuant to th~~is~~e First Interim Order, ~~the~~this Second Interim Order, or the other DIP Loan Documents, or otherwise, the DIP Agent (for the benefit of itself and the other DIP Lenders) is hereby granted to the maximum extent permitted pursuant to sections 364(c)(1), 503, and 507 of the Bankruptcy Code, an allowed superpriority administrative expense claim in each of the Chapter 11 Cases and any Successor Cases (collectively, the "***DIP Superpriority Claim***") for all DIP Obligations; *provided* that the DIP Roll-Up Loan shall be subject to paragraph 44 hereof, and the challenge rights granted thereunder. Subject to paragraph 8(b) of this Second Interim Order, the Carve Out, the Lien Priority Annex, and Prepetition Permitted Liens, the DIP Superpriority Claim shall have, to the fullest extent permitted under the Bankruptcy Code, priority over any and all other obligations, liabilities, and indebtedness of each Debtor, whether now in existence or hereafter incurred by such Debtor including without

limitation administrative expenses of the kinds specified in or ordered pursuant to sections 105, 326, 328, 330, 331, 503(a), 503(b), 506(c) (upon entry of the Final Order), 507(a), 507(b), 546(c), 546(d), 726, and 1114 of the Bankruptcy Code.

(b) *Priority of DIP Superpriority Claim.* The DIP Superpriority Claim, subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex, shall be payable from and have recourse to all prepetition and postpetition property of the Debtors and all proceeds thereof, including subject to entry of the Final Order granting such relief, Avoidance Proceeds.

9. No Obligation to Extend Credit. Except as may be required to fund the Professional Fee Escrow Account (as defined herein) or as otherwise required under this Second Interim Order, no DIP Credit Party shall have any obligation to make any loan or advance under the DIP Loan Documents unless all of the conditions precedent to the making of such extension of credit under the applicable DIP Loan Documents and this Second Interim Order have been satisfied in full or waived in accordance with the DIP Loan Documents.

10. Use of Proceeds of the DIP Facility. The DIP Loans ~~shall be~~were made available to the Debtors: (a) on the Closing Date (as defined in the DIP Credit Agreement) to pay the fees, costs and expenses incurred in connection with the transactions contemplated hereby; and (b) on and/or after the Closing Date (i) to repay the Prepetition ABL Obligations pursuant to the Creeping Roll-Up and, subject to entry of the Final order, the Full Roll-Up, (ii) for the Debtors' working capital requirements in accordance with the provisions governing the Approved Budget (including the Permitted Variances) set forth herein and in the DIP Credit Agreement, (iii) to fund the costs, fees, and expenses in connection with administration of the Chapter 11 Cases in accordance with the provisions governing the Approved Budget (including the Permitted Variances) set forth herein and in the DIP Credit Agreement, (iv) payment of all reasonable and

documented out of pocket costs, fees, and expenses required by the DIP Loan Documents, (v) payment of Court approved prepetition liabilities of the DIP Loan Parties in accordance with the provisions governing the Approved Budget (including the Permitted Variances) set forth herein and in the DIP Credit Agreement, (vi) to fund the Professional Fee Escrow Account and obligations benefitting from the Carve Out, and (vii) to fund such other costs and expenses of the Debtors and their estates as the DIP Agent may approve in writing, in its sole discretion, as to both the amount thereof and the permitted uses thereof, in each case of (a) and (b) above, in accordance with the terms of the DIP Loan Documents. For the avoidance of doubt, until such time as the DIP Obligations and the Prepetition ABL Obligations have been Paid in Full, except as may be otherwise agreed by the DIP Agent, any fees or disbursements of any Case Professional (which shall not include, for the avoidance of doubt, those payments authorized or required pursuant to paragraphs 12(b), 25 and 26 of this Second Interim Order) shall be paid solely from the Professional Fee Escrow Account (including, to the extent applicable, the Case Professional Carve Out Limit funded into the Professional Fee Escrow Account following delivery of a Carve Out Trigger Notice (as each term is defined herein)) and any retainer held by a Case Professional, as applicable.

Authorization to Use Cash Collateral

11. Authorization to Use Cash Collateral. Subject to the terms and conditions of ~~this~~ the First Interim Order, this Second Interim Order, and the other DIP Loan Documents, and in compliance with the Approved Budget (subject to Permitted Variances), the Debtors are authorized to use Cash Collateral only in accordance with the Approved Budget (subject to Permitted Variances) until such time that the DIP Credit Parties or the Prepetition ABL Secured Parties terminate the Debtors' use of Cash Collateral as provided herein; *provided* that the Adequate Protection Payments, as applicable, and other forms of adequate protection set forth

herein are paid and maintained; *provided further* that nothing herein shall impede the Debtors' ability and entitlement to fund the Carve Out as provided in paragraph 31 hereof; *provided further* that during the Remedies Notice Period (as defined herein), the Debtors may use Cash Collateral solely to fund the Carve Out in accordance with, and subject to, the terms of this Second Interim Order and the Approved Budget, and (i) pay payroll (provided that the Debtors shall be prohibited from paying any severance or bonuses), (ii) U.S. Trustee fees and fees payable to the Clerk of the Court, and (iii) subject to the consent of the DIP Agent in its reasonable discretion (such consent not to be unreasonably withheld), other day-to-day operational expenses that are critical to the administration of the Debtors' estates during the Remedies Notice Period (not to exceed the Approved Budget under any circumstances absent the written consent of the DIP Agent and, solely if the proposed payment relates to the Prepetition Term Loan Priority Collateral, the written consent of the Prepetition Term Loan Agent). All fees and costs incurred by the Debtors in connection with any Remedies Determination (including the fees and costs of its professionals) shall be funded solely by the Carve Out.

Adequate Protection Provisions

12. As adequate protection for the interest of the Prepetition Secured Creditors in the Prepetition Collateral (including Cash Collateral) on account of the granting of, among other things, the DIP Liens, the incurrence of the DIP Obligations, the subordination, as applicable, of the Prepetition Liens to the Carve Out, the Debtors' use of Cash Collateral, and any other diminution in value arising out of the imposition of the automatic stay or the Debtors' use, sale, lease, depreciation, or disposition of the Prepetition Collateral and Cash Collateral during the pendency of the Chapter 11 Cases (collectively, "***Diminution in Value***"), the Prepetition Secured Creditors ~~shall~~, effective as of entry of the First Interim Order, shall continue to receive adequate protection as follows:

Bankruptcy Code sections 506(c) (upon entry of the Final Order), 510, 549, or 550. No lien or interest avoided and preserved for the benefit of any Debtor's estate pursuant to Bankruptcy Code section 551 shall be made *pari passu* with or senior to the Adequate Protection Liens.

(ii) *Priority of Adequate Protection Liens*. The Adequate Protection Liens shall be payable from and have recourse to all DIP Collateral, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex.

(b) *Adequate Protection Payments.*

(i) Until the Prepetition ABL Obligations have been Paid in Full, all claims (including principal, interest at the default rate of interest specified in Section 2.12(c) of the Prepetition ABL Credit Agreement, and letter of credit fees, costs and other charges) arising from or related to the Prepetition ABL Obligations shall continue to accrue and be paid in cash at the default rate of interest specified in Section 2.12(c) of the Prepetition ABL Credit Agreement monthly in arrears on the first Business Day of each calendar month~~,~~. Such payments commenc~~ing~~ed with the first such date to occur after entry of th~~is~~e First Interim Order (the "***ABL Lender Payments***").

(ii) Until the Prepetition Term Loan Obligations have been Paid in Full, all claims (including principal, interest at the default rate and letter of credit fees, costs and other charges) arising from or related to the Prepetition Term Loan Obligations shall continue to accrue interest at the applicable rate as provided for in the Prepetition Term Loan Documents through the Chapter 11 Cases.

(iii) The Prepetition ABL Agent (including any successor thereto) shall further be entitled to the payment of all reasonable and documented fees, costs, expenses and charges of the Prepetition ABL Agent, to the extent payable under the Prepetition ABL Credit Agreement

(the "***ABL Fees and Expenses***") and the Prepetition Term Loan Agent (including any successor thereto) shall further be entitled to the payment of all reasonable and documented fees, costs, expenses and charges of the Prepetition Term Loan Agent, to the extent payable under the Prepetition Term Loan Credit Agreement and solely from, and to the extent of, funds in the Term Loan Reserve (as defined herein), until Payment in Full of the DIP Obligations and Prepetition ABL Obligations and thereafter without limitation (the "***Term Loan Fees and Expenses***", and together with ABL Fees and Expenses and the ABL Lender Payments collectively, the "***Adequate Protection Payments***"); *provided*, *however*, that notwithstanding the foregoing, the out-of-pocket expenses incurred by the Prepetition ABL Agent prior to and unpaid as of the Closing Date ~~shall be~~were paid indefeasibly upon the occurrence of the Closing Date without the Prepetition ABL Agent (or their counsel or other professionals) being required to deliver an invoice in summary form as set forth herein. For all ABL Fees and Expenses and Term Loan Fees and Expenses incurred after the Closing Date, counsel and/or professionals to the Prepetition Agents shall each deliver an invoice in summary form, which shall not be required to include time entry detail, but shall include a general description of the nature of the matters for which services were performed, and may be redacted for privileged information; *provided*, *however*, that the Debtors, the U.S. Trustee and ~~any~~the Committee reserve their rights to request additional detail regarding the services rendered and expenses incurred by such professionals to counsel to the Debtors, the U.S. Trustee, and ~~any~~the Committee. If no written objection is received on the date that is ten (10) days after delivery of such invoice to counsel to the Debtors, the U.S. Trustee, and ~~any~~the Committee, the Debtors shall promptly pay such fees and expenses in full. If an objection to the applicable Prepetition Agent's invoice is timely received, the Debtors shall promptly pay the undisputed amount of the invoice, and this Court shall have jurisdiction to determine the disputed

Protection Liens do not adequately protect against any Diminution in Value of the Prepetition Agents' respective interests in the Prepetition Collateral.

(ii) *Priority of Adequate Protection Superpriority Claims*. The Adequate Protection Superpriority Claims, subject to the Carve Out and the relative priorities as and to the extent set forth on the Lien Priority Annex, shall be payable from and have recourse to all prepetition and postpetition property of the Debtors and all proceeds thereof, including subject to entry of the Final Order granting such relief, Avoidance Proceeds.

(d) *Reservations of Rights*. Subject only to the Carve Out, the relative priorities set forth on the Lien Priority Annex, and the Prepetition Permitted Liens, nothing contained herein shall impair or modify the Prepetition Secured Creditors' rights under section 507(b) of the Bankruptcy Code in the event that the adequate protection provided to the Prepetition Secured Creditors in this Second Interim Order is insufficient to compensate for the Diminution in Value of the interest of the Prepetition Secured Creditors in the Prepetition Collateral during the Chapter 11 Cases or any Successor Cases. Nothing contained in this Second Interim Order shall be construed as an admission as to the extent of any Diminution in Value, if any, in the interest of any Prepetition Secured Creditors in the Prepetition Collateral and nothing shall impair or modify the rights of any party to contest any assertion of Diminution in Value or contest any request for additional adequate protection.

Provisions Common to DIP Financing and Use of Cash Collateral Authorizations

13. Amendments. The DIP Loan Documents may from time to time be amended, restated, amended and restated, supplemented, or otherwise modified, in each case in accordance with the provisions of the DIP Loan Documents governing amendments thereto, by the parties thereto, each without further application to or order of this Court; *provided*, that any amendment to the DIP Credit Agreement: that (a) shortens or lengthens the maturity of the extensions of credit

thereunder; (b) increases or decreases the aggregate commitments thereunder; or (c) increases the rate of interest payable with respect thereto (each, a "***Material DIP Amendment***"), shall be (a) provided (which may be by electronic mail) to the U.S. Trustee, the Prepetition Agents and ~~any~~the Committee, which shall have five (5) days from the date of receipt of such notice within which to object, in writing to the Material DIP Amendment and (b) filed with the Court for approval, it being understood that, among other things, (i) waivers for the benefit of the Debtors and extensions of Chapter 11 Case Milestones and similar deadlines, (ii) waivers for the benefit of the Debtors regarding Approved Budget testing, or any modifications, amendments, or updates to the Approved Budget made in accordance with paragraph 14 of this Second Interim Order and the DIP Loan Documents, shall not be considered "material" for purposes hereof, and may become immediately effective. If the U.S. Trustee, Prepetition Agent(s) or ~~any~~the Committee timely objects to the Material DIP Amendment, the Material DIP Amendment shall only be permitted pursuant to an order of this Court. The foregoing shall be without prejudice to the Debtors' right to seek approval from this Court of a Material DIP Amendment on an expedited basis.

14. Approved Budget, Testing, and Permitted Variances.

(a) *Approved Budget.* The Approved Budget and any modification to, or amendment or update of, the Approved Budget shall be in form and substance satisfactory to the DIP Agent in its sole discretion and modified or amended in accordance with the DIP Loan Documents. The Approved Budget shall be updated, modified or supplemented by the Debtors in accordance with the DIP Credit Agreement and this Second Interim Order, but in any event the budget shall be updated from time to time upon the written request of the Administrative Agent and otherwise every two weeks; *provided* that, on or before the fourth Business Day of the first

week (but in any event not later than Friday of such week) of each successive two-week period following the Closing Date (*i.e.*, commencing with the week of August 30, 2026), the Borrowers shall submit an updated budget for the next successive thirteen-week period (it being understood that, unless otherwise agreed by the DIP Agent, each updated budget shall only add projections for periods not previously covered by any Approved Budget and shall not modify any prior periods). Each such updated, modified or supplemented budget shall be in form and substance satisfactory to the DIP Agent in its sole discretion, and no such updated, modified or supplemented budget shall be effective until so approved and once approved shall be deemed the Approved Budget; *provided*, *however*, that, in the event that the DIP Agent and the Debtors cannot agree as to a new Approved Budget, such disagreement shall give rise to an Event of Default under the DIP Credit Agreement once the period covered by the most recent Approved Budget has terminated.

(b) *Permitted Variances*. The Debtors shall comply with the Approved Budget subject to the permitted variances set out in the DIP Credit Agreement (as amended from time to time as provided herein, the "***Permitted Variances***").

(c) *Approved Budget Testing*. Permitted Variances shall be reported by the Debtors on the Wednesday following the last Saturday of each completed week. For the avoidance of doubt, the testing of covenant compliance ~~shall~~ begi~~i~~an on the first full calendar week following the Petition Date. The Debtors shall prepare a variance report, and deliver such variance report to the DIP Agent, the Prepetition ABL Agent, the Prepetition Term Loan Agent and their advisors in accordance with the requirements set out in the DIP Credit Agreement.

15. Modification of Automatic Stay. The automatic stay imposed under section 362(a) of the Bankruptcy Code is hereby modified as necessary to effectuate all of the terms and

provisions of this Second Interim Order, including, without limitation, to permit: (a) the Debtors to grant the DIP Liens, the Adequate Protection Liens, the DIP Superpriority Claims, and the Adequate Protection Superpriority Claims on a continuing basis; (b) the Debtors to incur all liabilities and obligations to the DIP Agent on a continuing basis as contemplated under the DIP Loan Documents; and (c) the Debtors to pay, and the DIP Credit Parties and Prepetition Secured Creditors to retain and apply, all amounts referred to, required under, and in accordance with the terms of this Second Interim Order and the DIP Loan Documents.

16. Perfection of DIP Liens and Adequate Protection Liens.

(a) This Second Interim Order shall be sufficient and conclusive evidence of the priority, perfection, and validity of the DIP Liens, the Adequate Protection Liens, and the other security interests granted herein, effective as of the Petition Date, without any further act and without regard to any other federal, state, or local requirements or law requiring notice, execution, filing, registration, recording, or possession of the DIP Collateral, or other act to validate or perfect such security interest or lien, including, without limitation: (i) entering into any control agreements with any financial institution(s) party to a control agreement or other depository account consisting of DIP Collateral; (ii) any requirement to register liens on any certificates of title; (iii) the filing of any financing statements; (iv) the filing of any intellectual property filings; (v) entering into any mortgages; (vi) noticing any liens; and/or (vii) the taking of any similar actions (each of the foregoing (i)-(vii) a "***Perfection Act***"). Notwithstanding the foregoing, if the DIP Agent or any Prepetition Agent, as applicable, shall, in its sole discretion, elect for any reason to file, record, or otherwise effectuate any Perfection Act, then such DIP Agent or Prepetition Agent, as applicable, is authorized to perform such act, and the Debtors are authorized to perform such act to the extent necessary or required by the DIP Loan Documents,

which act or acts shall be deemed to have been accomplished as of the date and time of entry of th~~is~~e First Interim Order notwithstanding the date and time actually accomplished, and, in such event, the subject filing or recording office is authorized to accept, file, or record any document in regard to such act in accordance with applicable law. The DIP Agent or either Prepetition Agent, as applicable, may choose to file, record, or present a certified copy of ~~this~~ the First Interim Order or this Second Interim Order in the same manner as a Perfection Act, which shall be tantamount to a Perfection Act, and, in such event, the subject filing or recording office is authorized to accept, file, or record such certified copy of ~~this~~ the First Interim Order or this Second Interim Order in accordance with applicable law. Should the DIP Agent or either Prepetition Agent, as applicable, so choose and attempt to file, record, or perform a Perfection Act, no defect or failure in connection with such attempt shall in any way limit, waive, or alter the validity, enforceability, attachment, priority, or perfection of the postpetition liens and security interests granted herein by virtue of the entry of this Second Interim Order.

(b) To the extent that any applicable non-bankruptcy law otherwise would restrict the granting, scope, enforceability, attachment, or perfection of any liens and security interests granted and created by ~~this Interim~~the Orders (including the DIP Liens and the Adequate Protection Liens) or otherwise would impose filing or registration requirements with respect to such liens and security interests, such law is hereby pre-empted to the maximum extent permitted by the Bankruptcy Code, applicable federal or foreign law, and the judicial power and authority of this Court; *provided, however,* that nothing herein shall excuse the Debtors from payment of any local fees, if any, required in connection with such liens. By virtue of the terms of ~~this Interim~~the Orders, to the extent that the DIP Agent or either Prepetition Agent, as applicable, has filed Uniform Commercial Code financing statements, mortgages, deeds of trust, or other security

or perfection documents under the names of any of the Debtors, such filings shall be deemed to properly perfect its liens and security interests granted and confirmed by ~~this Interim~~the Orders without further action by the DIP Agent or applicable Prepetition Agent.

17. (a) Application of Proceeds of DIP Collateral. Subject to the Carve Out, the relative priorities set forth on the Lien Priority Annex, and the Prepetition Permitted Liens, as applicable, the proceeds of DIP Collateral shall be applied in accordance with the terms of the DIP Loan Documents, the Prepetition Credit Documents and this Second Interim Order. The Debtors shall not, directly or indirectly, voluntarily purchase, redeem, defease, or prepay any principal of, premium, if any, interest or other amount payable in respect of any indebtedness prior to its scheduled maturity, other than the DIP Obligations, the Adequate Protection Payments required under this Second Interim Order, and obligations authorized by an order of this Court (which may include, without limitation, obligations secured by Prepetition Permitted Liens). The Debtors shall apply the proceeds of the DIP Collateral, the proceeds of the Prepetition ABL Priority Collateral, and any other cash and collections and receipts of cash from any source, including accounts, sale of property, loan advances, or refunds (but excluding amounts reserved for the Carve Out and proceeds of Prepetition Term Loan Priority Collateral, which shall be applied in accordance with paragraph 17(b) hereof) to the repayment and refinancing of the Prepetition ABL Obligations as set forth in this Second Interim Order, the Prepetition Credit Documents and the DIP Credit Agreement. The extension of the DIP Facility and the repayment and refinancing of the Prepetition ABL Obligations with the proceeds of the DIP Loans are part of an integrated transaction.

(b) Proceeds of Prepetition Term Loan Priority Collateral. Notwithstanding anything herein to the contrary, all proceeds of Prepetition Term Loan Priority Collateral shall be deposited

into a segregated account maintained by the Debtors (the "Term Loan Reserve") and all Prepetition Liens of the Prepetition Secured Creditors shall attach to funds in the Term Loan Reserve to the same extent and with the same priority as such Prepetition Liens attached to the Prepetition Term Loan Priority Collateral and the Debtors shall not use such cash collateral or make any distributions from the Term Loan Reserve without further order of the Court (the "Term Loan Reserve Release Order") or the prior written consent of the Prepetition Term Loan Agent and Prepetition ABL Agent. All estate retained Case Professionals shall use reasonable efforts to indicate in their respective monthly fee applications, interim fee applications ~~and/or~~, final fee applications and/or other applicable reporting whether and to what extent any fees or expenses were incurred in connection with preserving or disposing of the Prepetition Term Loan Priority Collateral. For the avoidance of doubt, any reasonable fees and expenses of the Prepetition Term Loan Secured Parties and their counsel shall be paid solely from funds in the Term Loan Reserve ~~until the DIP Obligations and Prepetition ABL Obligations are paid in full~~. Notwithstanding anything to the contrary contained herein, all parties' rights, claims and defenses under this paragraph, including with respect to (i) the gross cash proceeds received by the Debtors in connection with the sale or disposition of Prepetition Collateral, (ii) the allocation of proceeds from a mixed sale or other disposition of Prepetition Term Loan Priority Collateral and Prepetition ABL Priority Collateral, and (iii) the allocation of costs, fees, and expenses incurred in connection with such sale or disposition of Prepetition ~~Term Loan Priority~~ Collateral, are fully reserved and preserved, *provided*, that the Prepetition Term Loan Secured Parties shall raise, assert, and/or file any rights, claims, and/or defenses with respect to the allocation of proceeds from a mixed sale or other disposition of Prepetition Term Loan Priority Collateral and Prepetition ABL Priority Collateral that are included among the assets proposed to be sold in connection with the October

14, 2026 sale hearing by October 12, 2026 (or, with respect to assets not proposed to be sold in connection with such hearing, prior to the applicable sale hearing) and any such rights, claims, or defenses, will be heard, resolved, and/or overruled at the sale hearing before the Court on October 14, 2026 (or such other applicable sale hearing) subject to any extension of the foregoing dates for the Prepetition Term Loan Secured Parties that are consented to by the Debtors and DIP Agent or ordered by the Court.

18. Proceeds of Subsequent Financing. If the Debtors, any trustee, any examiner with enlarged powers, any responsible officer or any other estate representative subsequently appointed in the Chapter 11 Cases or any Successor Cases shall obtain credit or incur debt pursuant to sections 364(b), 364(c), or 364(d) of the Bankruptcy Code in violation of the DIP Loan Documents at any time prior to the repayment in full in cash of all DIP Obligations, and the termination of the DIP Credit Parties' obligations to extend credit under the DIP Facility, then all the cash proceeds derived from such credit or debt shall immediately be turned over to the DIP Agent to be applied as set forth in paragraph 17 herein, subject to the Lien Priority Annex.

19. Maintenance of DIP Collateral and Prepetition Collateral. Until the Prepetition Secured Obligations and DIP Obligations are Paid in Full and the DIP Credit Parties' obligations to extend credit under the DIP Loan Documents are terminated, as provided therein, the Debtors shall insure the Prepetition Collateral and the DIP Collateral as required under the DIP Loan Documents and the Prepetition Credit Documents including, without limitation: (i) the payment of all past due tax obligations and assessments, solely in accordance with the Approved Budget; (ii) the payment of taxes and assessments that come due following the Petition Date as they come due, solely in accordance with the Approved Budget; and (iii) the maintenance of insurance

consistent with the Debtors' practices prior to the Petition Date and any insurance related relief granted by the Court.

20. Termination Declaration Date. On a Termination Declaration Date (as defined herein), consistent with Article VII of the DIP Credit Agreement: (a) all DIP Obligations shall be immediately due and payable; and (b) all commitments to extend credit under the DIP Facility will terminate (subject, in each case, to funding of the Carve Out as provided herein).

21. Events of Default. The occurrence of an "Event of Default" under the DIP Credit Agreement, including failure to comply with any Chapter 11 Case Milestones (as defined in the DIP Credit Agreement and attached to the First Interim Order hereto as **Exhibit 4**) as and when required as set forth in section 5.15 of the DIP Credit Agreement and on **Exhibit 43** hereto (unless otherwise extended by the DIP Agent in its sole discretion), in each case, on terms and conditions and subject to documentation (including, in all cases, forms of all applicable motions and orders) in form and substance reasonably satisfactory to the DIP Agent in all respects, shall constitute an event of default under this Second Interim Order after giving effect to any applicable cure period set forth in the DIP Credit Agreement (each, an "***Event of Default***").

22. Rights and Remedies Upon Event of Default.

(a) Subject to the terms of the DIP Loan Documents, immediately upon the occurrence and during the continuation of an Event of Default, notwithstanding the provisions of section 362 of the Bankruptcy Code, without any application, motion, or notice to, hearing before, or order from this Court, but subject to the terms of this Second Interim Order, including, without limitation, the funding of the Carve Out, the Remedies Notice Period (as defined herein) and the notice and grace period provisions of the DIP Credit Agreement set forth in Article VII of the DIP Credit Agreement: (1) (i) the DIP Agent may declare in writing (the "***DIP Termination***

Declaration") (A) all DIP Obligations owing under the DIP Loan Documents to be immediately due and payable, (B) the termination, reduction, or restriction of any further commitment to extend applicable credit to the Debtors to the extent any such commitment remains under the DIP Facility, (C) termination of the DIP Facility and the DIP Loan Documents as to any future liability or obligation of the DIP Agent and the DIP Lenders, but without affecting any of the DIP Liens or the DIP Obligations, and/or (D) that any obligations to fund amounts in respect to the Carve Out shall be triggered, through the delivery of the Carve Out Trigger Notice (each as defined herein) to the Debtors; and (ii) the DIP Agent may declare a termination, reduction, or restriction on the ability of the Debtors to use Cash Collateral except solely to fund the ABL Carve Out Reserve and to seek a Remedies Determination (as defined herein) (the date on which a DIP Termination Declaration is delivered by the DIP Agent, the "***Termination Declaration Date***").

(b) Any DIP Termination Declaration shall not be effective until notice has been provided by electronic mail (or other electronic means) to counsel to the Debtors, counsel to ~~any~~the Committee, the U.S. Trustee, and counsel to each of the Prepetition Agents. The automatic stay in the Chapter 11 Cases otherwise applicable to the DIP Agent, the DIP Lenders, and the Prepetition Secured Creditors is hereby modified so that five (5) Business Days after the Termination Declaration Date (as such period may be extended pursuant to the terms hereof, the "***Remedies Notice Period***") and the funding of the Carve Out in accordance with paragraph 31(b) of this Second Interim Order, as applicable, and subject to the relative priorities set forth on the Lien Priority Annex and the Prepetition Permitted Liens: (x) the DIP Agent shall be entitled to exercise its rights and remedies in accordance with the DIP Loan Documents and this Second Interim Order; and (y) the applicable Prepetition Agent shall be entitled to exercise its respective

rights and remedies to the extent available in accordance with the applicable Prepetition Credit Documents and this Second Interim Order.

(c) During the Remedies Notice Period, the Debtors and all other parties in interest shall be entitled to seek an emergency hearing with this Court (the "***Remedies Determination***"); *provided* that if the Debtors seek an emergency hearing during the Remedies Notice Period, but such hearing is scheduled for a later date by this Court (without any request by the Debtors to this Court with respect to such later scheduling), the Remedies Notice Period shall be tolled and the automatic stay shall not be modified until such hearing occurs. The Court may fashion an appropriate remedy at a hearing on a Remedies Determination; *provided* that the rights of the Debtors, the DIP Credit Parties, and the Prepetition Secured Creditors to contest such relief are expressly preserved. Except as set forth in this paragraph 22(c) ~~or otherwise ordered by this Court~~, after the Remedies Notice Period, the Debtors shall waive their right to seek relief, including, without limitation, under section 105 of the Bankruptcy Code, to the extent such relief would in any way impair or restrict the rights and remedies of the DIP Agent, the DIP Lenders, or the Prepetition Secured Creditors under this Second Interim Order. Furthermore, during the Remedies Notice Period, the Debtors may use Cash Collateral solely to fund the Carve Out in accordance with, and subject to, the terms of this Second Interim Order and the Approved Budget, and (i) pay payroll (provided that the Debtors shall be prohibited from paying any severance or bonuses), (ii) U.S. Trustee fees and fees payable to the Clerk of Court, and (iii) subject to the consent of the DIP Agent in its reasonable discretion (such consent not to be unreasonably withheld), other day-to-day operational expenses that are critical to the administration of the Debtors' estates during the Remedies Notice Period (not to exceed the Approved Budget under any circumstances absent the written consent of the DIP Agent and,

solely if the proposed payment relates to the Prepetition Term Loan Priority Collateral, the written consent of the Prepetition Term Loan Agent). All fees and costs incurred by the Debtors in connection with any Remedies Determination (including the fees and costs of its professionals) shall be funded solely by the Carve Out. Unless this Court orders otherwise prior to the expiration of the Remedies Notice Period, the automatic stay, as to all of the DIP Agent, the DIP Lenders, and the Prepetition Secured Creditors shall automatically be terminated at the end of the Remedies Notice Period (as it may be extended in accordance with this paragraph) without further notice or order. Upon expiration of the Remedies Notice Period (as it may be extended in accordance with this paragraph) and the funding of the Carve Out in accordance with paragraph 31(b) of this Second Interim Order, as applicable, and subject to the relative priorities set forth on the Lien Priority Annex and the Prepetition Permitted Liens, the applicable DIP Agent and the applicable Prepetition Secured Creditors shall be permitted to exercise all remedies set forth herein, and in the DIP Loan Documents, and as otherwise available at law without further order of or application or motion to this Court consistent with this Second Interim Order and the applicable loan documents. The DIP Credit Parties and the Prepetition Secured Creditors may, subject to the Prepetition Credit Documents, the funding of the Carve Out, as applicable, the relative priorities set forth on the Lien Priority Annex, and the Prepetition Permitted Liens, after the Remedies Notice Period, enter onto the premises of any Debtor in accordance with paragraph 23(b) herein.

23. Leased Premises.

(a) Notwithstanding anything to the contrary in this Second Interim Order, for purposes of this Second Interim Order, DIP Liens and Adequate Protection Liens shall not encumber and DIP Collateral shall not include (i) leasehold interests of non-residential real property that prohibit or restrict the granting of such liens in the applicable lease except as

permitted pursuant to applicable non-bankruptcy law (but shall include the proceeds of the sale or disposition of such leases) and (ii) any security deposits (in possession of the Debtors or the landlord) or the Debtors' interests, if any, in pre-paid rent, unless liens on such security deposits or pre-paid rent are expressly permitted pursuant to the underlying lease documents; *provided* that, the DIP Liens and Adequate Protection Liens shall extend to any such security deposits or pre-paid rent upon reversion thereof to the Debtors, if at all, as well as any proceeds or value of such leasehold interests whether by sale, financing, or other disposition or form of transfer, termination or transaction; *provided, further,* that any liens granted herein relating to the Debtors' insurance policies shall not interfere with any rights held by a landlord under such policies to any such insurance proceeds for damage to landlord's property.

(b) Notwithstanding anything to the contrary in this Second Interim Order, the DIP Loan Documents, or the Prepetition Credit Documents, the DIP Agent's or the Prepetition Agents' exercise of their remedies pursuant to paragraph 22 and in accordance with the DIP Loan Documents and the Prepetition Credit Documents shall be subject to, as may be applicable: (a) any agreement in writing between the DIP Agent or Prepetition Agents and any applicable landlord; (b) pre-existing rights of the DIP Agent or Prepetition Agents, and any applicable landlord under applicable non-bankruptcy law; (c) written consent of the applicable landlord; or (d) further order of this Court following notice and a hearing.

24. Good Faith Under Section 364 of the Bankruptcy Code; No Modification or Stay of this Second Interim Order. In accordance with sections 364(e) and 363(m) of the Bankruptcy Code, in the event any or all of the provisions of this Second Interim Order are hereafter reversed, modified, amended, or vacated by a subsequent order of this Court, or any other court, the DIP Credit Parties and Prepetition Secured Creditors are entitled, upon entry of this Second Interim

Order, to the protections provided in section 364(e) of the Bankruptcy Code. Any such reversal, modification, amendment, or vacatur shall not affect the validity and enforceability of any advances previously made or made hereunder, or lien, claim or priority authorized or created hereby. Any liens or claims granted to the DIP Credit Parties and Prepetition Secured Creditors hereunder arising prior to the effective date of any such reversal, modification, amendment, or vacatur of this Second Interim Order shall be governed in all respects by the original provisions of this Second Interim Order, including, without limitation, entitlement to all rights, remedies, privileges, and benefits granted herein.

25. DIP and Other Expenses. The Debtors are authorized to pay, without duplication of fees paid for the benefit of the DIP Credit Parties, all reasonable and documented out-of-pocket costs and expenses (and the DIP Agent is authorized to make advances or charges against the loan account to pay such agreed costs and expenses of the DIP Credit Parties in accordance with the DIP Loan Documents) of the DIP Credit Parties in connection with the DIP Facility (including, without limitation, costs and expenses incurred prior to the Petition Date) (the "***DIP Agent Fees and Expenses***"), to the extent set forth in the DIP Loan Documents. The professionals for the DIP Agent, shall deliver an invoice in summary form (which shall not be required to include time entry detail and may be redacted for privileged information, but shall include (i) a general description of the nature of the matters for which services were performed and (ii) contain sufficiently detailed information to permit the Review Parties (as defined herein) to determine whether the fees and expenses sought to be paid are reasonable); *provided, however*, that the Debtors, the Prepetition Term Loan Agent, the U.S. Trustee and ~~any~~the Committee reserve their rights to request unredacted copies of such invoices and additional detail regarding the services rendered and expenses incurred by such professionals to counsel to the Debtors, the Prepetition

Term Loan Agent, the U.S. Trustee, and ~~any~~the Committee (together, the "***Review Parties***"); *provided*, *however*, that notwithstanding the foregoing, the out-of-pocket expenses (including, without limitation, all attorneys' and other professionals' fees and expenses) incurred by the DIP Agent prior to and unpaid as of the Closing Date ~~shall be~~were paid indefeasibly upon the occurrence of the Closing Date without the DIP Agent being required to deliver an invoice in summary form as set forth herein. If no written objection is received by ten (10) calendar days after receipt of such invoice by the Review Parties, the Debtors shall promptly pay such fees and expenses in full. If an objection to a professional's invoice is timely received, the Debtors shall promptly pay the undisputed amount of the invoice, and this Court shall have jurisdiction to determine the disputed portion of such invoice if the parties are unable to resolve the dispute consensually. The DIP Agent's professionals shall not be required to comply with the U.S. Trustee guidelines or to file applications or motions with, or obtain approval of, this Court for the payment of any of their fees or out-of-pocket expenses (other than with respect to disputed amounts).

26. Indemnification. The Debtors shall indemnify and hold harmless the DIP Agent, each other DIP Credit Party, and each Indemnitee (as defined in the DIP Credit Agreement), subject to and in accordance with each DIP Credit Agreement, including, without limitation, Section 9.03(b) of the DIP Credit Agreement.

27. [Reserved.]

28. [Reserved.]

29. Proofs of Claim. Notwithstanding any order entered by this Court in relation to the establishment of a bar date in any of these Chapter 11 Cases or any Successor Cases, neither the DIP Credit Parties, the Prepetition Agents, nor any of the Prepetition Secured Creditors shall

be required to file proofs of claim in these cases or any Successor Cases in order to assert claims for payment of any of the DIP Obligations or the Prepetition Secured Obligations, including, without limitation, any principal, unpaid interest, fees, expenses and other amounts due and payable under the Prepetition Credit Documents or this Second Interim Order. None of the DIP Credit Parties or the Prepetition Secured Creditors will be required to file proofs of claim or requests for approval of administrative expenses in any of the Chapter 11 Cases or Successor Cases, and the provisions of this Second Interim Order relating to the DIP Obligations, the DIP Superpriority Claims, the Adequate Protection Superpriority Claims, the Prepetition ABL Obligations, or the Prepetition Term Loan Obligations, and the Debtors' Stipulations shall constitute timely filed proofs of claim and/or administrative expense requests (as applicable) in each of the Chapter 11 Cases.

30. Rights of Access and Information. The Debtors shall use commercially reasonable efforts to afford the DIP Credit Parties all of the rights of access and information provided for under the DIP Loan Documents, including, but not limited to, the right to conduct field examinations and inventory appraisals during normal business hours and upon reasonable advance notice (at the expense of the Debtors) as frequently as determined by the DIP Agent in its reasonable discretion.

31. Carve Out.

(a) *Priority of Carve Out.* Each of the DIP Liens, the Prepetition Liens, the Adequate Protection Liens, the DIP Superpriority Claims, the Adequate Protection Superpriority Claims, the DIP Obligations, and the Prepetition Secured Obligations shall be subject and subordinate to payment of the Carve Out (as defined herein). The Carve Out shall be senior to

all claims and liens over all assets of the Debtors, including any DIP Collateral, as set forth in the Lien Priority Annex.

(b) *Definition of Carve Out.* As used in this Second Interim Order, the Carve Out means the sum of (i) all unpaid professional fees and disbursements incurred by the Debtors and the Committee~~, if any,~~ pursuant to Sections 327 and 1103 of the Bankruptcy Code, including (A) Cole Schotz P.C., as Debtors' restructuring counsel, and (B) Reflect Advisors, in their professional capacity providing services and additional staff to the chief restructuring officer (the "***Case Professionals***") prior to the delivery of the Carve Out Trigger Notice to the extent allowed by the Court at any time, but in each case under clause (i) solely to the extent the same are incurred by each Case Professional in accordance with any Approved Budget; plus (ii) following the delivery of a Carve Out Trigger Notice, the unpaid professional fees and disbursements incurred by the Case Professionals in an amount collectively up to (x) $250,000 for Case Professionals retained by the Debtors (the ***"Debtors' Professional Carve Out Limit"***) *and* (y) $50,000 for Case Professionals retained by the Committee (the ***"Committee Professional Carve Out Limit***" and, together with the Debtors' Professional Carve Out Limit, the "***Case Professional Carve Out Limit***"), plus (iii) the payment of fees pursuant to 28 U.S.C. § 1930(a), including fees owed to the U.S. Trustee, and any fees required to be paid to the Clerk of the Court, which fees shall not be limited to amounts that may be set forth in the Approved Budget; plus (iv) all reasonable fees and expenses up to $50,000 incurred by a chapter 7 trustee under Section 726(b) of the Bankruptcy Code (the "***Chapter 7 Trustee Carve Out Limit***", and together with the Case Professional Carve Out Limit, the "***Carve Out Limit***") (items (i) through (iv), collectively, the "***Carve Out***"). Within three (3) Business Days of

delivery of a Carve Out Trigger Notice, the outstanding amount of the Carve Out shall be funded by the Debtors into the Professional Fee Escrow Account; *provided*, that (i) the Debtors shall first utilize cash on hand to fund the Carve Out, and (ii) solely to the extent that the Debtors are unable to fully fund the Carve Out with cash on hand in the manner and in the amount set forth in this paragraph 31(b), then proceeds from the DIP Facility shall be used to fund any shortfall, which funding may be in the form of additional DIP Loans. For purposes of the foregoing, "***Carve Out Trigger Notice***" shall mean a written notice delivered by email (or other electronic means) by the DIP Agent to the Debtors, their lead restructuring counsel (Cole Schotz P.C.), the U.S. Trustee, counsel to the Prepetition Term Loan Secured Parties, and lead counsel to ~~any~~the Committee (Kelley Drye & Warren LLP), which notice may be delivered only following the occurrence and during the continuation of an Event of Default.

(c) *Professional Fee Escrow Account*. Notwithstanding anything to the contrary contained in this Second Interim Order, until an Event of Default or the Termination Declaration Date has occurred, the Debtors shall be permitted to borrow under the DIP Facility on a weekly basis to fund a segregated non-interest bearing account (which may be the trust account of the Debtors' restructuring counsel) and hold in trust solely for the benefit of the Case Professionals (the "***Professional Fee Escrow Account***") in the amounts contemplated under clause (i) of the immediately preceding paragraph. The Debtors shall be permitted to pay, or cause to be paid from the Professional Fee Escrow Account, as and when the same may become due and payable, the allowed professional fees of Case Professionals regardless of whether an Event of Default or the Termination Declaration Date has occurred. Subject to paragraph 31(j) hereof, none of the provisions of this Second Interim Order or any DIP Loan Document shall prohibit or

protections granted under this Second Interim Order, the DIP Loan Documents, the Bankruptcy Code, and applicable law; *provided* that any funding or payment that (i) constituted DIP Obligations shall not be further added to the DIP Obligations and (ii) was made with the proceeds of Prepetition Term Loan Priority Collateral shall not constitute DIP Obligations.

(f) *No Direct Obligation To Pay Allowed Professional Fees*. None of the DIP Credit Parties or the Prepetition Secured Creditors shall be responsible for the payment or reimbursement of any fees or disbursements of any Case Professional or any fees or expenses of the U.S. Trustee or Clerk of this Court incurred in connection with the Chapter 11 Cases or any Successor Cases under any chapter of the Bankruptcy Code. Nothing in this Second Interim Order or otherwise shall be construed to obligate the DIP Credit Parties or the Prepetition Secured Creditors, in any way, to pay compensation to, or to reimburse expenses of, any Case Professional or to guarantee that the Debtors have sufficient funds to pay such compensation or reimbursement. Until the DIP Obligations and Prepetition Secured Obligations have been Paid in Full, allowed professional fees of Case Professionals shall be paid solely from the Professional Fee Escrow Account or any retainers held by Case Professionals.

(g) *Subordination to Carve Out*. Notwithstanding anything to the contrary in this Second Interim Order, the Debtors' obligations to the DIP Credit Parties and the Prepetition Secured Creditors and the liens, security interests, and superpriority claims granted herein, under the DIP Loan Documents, and/or under the Prepetition Credit Documents, including, without limitation, the DIP Liens, the DIP Superpriority Claims, the Adequate Protection Liens, Adequate Protection Superpriority Claims, and the Prepetition Secured Obligations, shall be subject in all respects and subordinate to the Carve Out, including paragraph 31(j) hereof. For the avoidance of doubt, upon the funding of the Carve Out as set forth in this paragraph 31, the DIP Credit

Parties and the Prepetition Secured Creditors shall have no further obligation to fund the Carve Out (including the Professional Fee Escrow Account), and their liens and claims shall not be subordinate to any obligations or amounts other than that which is held in the Carve Out, subject to paragraph 31(j) hereof.

(h) *ABL Carve Out Reserve.* In accordance with the DIP Credit Agreement, the DIP Agent shall be entitled to at all times maintain a reserve (the "***ABL Carve Out Reserve***") against the Borrowing Base (as defined in the DIP Credit Agreement) in an amount not to exceed, at any time of determination, the sum of the Carve Out Limit, *provided* that the DIP Agent may reserve for the fees and expenses of any Case Professionals to be included in the Professional Fee Escrow Account to the extent they are not timely funded in accordance with paragraph 31(c) hereof.

(i) *Reservation of Rights With Respect to Allowance of Fees*. Nothing in this Second Interim Order shall be construed as consent to the allowance of any professional fees or expenses of any Case Professional or shall be construed as a waiver of any right of the DIP Credit Parties and the Prepetition Secured Creditors with respect to any fee statement, interim application or monthly application issued or filed by the Case Professionals. Notwithstanding anything to the contrary herein or in the DIP Loan Documents, (x) in no event shall any DIP Lender be required to fund any amounts in excess of its DIP Commitment and (y) the payment of any allowed professional fees pursuant to the Carve Out shall not (i) reduce any Debtor's obligations owed to the DIP Agent, any DIP Lender, the DIP Credit Parties, the Prepetition Agents, and the Prepetition Secured Creditors (whether under this Second Interim Order or otherwise) or (ii) modify, alter or otherwise affect any of the liens and security interests of such parties (whether

granted under this Second Interim Order or otherwise) in the Prepetition Collateral or the DIP Collateral (or their claims against the Debtors).

(j) *Reservation of Rights With Respect to Allocation of Proceeds Used to Fund Carve Out*. The DIP Secured Parties, the Prepetition ABL Secured Parties, and the Prepetition Term Loan Secured Parties reserve their respective rights as to the allocation of proceeds used to fund the Carve Out as among the Prepetition ABL Priority Collateral, the Prepetition Term Loan Priority Collateral, and the DIP Collateral.

32. Limitation on Use of DIP Loans and DIP Collateral (Including Cash Collateral). For the avoidance of doubt and notwithstanding any other provision of this Second Interim Order or any other order entered by this Court to the contrary, no portion of the Carve Out, DIP Collateral, or Prepetition Collateral (including Cash Collateral) may be used directly or indirectly in connection with: (i) the investigation, initiation, or prosecution of any claims, causes of action, motions, adversary proceedings, or other litigation, (A) against any of the DIP Lenders, the DIP Agent, the Prepetition Secured Creditors (whether in such capacity or otherwise), or (B) challenging the amount, validity, perfection, priority, or enforceability of or asserting any defense, counterclaim or offset to, the obligations and the liens and security interests granted under the DIP Loan Documents or in connection with the Prepetition Loan Facilities, including, in each case without limitation, for lender liability or pursuant to Sections 105, 510, 544, 547, 548, 549, 550, or 552 of the Bankruptcy Code, applicable non-bankruptcy law or otherwise; (ii) attempts to modify any of the rights granted to the DIP Lenders or the DIP Agent with respect to the DIP Facility or the Prepetition Agents or the other Prepetition Secured Creditors with respect to the Prepetition Loan Facilities; (iii) any objection to, motion to reconsider or appeal of any order with respect to the DIP Facility; (iv) attempts to prevent, hinder, or otherwise delay any

of the DIP Lenders' or the DIP Agent's assertion, enforcement, or realization upon any DIP Collateral in accordance with the DIP Loan Documents and the Final Order once an Event of Default has occurred and any applicable Remedies Notice Period expired; *provided, however*, that the proceeds of the DIP Loans and DIP Collateral (including Cash Collateral) may be used by the Committee ~~(if any)~~ to investigate prior to the Challenge Deadline (as defined herein), but not to prosecute, (A) the claims and liens of the Prepetition Secured Creditors, and (B) potential claims, counterclaims, causes of action or defenses against any of the Prepetition Secured Creditors, up to an aggregate cap of no more than $50,000.

33. No Third Party Rights. Except as explicitly provided for herein, this Second Interim Order does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, or incidental beneficiary.

34. Release. Subject to paragraph 44 hereof, and the challenge rights granted thereunder, effective upon entry of th~~is~~e First Interim Order, each of the Released Parties ~~is~~was released and continues to be released by the Debtors as provided in paragraph F(~~ix~~x) hereof.

35. Section 506(c) Claims. Subject to and upon entry of the Final Order granting such relief, no costs or expenses of administration which have been or may be incurred in the Chapter 11 Cases or Successor Cases at any time shall be charged against the DIP Credit Parties or the DIP Collateral (other than the Prepetition Term Loan Priority Collateral pursuant to subsequent order of this Court) or the Prepetition ABL Secured Parties or the Prepetition ABL Priority Collateral pursuant to sections 105 or 506(c) of the Bankruptcy Code, or otherwise and all rights to surcharge the DIP Credit Parties or the DIP Collateral (other than the Prepetition Term Loan Priority Collateral pursuant to subsequent order of this Court) or the Prepetition ABL Secured Parties or the Prepetition ABL Priority Collateral under sections 105 or 506(c) of the Bankruptcy

Code or any other applicable principle of equity or law shall be and are hereby finally and irrevocably waived, and such waiver shall be binding upon the Debtors and all parties-in-interest in this or any Successor Cases.

36. No Marshaling / Applications of Proceeds. Subject to and upon entry of the Final Order granting such relief, none of the DIP Credit Parties or the Prepetition Secured Creditors shall be subject to the equitable doctrine of "marshaling" or any other similar doctrine with respect to any of the DIP Collateral or Prepetition Collateral.

37. Section 552(b). The DIP Agent and the other DIP Credit Parties shall be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code. Subject to and upon entry of the Final Order granting such relief, and subject to approval by this Court therein, the "equities of the case" exception under section 552(b) of the Bankruptcy Code shall not apply to the DIP Credit Parties or the Prepetition Secured Creditors with respect to proceeds, products, offspring, or profits of any of the Prepetition Collateral or DIP Collateral.

38. Limits on Lender Liability. Nothing in this Second Interim Order, any of the DIP Loan Documents, the Prepetition Credit Documents, or any other documents related thereto shall in any way be construed or interpreted to impose or allow the imposition upon the DIP Agent, the DIP Lenders, the Prepetition Agents, or the Prepetition Secured Creditors of any liability for any claims arising from any activities by the Debtors in the operation of their businesses or in connection with the administration of the Chapter 11 Cases. The DIP Agent, the DIP Lenders, the Prepetition Agents, and the Prepetition Secured Creditors shall not, solely by reason of having made loans under the DIP Facility or permitting the use of Cash Collateral, as applicable, be deemed in control of the operations of the Debtors or to be acting as a "responsible person" or "owner or operator" with respect to the operation or management of the Debtors (as such terms,

or any similar terms, are used in the United States Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 *et seq.*, as amended, or any similar federal or state statute). Nothing in this Second Interim Order or the DIP Loan Documents, shall in any way be construed or interpreted to impose or allow the imposition upon the DIP Agent, the DIP Lenders, the Prepetition Agents, or the Prepetition Secured Creditors of any liability for any claims arising from the prepetition or postpetition activities of any of the Debtors.

39. Joint and Several Liability. Nothing in this Second Interim Order shall be construed to constitute a substantive consolidation of any of the Debtors' estates, it being understood, however, that the Debtors shall be jointly and severally liable for the obligations hereunder and in accordance with the terms of the DIP Facility and the DIP Loan Documents.

40. No Superior Rights of Reclamation. The extension of the DIP Facility and the repayment and refinancing of the Prepetition ABL Obligations with the proceeds of the DIP Loans are part of an integrated transaction. Based on the findings and rulings herein concerning the integrated nature of the DIP Facility and the Prepetition ABL Documents and the relation back of the DIP Liens, in no event shall any alleged right of reclamation or return (whether asserted under section 546(c) of the Bankruptcy Code or otherwise) be deemed to have any additional or greater rights and priority with respect to the Prepetition ABL Liens as such claim had on the Petition Date.

41. Debtors' Waivers/Covenants. At all times during the Chapter 11 Cases prior to the DIP Obligations and Prepetition Secured Obligations being Paid in Full, and whether or not an Event of Default has occurred, it shall be an Event of Default for the Debtors to seek authority to take any of the following actions prior to the DIP Obligations and Prepetition Secured Obligations being Paid in Full, other than as expressly provided for in this Second Interim Order or the DIP

Loan Documents, or unless the DIP Agent or applicable Prepetition Agent otherwise consents in writing: (i) use Cash Collateral under Section 363 of the Bankruptcy Code, (ii) obtain postpetition loans or other financial accommodations pursuant to Section 364(c) or 364(d) of the Bankruptcy Code, (iii) challenge the application of any payments authorized hereunder pursuant to Section 506(b) of the Bankruptcy Code, or assert that the value of the Prepetition ABL Priority Collateral is less than the Prepetition ABL Obligations, or assert that the value of the applicable Prepetition Term Loan Priority Collateral is less than the Prepetition Term Loan Obligations secured thereby, (iv) propose, support or have a plan of reorganization or liquidation that does not provide for all DIP Obligations and Prepetition Secured Obligations to be Paid in Full on the effective date of such plan, (v) seek relief under the Bankruptcy Code, including without limitation, under Section 105 of the Bankruptcy Code, to the extent any such relief would in any way restrict or impair the rights and remedies of any DIP Credit Parties as provided in this Second Interim Order and the DIP Loan Documents or any DIP Credit Parties' exercise of such rights or remedies, (vi) challenge, contest or otherwise seek to impair or object to the validity, extent, enforceability or priority of the DIP Agent's postpetition liens and claims, or (vii) take any action prohibited pursuant to Section 5.11 or 7.01(l) of the DIP Credit Agreement. No consent to any of the foregoing shall be implied from any other action, inaction, or acquiescence by any of the DIP Credit Parties, and the written consent of the DIP Agent shall be required to relieve the Debtors of their obligations under this paragraph 41 and the consent of the Prepetition Term Loan Agent required to relieve the Debtor of their obligations under this paragraph 41 pertaining to any of the Prepetition Term Loan Priority Collateral, Prepetition Term Loan Liens or Prepetition Term Loan Obligations.

42. Rights Preserved. Notwithstanding anything herein to the contrary, the entry of this Second Interim Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly: (a) the DIP Credit Parties' or the Prepetition Secured Creditors' right to seek any other or supplemental relief in respect of the Debtors (including, the right to seek additional or different adequate protection); (b) the rights of any of the Prepetition Secured Creditors to seek the payment by the Debtors of postpetition interest or fees pursuant to section 506(b) of the Bankruptcy Code; or (c) any of the rights of the DIP Credit Parties or the Prepetition Secured Creditors under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to (i) request modification of the automatic stay of section 362 of the Bankruptcy Code, (ii) request dismissal of any of the Chapter 11 Cases or Successor Cases, conversion of any of the Chapter 11 Cases to cases under chapter 7, or appointment of a chapter 11 trustee or examiner with expanded powers, (iii) seek an injunction, (iv) oppose any request for use of Cash Collateral, (v) object to any sale of assets, or (vi) propose, subject to the provisions of section 1121 of the Bankruptcy Code, a chapter 11 plan or plans; *provided*, that the rights of the DIP Credit Parties and the Prepetition Secured Creditors with respect to sections (i)–(iii) of this paragraph 42 shall be subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex. Other than as expressly set forth in this Second Interim Order, any other rights, claims or privileges (whether legal, equitable or otherwise) of the DIP Credit Parties and the Prepetition Secured Creditors are preserved.

43. No Waiver by Failure to Seek Relief. The failure of the DIP Credit Parties to seek relief or otherwise exercise rights and remedies under this Second Interim Order, the DIP Loan Documents, or applicable law, as the case may be, shall not constitute a waiver of any of the rights hereunder, thereunder, or otherwise of the DIP Credit Parties.

44. Binding Effect of Second Interim Order. ~~Immediately upon entry by this Court of this Interim Order~~Subject to any timely commenced Challenge (as defined herein), the stipulations (including the Debtors' Stipulations), admissions, waivers, and releases contained in the First Interim Order and this Second Interim Order, and other terms and provisions of ~~this Interim~~the Orders (including, without limitation, the Adequate Protection Liens, Adequate Protection Payments, and the Adequate Protection Superpriority Claims) shall ~~become~~be valid and binding upon and inure to the benefit of the Debtors, the DIP Credit Parties, the Prepetition Secured Creditors, all other creditors of any of the Debtors, the Committee, ~~if any,~~ and all other parties-in-interest and their respective successors and assigns, including, without limitation, any trustee or other fiduciary hereafter appointed in any of the Chapter 11 Cases, any Successor Cases, or upon dismissal of any Chapter 11 Case or Successor Case, unless, and solely to the extent that: (A) any person or any party-in-interest (including the Committee~~, if any~~) has sought and obtained standing and the requisite authority to commence a Challenge[8] (other than the Debtors, as to which any Challenge is hereby irrevocably waived and relinquished) and has timely commenced a Challenge ~~until the date that is seventy five (75) calendar days after the entry of this Interim Order~~on or before November 3, 2026, subject to the tolling provision below (the "***Challenge Deadline***"); *provided* that the Challenge Deadline to commence a Challenge with respect to the Prepetition Term Loan Secured Parties, Prepetition Term Loan Documents,

[8] "Challenge" as used herein shall mean an adversary proceeding or contested matter (subject to the limitations contained herein) (a) objecting to or challenging the amount, validity, perfection, enforceability, priority or extent of the Prepetition Secured Obligations or the Prepetition Liens, or (b) asserting or prosecuting any Avoidance Action or any other claims, counterclaims or causes of action, objections, contests or defenses against any Prepetition Secured Creditors or their respective subsidiaries, affiliates, officers, directors, managers, principals, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives and other professionals and the respective successors and assigns thereof in connection with or related to the Prepetition Credit Documents, the Prepetition Secured Obligations, the Prepetition Liens and the Prepetition Collateral.

Prepetition Term Loan Obligations, Prepetition Term Loan Liens and/or Prepetition Term Loan Priority Collateral shall be on or before December 3, 2026, solely for the Committee, as such applicable dates may be extended in writing from time to time by the applicable Prepetition Secured Creditor in its sole discretion, or by this Court for good cause shown pursuant to an application filed by a party in interest prior to the expiration of the Challenge Deadline; *provided further* that if the Chapter 11 Cases are converted to chapter 7 or a chapter 7 or chapter 11 trustee is appointed or elected prior to the expiration of the Challenge Deadline, any such estate representative or trustee shall receive the full benefit of any remaining time before expiration of the Challenge Deadline, which, solely if not yet expired, shall be extended for a period of sixty (60) days; and (B) this Court enters judgment in favor of the plaintiff or movant in any such timely commenced Challenge proceeding and any such judgment has become a final judgment that is not subject to any further review or appeal. The Challenge Deadline set forth herein shall be tolled if a party-in-interest (including the Committee~~, if any~~) files a motion seeking standing to bring a Challenge ("***Standing Motion***"), which attaches one or more draft complaints that detail the alleged challenge(s) that the applicable party in interest seeks to file, until such time as the Court decides the Standing Motion and solely with respect to (i) the party-in-interest that files the Standing Motion and (ii) the contents of the complaint attached to the Standing Motion. Notwithstanding any other provision in this Second Interim Order, the Court retains the right to enter any appropriate remedy in connection with a successful Challenge.

45. Credit Bidding. Subject to paragraph 44 of this Second Interim Order and the rights of parties-in-interest under section 363(k) of the Bankruptcy Code, in connection with any sale process authorized by the Court, ~~upon entry of the Interim Order,~~ the Prepetition Agents may seek to credit bid some or all of their claims for their respective priority collateral (each a "***Credit***

Bid"). A Credit Bid may be applied only to reduce the cash consideration with respect to those assets in which the party submitting such Credit Bid holds a senior, perfected security interest. For the avoidance of doubt, unless and until the Prepetition Term Loan Obligations are Paid in Full, the Prepetition ABL Secured Parties may not Credit Bid for Prepetition Term Loan Priority Collateral and, unless and until the Prepetition ABL Obligations are Paid in Full, the Prepetition Term Loan Secured Parties may not Credit Bid for Prepetition ABL Priority Collateral.

46. Continuation of Jurisdiction and Binding Effect. Any order dismissing one or more of the Chapter 11 Cases or Successor Cases under section 1112 of the Bankruptcy Code or otherwise shall be deemed to provide (in accordance with sections 105 and 349 of the Bankruptcy Code) that: (i) the DIP Liens, Prepetition Liens, and Adequate Protection Liens shall continue in full force and effect, subject to the Carve Out and the relative priorities set forth on the Lien Priority Annex, notwithstanding such dismissal until the DIP Obligations, the Prepetition Secured Obligations, and/or Adequate Protection Superpriority Claims, as applicable, are Paid in Full; and (ii) this Court shall retain jurisdiction, to the extent permissible under applicable law, notwithstanding such dismissal, for the purposes of enforcing the DIP Superpriority Claims, DIP Liens, Carve Out, Adequate Protection Superpriority Claims, Adequate Protection Liens, and the Prepetition Liens. Notwithstanding anything contained herein with respect to the obligations or limitations when a Final Order is entered, the terms of the Final Order shall be what is binding on all parties.

47. No Modification of Second Interim Order. Until and unless the DIP Obligations have been Paid in Full (such payment being without prejudice to any terms or provisions contained in the DIP Facility which survive such discharge by their terms) and all commitments to extend credit under the DIP Facility have been terminated, it shall be an Event of Default for

the Debtors to seek: (a) without the prior written consent of the DIP Agent (i) any reversal, modification, stay, vacatur, or amendment to this Second Interim Order or (ii) a priority claim for any administrative expense or unsecured claim against the Debtors (now existing or hereafter arising of any kind or nature whatsoever, including, without limitation, any administrative expense of the kind specified in sections 503(b), 507(a), or 507(b) of the Bankruptcy Code) in any of the Chapter 11 Cases or Successor Cases, equal or superior to the DIP Superpriority Claims or the Adequate Protection Superpriority Claims, other than the Carve Out; (b) any order, other than th~~is~~e First Interim Order, this Second Interim Order, or the Final Order, allowing use of Cash Collateral resulting from DIP Collateral; and (c) except as set forth in ~~this~~ the First Interim Order, this Second Interim Order or the Final Order, any lien on any of the DIP Collateral or Prepetition Collateral with priority equal or superior to the DIP Liens, the Adequate Protection Liens or the Prepetition Liens.

48. DIP Obligations Paid in Full and Commitments Terminated. In connection with (i) the DIP Obligations being Paid in Full (such payment being without prejudice to any terms or provisions contained in the DIP Facility which survive such discharge by their terms), and (ii) all commitments to extend credit under the DIP Facility being terminated, all obligations of the DIP Credit Parties or the Prepetition ABL Secured Parties to pay or otherwise satisfy any obligations under this Second Interim Order (including, without limitation, with respect to the Carve Out), the DIP Loan Documents, and/or the Prepetition ABL Documents shall be terminated.

49. Second Interim Order Controls. In the event of any inconsistency between the terms and conditions of the DIP Loan Documents or this Second Interim Order, the provisions of this Second Interim Order shall govern and control.

50. Survival. The provisions of this Second Interim Order and any actions taken pursuant hereto shall survive entry of any order which may be entered: (a) confirming any plan of reorganization in any of the Chapter 11 Cases; (b) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code; (c) dismissing any of the Chapter 11 Cases or any Successor Cases; or (d) pursuant to which this Court abstains from hearing any of the Chapter 11 Cases or Successor Cases. Upon entry of the Final Order, the terms and provisions of this Second Interim Order, including, without limitation, the claims, liens, security interests, and other protections granted to the DIP Credit Parties and Prepetition Secured Creditors pursuant to this Second Interim Order and/or the DIP Loan Documents, notwithstanding the entry of any such order, shall continue in the Chapter 11 Cases, in any Successor Cases, or following dismissal of the Chapter 11 Cases or any Successor Cases, and shall maintain their priority as provided by this Second Interim Order, subject in all cases to the Carve Out and the relative priorities set forth on the Lien Priority Annex, until (x) all DIP Obligations have been Paid in Full and all commitments to extend credit under the DIP Facility are terminated and (y) all Prepetition Secured Obligations have been Paid in Full.

51. Final Hearing. A final hearing to consider the relief requested in the Motion shall be held on ~~**September 16**~~**October 14, 2026, at ~~10:00~~9:30 a.m., prevailing Eastern Time** before this Court.

52. Notice of Entry of Second Interim Order. The Debtors shall promptly serve copies of this Second Interim Order (which shall constitute adequate notice of the Final Hearing) to the parties having been given notice of the Interim Hearing and to any party that has filed a request for notices with this Court.

53. ~~Objections. Any party in interest objecting to the relief sought at the Final Hearing shall file a written objection no later than **September 9, 2026, at 4:00 p.m., prevailing Eastern Time** and serve such objection or response on the following parties: (a) proposed counsel to the Debtors, Cole Schotz P.C., Attn: Justin R. Alberto (jalberto@coleschotz.com); (b) counsel to the DIP Agent and Prepetition ABL Agent, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: John F. Ventola, Esq. (jventola@choate.com), Michael E. Comerford, Esq. (mcomerford@choate.com), and Alexandra M. Thomas, Esq. (athomas@choate.com), and Womble Bond Dickinson (US) LLP, 1313 North Market Street, Suite 1200, Wilmington, DE 19801, Attn: Matthew Ward, Esq. (matthew.ward@wbd-us.com); (c) counsel to the Prepetition Term Loan Secured Parties, (i) Proskauer Rose LLP, Eleven Times Square, New York, NY 10036, Attn: David M. Hillman (dhillman@proskauer.com) and Matthew R. Koch (mkoch@proskauer.com) and (ii) Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, Delaware 19801 (Attn: Matthew B. McGuire (mcguire@lrclaw.com); (d) the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Jane M. Leamy (jane.m.leamy@usdoj.gov); and (e) counsel to the Committee (if any).~~Texas Taxing Authorities. Notwithstanding any other provisions in this Second Interim Order or any final orders pertaining to the use of cash collateral in these Chapter 11 Cases, any statutory liens on account of ad valorem taxes held by the Texas Taxing Authorities[9] (the "***Tax Liens***") shall neither be primed by nor made subordinate to any liens granted to any party hereby to the extent the Tax Liens are valid, senior, perfected, and unavoidable, and all parties' rights to object to the priority, validity, amount, and extent of the claims and liens asserted by the Texas Taxing Authorities are fully preserved. Furthermore, as adequate protection for the asserted secured tax claims of the

[9] "***Texas Taxing Authorities***" is defined as all ad valorem taxing jurisdictions represented by the firm of McCreary Veselka Bragg & Allen P.C., including Denton County.

Texas Taxing Authorities to such Tax Liens (the "***Tax Claims***"), the Debtors shall set aside the amount of $84,517.41 in a segregated account (the "***Tax Reserve***"). The Tax Liens of the Texas Taxing Authorities shall attach to the Tax Reserve to the same extent and with the same priority as the liens attached to the Debtors' assets securing the Tax Liens. The funds in the Tax Reserve shall be on the order of adequate protection and shall constitute neither the allowance of the Tax Claims nor a cap on the amounts the Texas Taxing Authorities may be entitled to receive. The funds from the Tax Reserve may be distributed only upon agreement between the Texas Taxing Authorities and the Debtors, and consent by the DIP Agent or by subsequent order of the Court, duly noticed to the Texas Taxing Authorities. Notwithstanding any order that may be entered converting these Chapter 11 cases to cases under chapter 7, the funds in the Tax Reserve will continue to be held for the benefit of the Texas Tax Authorities and the Tax Liens shall remain attached to the funds in the Tax Reserve in their relative priority until the Tax Claims are paid in full. Any payment made to the Texas Taxing Authorities from a source other than the Tax Reserve on account of the taxes secured by the Tax Liens shall reduce the Tax Reserve dollar-for-dollar. ~~In the event no objections to entry of the Final Order on the Motion are timely received, this Court may enter such Final Order without need for the Final Hearing~~Subject to the Tax Liens solely to the extent set forth herein, the Tax Reserve and any excess amounts remaining therein after payment or other resolution of the applicable tax claims shall constitute DIP Collateral and shall be subject to the DIP Liens, the Adequate Protection Liens, and the Lien Priority Annex as provided in this Second Interim Order.

54. Effectiveness. This Second Interim Order shall constitute findings of fact and conclusions of law in accordance with Bankruptcy Rule 7052 and shall take effect and be fully enforceable *nunc pro tunc* to the Petition Date immediately upon entry hereof. Notwithstanding

anything to the contrary pr~~o~~escribed by applicable law, this Second Interim Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Second Interim Order.

55. Retention of Jurisdiction. This Court has and will retain jurisdiction to enforce this Second Interim Order.

Exhibit 4

Chapter 11 Case Milestones

Each of the following DIP Milestones and Sale Milestones (each, a "***Chapter 11 Case Milestone***" and collectively, the "***Chapter 11 Case Milestones***"):

(a) The Debtors shall achieve each of the following milestones (the "***DIP Milestones***"), in each case on terms and conditions, and subject to documentation (including, in all cases, forms of all applicable orders of the Court) in form and substance, acceptable to the DIP Agent in all respects:

(i) On the Petition Date (*i.e.*, August 18, 2026), the Debtors shall file a motion with the Court seeking approval of the DIP Facility.

(ii) On or before August 20, 2026 (*i.e.*, 2 Business Days after Petition Date), the Court shall have entered the Interim Order authorizing the DIP Facility on an interim basis.

(iii) On or before ~~September 22, 2026 (*i.e.*, 35 days after Petition Date)~~October 15, 2026, the Court shall have entered the Final Order authorizing the DIP Facility on a final basis.

(b) The Debtors shall achieve each of the following milestones (the "***Sale Milestones***"), in each case on terms and conditions, and subject to documentation (including, in all cases, forms of all applicable orders of the Court) in form and substance, acceptable to the DIP Agent in all respects:

(i) On the Petition Date (*i.e.*, August 18, 2026), the Debtors shall file (i) a motion with the Court seeking, among other things, approval of bidding procedures governing the sale of all or substantially all of the Debtors' assets (the "***Bidding Procedures***" and such sale, the "***Sale***"), and (ii) a motion with the Court seeking, among other things, the Court's authorization of the Debtors' assumption of the Specified Sales Agreement (as defined in the DIP Credit Agreement).

(ii) On or before August 20, 2026 (*i.e.*, 2 Business Days after Petition Date), the Court shall have entered an order authorizing the Debtors' assumption of the Specified Sales Agreement on an interim basis.

(iii) On or before September 17, 2026 (*i.e.*, 21 Business Days after Petition Date), the Court shall have entered an order (i) approving the Bidding Procedures (the "***Bidding Procedures Order***"), and (ii) authorizing the Debtors' assumption of the Specified Sales Agreement on a final basis.

(iv) On or before October 15, 2026 (*i.e.*, 58 days after the Petition Date), the Court shall have entered one or more orders approving the Sale (each, a "***Sale Order***").

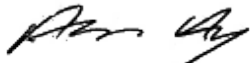
(v) On or before October 22, 2026 (*i.e.*, 65 days after the Petition Date), the Debtors shall have consummated the Sale(s) approved pursuant to the Sale Order.

The Debtors shall provide the DIP Agent (and any Agent Advisor (as defined in the DIP Credit Agreement)) with any information or materials reasonably requested by such Person in connection with the Debtors' progress on achieving any Chapter 11 Case Milestones.

The DIP Agent may in its sole and absolute discretion extend any of the Chapter 11 Case Milestones for a period of not more than ten (10) days or for such longer period with the consent of the Required Lenders.

Any amendments to the dates set forth in this Exhibit including to (a)(iii) shall be deemed modified and updated in the DIP Credit Agreement.

This is Exhibit “E” referred to in the affidavit of Adam Zalev, sworn October 8, 2026. The affiant was located in the City of Nashville, in the State of Tennessee and I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg, 431/20, Administering Oath or Declaration Remotely.



……...
A Commissioner for Taking Affidavits

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

Court File No. CL-26-00000372-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF DE CLOET GREENHOUSE MFG. LTD.

APPLICATION OF DE CLOET GREENHOUSE MFG. LTD. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

AFFIDAVIT OF ADAM ZALEV
(sworn August 19, 2026)

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AFFIDAVIT OF ADAM ZALEV
(sworn August 19, 2026)

I, Adam Zalev, of the City of Nashville, in the state of Tennessee, MAKE OATH AND SAY:

1. I am the Founding Member and Managing Director of Reflect Advisors LLC ("**Reflect**") and currently serve as the Chief Restructuring Officer ("**CRO**") of the Debtors[1]. I was appointed as CRO on July 22, 2026.

2. Prior to founding Reflect in 2023, I was a Senior Managing Director of FTI Consulting, Inc. for six years. Prior to that, I was at Alvarez & Marsal ULC for nine years where I held progressively more senior roles, including that of Managing Director. Reflect is a boutique financial advisory and restructuring firm whose professionals have been involved in numerous formal and informal restructuring mandates in both the United States and Canada, including many in the retail and wholesale distribution industries. During my career, I have had extensive experience in numerous cross-border restructuring proceedings including consumer, wholesale distribution and retail restructurings where U.S. corporate owners controlled Canadian operating subsidiaries and/or restructuring consultants were retained to conduct going-out-of-business and other liquidation sales. My personal, recent consumer products and wholesale distribution restructuring experience includes, but is not limited to, cases such as Simply Interior Homes, American Signature, The Hudson's Bay Company (Canada), Bed Bath & Beyond, Christmas Tree Shops, Old Time Pottery, Toys R Us, Sears, Target Canada, Ben Moss Jewelers, and others.

3. Since commencing its engagement, and in accordance with its engagement letter, Reflect has provided interim management services to the Debtors. Reflect has also worked closely with

[1] The "**Debtors**" include BFG Supply Co., LLC ("**BFG Supply**"); Bamboo Purchaser, Inc.; BFG Purchaser Parent, Inc. ("**BFG Parent**"); BFG Supply Holdings, Inc.; BFG Holdings I, Inc.; BFG Supply Canada Holdings, Inc.; BFG Kalamazoo, LLC; BFG Logistics, LLC; L&L Nursery Supply, Inc.; Gard'N-Wise Distributors, Inc.; International Greenhouse Contractors, LLC ("**International Greenhouse Contractors**"); Greenhouse Solutions, LLC; Greenhouse Contracting Services, LLC; Green-Tek, LLC; GROSouth, Inc.; BFG VG Supply Acquisition, LLC; and De Cloet Greenhouse Mfg. Ltd. (the "**Canadian Debtor**").

the Debtors' management team and other key employees of the Debtors, including in the finance, operations and human resources departments, to understand the Debtors' cash flows and operations, evaluate restructuring options, and prepare for these Restructuring Proceedings (as defined below). Since my appointment as CRO, the Reflect team and I have conducted an intensive review of the Debtors' businesses, finances, and operational situation to become familiar with the matters described herein.

4. In preparing this Affidavit, I have consulted with legal, financial and other advisors to the Debtors and other members of the management team of the Debtors. I have knowledge of the matters contained in this Affidavit. Where I do not possess such personal knowledge, I have stated the source of my information and, in all such cases, believe the information to be true. The Debtors do not waive or intend to waive any applicable privilege by any statement herein.

5. Beginning on August 18, 2026 (the "**Petition Date**"), the Debtors filed voluntary petitions for relief (the "**Petitions**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**") pursuant to chapter 11 of title 11 of the United States Code (the "**U.S. Bankruptcy Code**"). The cases commenced by the Debtors in the U.S. Bankruptcy Court are referred to herein as the "**Chapter 11 Cases**" and, together with the Canadian proceeding, are referred to as the "**Restructuring Proceedings**." A copy of the Chapter 11 petition for the Canadian Debtor is attached hereto as **Exhibit "A"**.

6. The Debtors have filed, or will file, certain first day motions (the "**First Day Motions**") in the Chapter 11 Cases seeking various relief from the U.S. Bankruptcy Court, including administrative orders necessary to continue the Debtors' business operations in the ordinary course, and the entry of an order (the "**Foreign Representative Order**") authorizing the Canadian Debtor to act as the foreign representative in respect of the Chapter 11 Cases (in such capacity,

the "**Foreign Representative**"). A hearing in respect of the First Day Motions (the "**First Day Hearing**") is expected to be held by the U.S. Bankruptcy Court on August 20, 2026. If the U.S. Bankruptcy Court grants the requested orders (the "**First Day Orders**"), including the Foreign Representative Order, at the First Day Hearing, the orders are expected to be available shortly thereafter.

7. This affidavit is sworn in support of an application made by the Canadian Debtor, in its capacity as the proposed Foreign Representative, for an order (the "**Interim Stay Order**") pursuant to Part IV of the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the "**CCAA**") and Section 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, among other things, granting a stay of proceedings (the "**Interim Stay**") in respect of the Canadian Debtor and its directors and officers.

8. Should the Foreign Representative Order be issued by the U.S. Bankruptcy Court, the Foreign Representative will return to this Court to seek:

(a) an order (the "**Initial Recognition Order**"), among other things:

(i) recognizing the Canadian Debtor as the Foreign Representative in respect of the Chapter 11 Cases; and

(ii) recognizing the Chapter 11 Case of the Canadian Debtor as a "foreign main proceeding" in respect of the Canadian Debtor; and

(b) an order (the "**Supplemental Order**"), among other things:

(i) recognizing certain First Day Orders issued by the U.S. Bankruptcy Court in the Chapter 11 Cases;

(ii) granting a stay of proceedings in respect of the Canadian Debtor and its directors and officers;

(iii) appointing AlixPartners Restructuring, Inc. ("**AlixPartners**") as information officer in respect of this proceeding (in such capacity, the "**Information Officer**");

(iv) granting a Court-ordered charge (the "**Administration Charge**") over the assets and property of the Canadian Debtor (the "**Property**") in Canada in favour of Canadian counsel to the Canadian Debtor, the Information Officer and counsel to the Information Officer;

(v) granting a Court-ordered charge (the "**D&O Charge**") over the Property in Canada to secure the indemnity obligations of the Canadian Debtor to its directors and officers in respect of obligations and liabilities that such directors and officers (including de facto directors and officers) may incur during these proceedings in their capacity as directors and officers; and

(vi) granting a Court-ordered charge (the "**DIP Lender's Charge**") over the Property in Canada to secure the obligations of the Canadian Debtor under the DIP Facility (as defined below).

9. In support of the First Day Motions, I submitted a declaration (the "**First Day Declaration**") to the U.S. Bankruptcy Court, a copy of which (without exhibits) is attached hereto as **Exhibit "B"**. The First Day Declaration provides a comprehensive overview of the Debtors and the events leading up to the commencement of the Chapter 11 Cases. As such, this affidavit provides (i) a

general overview, (ii) information about the operations of the Canadian Debtor and (iii) additional support for the proposed Foreign Representative's request for the Interim Stay Order.

I. BACKGROUND

10. The Debtors operate one of North America's leading wholesale distribution platforms serving the professional green industry. Over more than five decades, the business has evolved from a regional horticultural supplier into a diversified distributor of lawn and garden products, greenhouse supplies, nursery products, controlled-environment agriculture products, greenhouse structures, and related horticultural equipment. Through a combination of organic growth and strategic acquisitions, the Debtors have assembled an integrated business-to-business distribution platform that connects a highly fragmented supplier base with thousands of commercial customers throughout the United States and Canada.

11. The Debtors maintain their principal offices and historical operating presence in Burton, Ohio. The Debtors' wholesale distribution services originate out of a network of seventeen warehouse facilities strategically located across the United States, serving customers across the United States and Canada. The Debtors also operate out of a greenhouse manufacturing facility in Simcoe, Ontario (the "**Canadian Facility**") and a customer showroom in Marietta, Georgia.

12. The Canadian Debtor was acquired by the Debtors in 2021. Through the Canadian Debtor, the Debtors provide made-to-order commercial greenhouse structures and systems. The Canadian Debtor is reliant on the Debtors for providing certain intercompany services necessary to operate and manage the Canadian operations, including shared financial planning, strategic decision-making, management of consumer-facing web portals, management of insurance policies, information technology services and sales and marketing through the Debtors' sales representatives, to procure sales for the Canadian Debtor's products and services. The Canadian

Debtor is also a borrower and/or guarantor (as applicable) of the Debtors' funded debt obligations. A copy of the organizational chart of the Debtors is attached hereto as **Exhibit "C"**.

13. As described below, the Restructuring Proceedings were precipitated by a combination of factors that have compounded over the last two years to create a downward liquidity spiral.

14. The Debtors intend to use the Restructuring Proceedings to maximize value through three complementary and concurrent workstreams: (i) a court-supervised marketing and sale process for some or all of the Debtors' assets on a going-concern basis; (ii) an orderly monetization and liquidation of the Debtors' personal property; and (iii) a real estate disposition program with respect to the Debtors' owned real property and non-residential real property leases.

15. At this time, the Canadian Debtor is seeking the proposed Interim Stay Order to preserve stability for its business. If granted, the proposed Interim Stay Order will provide a stay in Canada in favour of the Canadian Debtor, and, in doing so, give effect in Canada to the stay of proceedings in the Chapter 11 Cases to, among other things, prevent creditors from seeking to enforce against the Canadian Debtor's property and business in Canada and minimize any disruptions to the Canadian Debtor's business in the days immediately following the commencement of the Chapter 11 Cases.

16. If the Foreign Representative Order is granted by the U.S. Bankruptcy Court, the Canadian Debtor, in its capacity as Foreign Representative, intends to return to this Court to seek the Initial Recognition Order and the Supplemental Order, giving full force and effect to the orders of the U.S. Bankruptcy Court, if granted.

17. I am not aware of any foreign proceeding (as defined in subsection 45(1) of the CCAA) in respect of the Canadian Debtor other than its Chapter 11 Case.

18. Capitalized terms used and not defined in this affidavit have the meanings given to them in the First Day Declaration.

19. Unless otherwise indicated, dollar amounts referenced in this affidavit are references to United States dollars.

II. OVERVIEW OF THE DEBTORS

A. Corporate History

20. The Debtors trace their origins to the early 1970s, when their predecessor entity began operations as a regional distributor for the horticulture industry. Since inception, through a combination of organic and inorganic growth spurred by acquisitions, the Debtors have expanded from a local distributor into a diversified North American platform serving customers located throughout the United States and Canada. This expansion was primarily facilitated by strategic acquisitions, done with a view to expanding or complementing pre-existing branches of the Debtors' operations, as well as adding specialized manufacturing, greenhouse or technical capabilities.

21. In 2021, the Debtors expanded the scope of their operations in Canada through the acquisition of the Canadian Debtor. Since its acquisition, the Canadian Debtor has been interwoven into the Debtors' enterprise, in support of the Debtors' broader North American distribution platform and to expand the geographical scope of products and services available to the Debtors' customers, including facilitating cross-selling across the Debtors' various business lines.

B. The Debtors' Business Operations

(i) Overview

22. The Debtors are a collection of complementary businesses, operating as a commercial enterprise to offer a shared customer base a broad suite of green industry-focused products and services.

23. The Debtors' business primarily operates as a leading North American wholesale distribution platform, serving as a critical intermediary in the horticulture and lawn and garden sectors of the green industry. Leveraging its national purchasing power, regional distribution capabilities, technical product expertise, inventory management, logistics coordination, vendor-direct fulfillment, and customer support services, the Debtors contract with over 1,100 suppliers to offer over 100,000 different products to its customer base of commercial businesses spread across the United States and Canada. Product sales are generated through two principal fulfillment channels: (i) through the Debtors' warehouse platform; and (ii) through vendor-direct fulfilment arrangements coordinated by the Debtors.

24. The Debtors operate several specialized businesses that complement the distribution platform. These include greenhouse manufacturing (including through the Canadian Debtor), greenhouse construction, installation services, and related horticultural support operations. These specialized businesses allow the Debtors to offer their customer base a broad suite of services and products from a unified enterprise. The Debtors also operate "Greenhouse Megastore", an eCommerce platform acquired by the Debtors in 2021 that expanded the enterprise's reach into direct-to-customer and online sales channels for greenhouse products and horticultural supplies.

25. The Debtors function as a single commercial enterprise through common senior management, a centralized cash management system, coordinated purchasing, shared logistics

and certain centralized administrative functions. However, certain of the subsidiaries retain distinct operational processes, legacy systems, and customer relationships. As discussed below, the incomplete integration of these businesses contributed to the Debtors' elevated cost structure and inability to capture anticipated acquisition synergies.

(ii) The Canadian Debtor

26. The Canadian Debtor was formed by amalgamation under the Ontario *Business Corporations Act* (the "**OBCA**") and has its registered office in Simcoe, Ontario.[2] The Canadian Debtor is a wholly owned subsidiary of BFG Supply Canada Holdings, Inc., a Delaware corporation that is an indirectly wholly-owned subsidiary of BFG Parent.[3] A copy of the Ontario corporate profile report for the Canadian Debtor dated August 17, 2026 is attached hereto as **Exhibit "D"**.

27. The Canadian Debtor maintains a limited management team at the Canadian Facility but is managed from a strategic perspective on a consolidated basis with the other Debtors and remains subject to the direct supervision and decision making of the management team located in the United States and the CRO. The Canadian Debtor also relies on the Debtors for the provision of certain essential management services, including to manage the Canadian Debtor's online commerce platform, manage the Canadian Debtor's insurance policies, manage the overall cash position, and, as discussed directly below, the procurement of sales of the Canadian Debtor's products to customers in the United States.

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[2] The Canadian Debtor was incorporated as Daylight Manufacturing Ltd. on April 25, 1986 under the OBCA. The Canadian Debtor subsequently changed its corporate name to De Cloet Greenhouse Mfg. Ltd. before amalgamating with BFG Supply Canada Corp. (a corporation incorporated under the British Columbia *Business Corporations Act* on June 24, 2021 and continued under the OBCA on June 22, 2022), with the corporation resulting from that amalgamation continuing as "De Cloet Greenhouse Mfg. Ltd.," being an Ontario amalgamated corporation.

[3] While there are additional entities in the corporate structure above BFG Parent, those entities are not Debtors in the Chapter 11 Cases.

28. The Canadian Debtor's customer base is spread across the United States and Canada, with the majority of the Canadian Debtor's sales being generated through BFG Supply's sales representatives marketing the Canadian Debtor's products to customers of the United States Debtors. Historically, sales of the Canadian Debtor's products to the United States market were fulfilled through BFG Supply or the Greenhouse Megastore eCommerce platform, with a mark-up commission added and payable to the United States Debtors. In August 2024, to increase pricing efficiency, the Debtors modified their pricing structure to provide for orders originating from the Debtors' sales representatives to be processed directly from the Canadian Debtor to customers, with a commission payable by the Canadian Debtor to the United States entity that employed the originating agent.

29. The Canadian Debtor's employees are located in Ontario and operate out of the Canadian Facility.

(iii) The Debtors' Operations

30. The Debtors' operations span three primary end markets that collectively provide meaningful diversification across the broader green industry: (i) the lawn & garden segment; (ii) the commercial grower segment; and (iii) the hydroponics segment, with the Debtors' revenues attributable to these markets as approximately: (i) 52%; (ii) 27%; and (iii) 21%, respectively. Annually, the Debtors process approximately 270,000 customer orders with 11,000 commercial customers. The Debtors also serve a broader base of individual customers through the Greenhouse Megastore eCommerce platform.

31. The Debtors' revenues are reported on a consolidated basis. The approximate revenue of the Debtors for the years ended June 30, 2026, 2025 and 2024 was $536.5 million, $581.5 million and $573.7 million, respectively. The Canadian Debtor's revenue for the years ended June 30,

2026, 2025 and 2024 was $12.2 million, $10.3 million and $9.1 million, respectively, representing only 2.3%, 1.8% and 1.6% of the Debtors' revenue, respectively.

32. Approximately 60% of the Debtors' revenue is generated through warehouse fulfillment operations, with the remaining approximately 40% generated through vendor-direct fulfillment arrangements (inclusive of the provision of specialized business services, including the Canadian Debtor's services as a manufacturer of greenhouse components).

(iv) Properties

33. The Debtors currently operate out of nineteen facilities, comprised of: (i) seventeen distribution facilities in the United States; (ii) a customer distribution showroom in the United States; and the Canadian Facility (items (i) and (ii), the "**U.S. Facilities**" and collectively, the "**Facilities**"). The Debtors own three of the Facilities, including the Canadian Facility. The remaining sixteen Facilities are leased by Debtors in the United States.

34. The Debtors' distribution wholesale services and logistics network operates solely out of the U.S. Facilities. The specialty service businesses operate out of the Facilities both in the United States and Canada, with the Canadian Debtor's business operating out of the Canadian Facility and supported by the other Debtors in the United States.

35. The Debtors are managed by an executive team situated in various states in the United States, including, but not limited to, Ohio, Texas, Georgia and Tennessee.

(v) Workforce

36. As of the Petition Date, the Debtors employ approximately 461 employees, with approximately 430 of the employees located in the United States and the remaining 30 employees located in Canada (the "**Canadian Employees**").

37. The Canadian Employees include a limited management and a three-person sales team at the Canadian Facility, with additional key corporate services being provided from the Debtors management team in the United States (including cash management, strategic planning and online services, as discussed above). The majority of the Canadian Employees provide services directly related to the design, manufacture and fulfillment of orders for the Canadian Debtor's commercial greenhouse structures.

38. All of the Canadian Employees are employed by the Canadian Debtor on a full-time basis and provide services directly to the Canadian Debtor's business out of the Canadian Facility. Of the Canadian Employees: (i) fifteen are remunerated on an hourly basis; and (ii) fifteen are salaried. None of the Canadian Employees are unionized.

39. There is no registered pension plan for the Canadian Employees.

40. Payroll for the Canadian Employees is managed through a payroll service provider, ADP Payroll Solutions. The Canadian Employees are paid weekly, one week in arrears. In Canada, each payroll is approximately C$42,000, including employer tax contributions. Certain of the Canadian Employees are eligible to receive commissions and, when payable, the weekly payroll obligations are approximately C$62,000, including employer tax contributions.

41. The Canadian Debtor maintains a standard vacation policy that provides for 10 to 20 vacation days, dependent on tenure, in addition to days allotted for sick days, float days, and bereavement days, in each case on an annual basis. The Canadian Debtor brings its accrued vacation pay liability current at the end of each calendar year. As of the Petition Date, the Canadian Debtor has an estimated accrued vacation pay liability of approximately C$85,000.

42. The Canadian Debtor offers benefits to eligible full-time Canadian Employees through a policy maintained with The Manufacturers Life Insurance Company. The Canadian Debtor pays monthly premiums on the benefit policy in the approximate amount of C$14,000.

43. The Canadian Debtor also engages independent contractors on an as needed, project-specific basis, to assist with the installation of greenhouses and related systems.

C. Prepetition Capital Structure

44. The details of the Debtors' prepetition capital structure are set out in the First Day Declaration and summarized here for the Court's convenience.

(i) Funded Indebtedness

45. As of the Petition Date, the Debtors' funded indebtedness consists principally of obligations under two secured financing arrangements: (i) a senior secured revolving credit facility (the "**Revolving Credit Facility**"), and (ii) a senior secured term loan facility (the "**Term Loan Facility**" and, together with the Revolving Credit Facility, the "**Prepetition Credit Facilities**"). The Prepetition Credit Facilities have historically provided the capital necessary to support the Debtors' acquisition strategy, seasonal working-capital requirements, and ongoing operations. Over time, however, declining operating performance and constrained liquidity substantially reduced the flexibility originally provided by these facilities and ultimately rendered the Debtors' capital structure unsustainable outside the Restructuring Proceedings.

46. The Revolving Credit Facility is governed by an ABL Credit Agreement, dated as of November 5, 2021, as amended, with ACF Finco I LP, as Administrative Agent, Collateral Agent and Lead Arranger (the "**Prepetition ABL Agent**"). The Revolving Credit Facility provides an aggregate commitment of approximately $120 million and serves as the Debtors' principal source of seasonal working-capital financing. As of the Petition Date, approximately $43.1 million in

principal indebtedness was outstanding under the Revolving Credit Facility. The Revolving Credit Facility matures on December 31, 2028. The Canadian Debtor is a borrower under the Revolving Credit Facility, and also a guarantor of all of the obligations. The Debtors' obligations under the Revolving Credit Facility are secured against substantially all of the Canadian Debtor's property and assets, excluding the lands on which the Canadian Facility is located and the buildings on such lands.

47. The Term Loan Facility is governed by a Credit Agreement dated as of November 5, 2021, as amended, with Ares Capital Corporation, as Administrative Agent and Collateral Agent (the "**Prepetition TL Agent**"). The Term Loan Facility originally provided approximately $210 million of acquisition financing and matures on December 31, 2029. The Canadian Debtor is a guarantor of the Debtors' obligations under the Term Loan Facility, which obligations are secured against substantially all of the Canadian Debtor's property and assets, including the lands on which the Canadian Facility is located and the buildings on such lands.

48. The Prepetition Credit Facilities were amended in November 2025 to, among other things, provide the Debtors with additional borrowing capacity through a new term loan in the principal amount of $45 million and a delayed draw term loan facility with commitments of $15 million, and extend the maturity dates of the Prepetition Credit Facilities.

49. As of the Petition Date, the outstanding indebtedness under the Term Loan Facility was $299.5 million, inclusive of interest.

50. On June 24, 2026, the Prepetition ABL Agent issued a Notice of Event of Default to the Debtors for purportedly failing to make certain payments due under the Revolving Credit Facility. On August 12, 2026, the Prepetition ABL Agent issued a Notice of Implementation of Default Rate to the Debtors in accordance with its rights under the Revolving Credit Facility.

(ii) Intercompany Relationships

51. As is customary for a multi-national enterprise, the United States-based Debtors transact with each other and the Canadian Debtor on a regular basis in the ordinary course of business. The Debtors engage in such intercompany transactions to, among other things, provide enterprise-wide support services, divide the costs of shared services, complete transactions with administrative ease, and facilitate operations on a daily basis. These transactions are recorded as trade accounts payable/receivable, with no fixed terms of repayment.

52. The Canadian Debtor has historically facilitated its sales to United States-based customers through BFG Supply and International Greenhouse Contractors (the operating company of the Greenhouse Megastore eCommerce platform). This practice has resulted in intercompany accounts receivable owing to the Canadian Debtor, which are reviewed at the end of each fiscal year (June) to substantially clear any intercompany accounts receivable balances over 365 days aged. Although the United States-based Debtors continue to source customers for the Canadian Debtor, the Canadian Debtor also enters into contracts directly with customers in the United States. As of the Petition Date, approximately $7.6 million and $116,000 is due from BFG Supply and International Greenhouse Contractors, respectively, to the Canadian Debtor for greenhouse supply and services.

53. Given the interconnected nature of the business, the Debtors apply a transfer pricing strategy to share costs across the business. The transfer pricing strategy has been developed over time with the assistance of external accountants and allows the Debtors to allocate the costs of shared services in a tax-efficient manner.

54. In addition, there are accounts payable from the Canadian Debtor to BFG Supply in connection with the acquisition of the Canadian Debtor in 2021 of approximately C$18 million.

(iii) Taxes

55. The Canadian Debtor remits GST/HST on a monthly basis and is current through July 2026. Due to a majority of the Canadian Debtor's sales being to customers in the United States, the Canadian Debtor is typically in a refundable position with respect to HST, historically ranging from approximately C$30,000 to C$70,000.

56. The Canadian Debtor is current on all source deductions and employee related taxes other than amounts which have accrued but are not yet due.

(iv) Litigation

57. In the ordinary course of business, the Debtors are subject to certain litigation disputes with customers relating to product-related claims. The Canadian Debtor is not a named party in any ongoing litigation proceeding originated in the United States.

58. The Canadian Debtor is party to an ongoing proceeding commenced before the Ontario Superior Court of Justice in Hamilton, Ontario (the "**Hamilton Action**"). The Hamilton Action relates to a warranty claim.

(v) Unsecured Creditors

59. In addition to the debt obligations set out above, as of the Petition Date, the Debtors owe approximately $50.9 million on account of general unsecured claims, which are, among others, claims held by trade creditors and vendors, certain former employees, taxes, contingent claims held on account of pending litigation and claims held on account of accrued lease obligations (but excluding employee obligations). The Canadian Debtor owes approximately C$1.4 million of unsecured claims to third parties.

(vi) Debtors' Current Cash Position

60. As of the Petition Date, the Debtors have approximately $1.96 million in cash on hand, of which approximately C$376,000 and $340,000 is held by the Canadian Debtor.

D. Lien Searches

61. I am advised by Alec Hoy of Cassels Brock & Blackwell LLP ("**Cassels**"), Canadian counsel to the proposed Foreign Representative and the Canadian Debtor, and do verily believe, that a lien search (the "**PPSA Search**") with a currency date of August 16, 2026 was conducted against the Canadian Debtor in Ontario.

62. I am advised by Alec Hoy of Cassels that the PPSA Search disclosed the following registrations:

(a) the Prepetition ABL Agent filed two registrations in Ontario on March 24, 2022 over the Canadian Debtor's inventory, equipment, accounts, other personal property and motor vehicles;

(b) Ares Capital Corporation, as administrative agent under the Term Loan Facility, filed two registrations in Ontario on April 27, 2022 over the Canadian Debtor's inventory, equipment, accounts, other personal property and motor vehicles;

(c) Royal Bank of Canada ("**RBC**") filed the following registrations in Ontario against the Canadian Debtor: (i) on November 14, 2025, designating the collateral classification as the Canadian Debtor's inventory, equipment, accounts and other personal property; (ii) on November 14, 2025, designating the collateral classification as the Canadian Debtor's accounts and other personal property; (iii) on August 7, 2024, designating the collateral classification as the Canadian

Debtor's inventory, equipment, accounts, other personal property and motor vehicle; and (iv) on August 7, 2024, designating the collateral classification as the Canadian Debtor's accounts and other personal property, which registrations relate to the pledge of cash collateral by the Canadian Debtor to RBC in connection with certain letters of credit issued by RBC on behalf of the Canadian Debtor to comply with the Canadian Debtor's obligations arising from its transactions with United States customers and potential tariff and duty related liabilities; and

(d) Toyota Industries Commercial Finance Canada, Inc. ("**Toyota Canada**") filed a registration in Ontario on July 19, 2022, relating to a commercial truck leased by the Canadian Debtor from Toyota Canada.

A summary of the results of the PPSA Search is attached hereto as **Exhibit "E"**.

63. I am also advised by Alec Hoy of Cassels, and do verily believe, that a PIN search was conducted against the lands upon which the Canadian Facility is located, with a currency date of August 11, 2026 (the "**PIN Search**").

64. I am advised that the PIN Search disclosed a charge registered in favour of the Prepetition TL Agent in the amount of C$250 million. A copy of the PIN Search is attached as **Exhibit "F"**.

III. THE INTEGRATION OF THE CANADIAN DEBTOR WITH THE DEBTORS' BUSINESS

65. As referenced above, key decisions related to the Canadian Debtor's business and operations are ultimately made by the Debtors' management and leadership team (including the CRO) based in the United States. The Canadian Business is highly integrated with the United States Debtors, including in the following ways:

(a) the Canadian Debtor is an indirectly wholly owned subsidiary of BFG Parent, a Delaware corporation;

(b) the Canadian Debtor is a borrower and guarantor under the Revolving Credit Facility and a guarantor under the Term Loan Facility, to each of which the other Debtors are also either a borrower or guarantor. The Canadian Debtor has granted security over all of its assets in respect of the Prepetition Credit Facilities;

(c) the Debtors' senior leadership team, located entirely in the United States, has authority to exercise primary strategic management and control of the Canadian Debtor;

(d) the Canadian Debtor relies on the Debtors to market the Canadian Debtor's products and services to United States-based customers, which historically comprise more than two-thirds of the Canadian Debtor's customers;

(e) BFG Supply and other United States Debtors are the major originating source of orders from United States-based customers for the Canadian Debtor's products;

(f) the Canadian Debtor is reliant on the Debtors to manage the Canadian Debtor's online website and platform;

(g) the United States Debtors have collected the majority of the receivables from the sale of the Canadian Debtor's products, which has been utilized in the cash management of the Debtors and, accordingly, the United States Debtors have provided the Canadian Debtor with funding, with such funding being provided to the Canadian Debtor on an as needed basis, subject to reconciliation at the end of each year;

(h) the Canadian Debtor's overall financial position is managed on a consolidated basis by the Debtors' management team located in the United States and, for financial reporting purposes, the Debtors report the financial results of the entire corporate group, including the Canadian Debtor, on a consolidated basis;

(i) the Canadian Debtor's sole director is the sole director of the other Debtors, who is located in the United States; and

(j) the CRO has been granted authority over the Canadian Debtor's day-to-day management as part of these Restructuring Proceedings and is managing the restructuring of the Debtors as a whole.

66. In summary, the Canadian Debtor is an integrated member of the broader Debtors' group that is centrally managed from an overall strategic and financial perspective by a management team in the United States and a majority of the Canadian Debtor's revenue has originated from the United States Debtors' sales agents and webplatform.

IV. EVENTS PRECIPITATING THE RESTRUCTURING PROCEEDINGS

67. The Restructuring Proceedings were not precipitated by an isolated event; rather, they are the product of more than two years of progressively worsening operational, financial, and liquidity challenges that, despite the efforts of the Debtors' management team, compounded over time.

68. The Debtors' financial difficulties can be attributed to multiple interrelated and compounding factors. During fiscal year 2026, the Debtors experienced significant customer attrition, arising principally from turnover within the Debtors' sales organization and the ensuing disruption of pre-existing customer relationships managed by those employees. Customer attrition resulted in a reduction in accounts receivable, in turn causing a tightening of credit

availability under the Debtors' asset-backed credit facilities and vendor credit programs. The reduction in credit availability impeded the Debtors' ability to replenish inventory to meet customer demand, resulting in further customer attrition and progressively reducing accounts receivable, triggering a liquidity spiral.

69. The Debtors' financial difficulties were further compounded by an elevated operating cost structure, burdened in part by borrowing costs associated with integrating a series of acquisitions completed between 2021 and 2024 that, despite the Debtors' reduction efforts, remained elevated relative to the Debtors' declining revenue base. Further, the Debtors' failure to fully integrate the acquired businesses resulted in duplicative costs and inhibited the Debtors' ability to realize the anticipated operating synergies from the acquisitions. The Debtors' operating and financial challenges were further exacerbated by broader macroeconomic conditions affecting the horticultural industry, including inflationary cost pressures, reduced discretionary consumer spending and increased product costs.

V. RESTRUCTURING EFFORTS AND PATH FORWARD

70. In the years leading up to the commencement of these Restructuring Proceedings, and accelerating in the months preceding the Petition Date, the Debtors, together with their professional advisors, undertook extensive efforts aimed at addressing the challenges they faced and avoiding these Restructuring Proceedings. Those efforts included: (i) implementing operational improvements intended to align the Debtors' operating cost structure with reduced revenue levels, including workforce reductions and other cost-reduction initiatives; (ii) liquidity management procedures; and (iii) engaging with the Debtors' lenders, suppliers and other business partners, in an effort to restore the Debtors' financial position and stabilize the Debtors' ability to obtain vendor trade credit.

71. In parallel with these efforts, the Debtors and their advisors actively explored financing and strategic alternatives, including engaging with the Debtors' existing lenders, pursuing additional sources of capital, evaluating potential strategic transactions and considering out-of-court restructuring alternatives.

72. While the Debtors' operational improvement initiatives began producing measurable results in the latter half of fiscal year 2026, the Debtors were unable to obtain sufficient liquidity or consensual financing necessary to support the Debtors' working-capital requirements.

73. In furtherance of those efforts, on August 6, 2026, the Debtors engaged SSG Advisors, LLC ("**SSG**"). Since its engagement, SSG has fielded multiple indications of interest and commenced a broader outreach program to gauge interest in a potential going concern transaction and, as of the Petition Date, the Debtors are engaged in active negotiations with parties that may serve the role of stalking horse bidder for certain of the Debtors' assets.

74. While those conversations are progressing, the Debtors' management has determined that, absent a significant capital infusion, available liquidity would continue to decline steadily during calendar year 2026 until reaching certain thresholds and triggering defaults in the Revolving Credit Facility which, if permitted to occur, would almost certainly result in substantial destruction of enterprise value and limit the ability to pursue a going concern sale. This conclusion was reinforced by the position of the Debtors' prepetition revolving lenders, who indicated that they would only provide additional financing through a debtor-in-possession financing facility.

75. Accordingly, the Debtors determined that the commencement of these Restructuring Proceedings was the only practical means of preserving and maximizing the value of the Debtors' estates, whether through a going-concern sale, an orderly liquidation, or a combination thereof, for the benefit of all stakeholders.

A. Sales Process

76. The objective of these Restructuring Proceedings is to maximize value through three complementary and concurrent workstreams (the "**Sales Processes**"):

(a) Going-Concern Sales Process. The Debtors have retained SSG to act as their investment banker to conduct a court-supervised marketing and sales process for some or all of the Debtors' businesses and assets on a going-concern basis. This sales process is targeted to be completed in approximately sixty days.

(b) Liquidation Program. The Debtors have engaged SB360 Capital Partners, LLC and Tiger Capital Group, LLC, acting through a joint venture, to assist the Debtors in conducting an orderly monetization of certain inventory, accounts receivable, machinery, equipment, fixtures, and other assets.

(c) Real Estate Monetization. The Debtors have engaged A&G Realty Partners, LLC, as real estate advisor, to assist with the marketing and selling of the Debtors' real property, including the Canadian Facility, and their interest in the leases for the leased U.S. Facilities.

77. In the event the Debtors identify a going concern sale which includes any of the Debtors' assets subject to the Liquidation Program or real property subject to the Real Estate Monetization process, such assets and/or real property will be removed from such applicable sales process.

78. Approval of the Liquidation Program and the Real Estate Monetization process is being sought at the First Day Hearing and, if granted, the Foreign Representative will seek recognition of such First Day Orders at the Comeback Hearing (as defined below). The Debtors intend to seek approval of the Going-Concern Sale Process at a later date.

79. If the Sales Processes (or any one thereof) are approved, the Debtors (excluding the Canadian Debtor) intend to commence such approved Sale Process immediately. Given the nature of the Canadian Debtor's business, the Debtors intend to continue to operate the Canadian Debtor's business in the ordinary course to determine whether a going concern sale is viable and will seek recognition of the Sales Process in due course, subject to prior approval of any such Sale Process by the U.S. Bankruptcy Court.

VI. THE PROPOSED DIP FINANCING

80. In connection with the Chapter 11 Cases, the Debtors obtained a commitment for debtor-in-possession financing in the form of a senior secured super-priority revolving credit facility in an aggregate principal amount not to exceed $55 million (the "**DIP Facility**"), which amounts are intended to be used to, among other things, fund the Chapter 11 Cases.

81. Details of the proposed DIP Facility will be provided in a supplemental affidavit after the Debtors have filed all of their materials in the Chapter 11 Cases.

VII. URGENT NEED FOR RELIEF IN CANADA

82. The Canadian Debtor is in urgent need of a stay of proceedings and the recognition of the First Day Orders, once granted.

83. The Debtors are insolvent and their projected cash flow indicates that they will not be able to maintain operations in the ordinary course for a prolonged period of time. Further, certain of the Debtors' vendors and customers have become aware of the Debtors' liquidity issues, causing them to be reluctant to continue contracting with the Debtors and decreasing sources of operational credit necessary to maintain the Debtors' operations. Without the relief requested in the First Day Orders, it is anticipated that the Debtors will suffer a continuing degradation of their

enterprise value. The relief requested will minimize disruptions to the Debtors' business operations and customers and is critical to maximizing the value of the Debtors' estates.

VIII. RELIEF SOUGHT

A. Interim Stay Order

84. By operation of the U.S. Bankruptcy Code, the Debtors (including the Canadian Debtor) obtained the benefit of an automatic stay of proceedings upon the filing of the Petitions with the U.S. Bankruptcy Court. As discussed above, the Debtors are seeking entry of certain First Day Orders, including the Foreign Representative Order, at the First Day Hearing to be heard by the U.S. Bankruptcy Court on August 20, 2026. If the U.S. Bankruptcy Court grants the requested orders, they are expected to be available shortly thereafter.

85. The proposed Interim Stay Order provides for a stay of proceedings in favour of the Canadian Debtor in respect of the business and property in Canada. The proposed Interim Stay Order also provides for a stay of proceedings in favour of the directors and officers of the Canadian Debtor in Canada. The proposed Interim Stay will give effect in Canada to the stay of proceedings in the Chapter 11 Cases and provide stability and preserve the value of the Canadian business until the Canadian Debtor can be duly appointed as the Foreign Representative by the U.S. Bankruptcy Court and return before this Court to seek the Initial Recognition Order and Supplemental Order.

86. Since the Canadian business is conducted in Canada, it is important for the Canadian Debtor to be protected by a stay of proceedings from enforcement rights in Canada pursuant to a Canadian court order. The Interim Stay Order will preserve the value of the Canadian business and the Debtors' ability to conduct an orderly sales process for the Debtors' assets with the possibility of the Canadian business continuing as a going concern.

87. The initial hearing of this application will be brought on notice to the lenders under the Prepetition Credit Facilities. If the initial relief sought in the Interim Stay Order is granted, a wider scope of notice is intended with regard to the hearing to recognize the Chapter 11 Case of the Canadian Debtor as a foreign main proceeding and grant related orders at that time, including notice to the Canada Revenue Agency (through the Department of Justice) and the Ontario Ministry of Finance.

B. Additional Relief Expected to be Sought

88. This application is proposed to proceed in two stages. The relief being sought on August 19, 2026 is limited to the relief provided for in the Interim Stay Order. The Debtors will be seeking entry of certain First Day Orders at the First Day Hearing, scheduled to be heard by the U.S. Bankruptcy Court on August 20, 2026. Following the entry of those First Day Orders by the U.S. Bankruptcy Court, including the Foreign Representative Order, the Foreign Representative will return to this Court to seek the Initial Recognition Order and the Supplemental Order (such hearing, the "**Comeback Hearing**").

89. At the Comeback Hearing, the Foreign Representative (if appointed) will be seeking the Initial Recognition Order, among other things: (i) declaring that the Foreign Representative is the "foreign representative" in respect of the Chapter 11 Cases; and (ii) recognizing the United States as the centre of main interests for the Canadian Debtor.

90. The Foreign Representative will also seek approval of the relief set out in the Supplemental Order at the Comeback Hearing, including, among other things: (i) the appointment of AlixPartners as information officer; and (ii) the granting of the Administration Charge, D&O Charge and DIP Lender's Charge (collectively, the "**Charges**"), in the respective amounts and priority set out in the Supplemental Order. The Charges are proposed to secure amounts owing,

or which may become owing, by the Canadian Debtor against the Canadian Debtor's property in Canada.

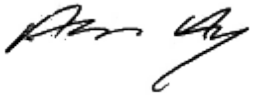
91. In addition to the foregoing, the Supplemental Order contemplates the recognition in Canada of certain First Day Orders, including any First Day Order recognizing any of the Sales Processes.

92. Further information in respect of the relief being sought with respect to the Initial Recognition Order and the Supplemental Order, including with respect to the Charges and the Sales Process Orders, will be provided by supplemental affidavit in advance of the Comeback Hearing.

IX. CONCLUSION

93. I believe the relief set out herein and in the proposed orders is necessary for the protection of the Canadian Debtor's property and the interests of the Debtors' creditors, and in particular, the creditors of the Canadian Debtor.

SWORN BEFORE ME by videoconference on this 19th day of August 2026. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely. The affiant was located in the City of Nashville, in the State of Tennessee and I was located in the City of Toronto in the Province of Ontario



Commissioner for Taking Affidavits
(or as may be)

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K



ADAM ZALEV

Court File No. CL-26-00000372-0000

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF DE CLOET GREENHOUSE MFG. LTD.

APPLICATION OF DE CLOET GREENHOUSE MFG. LTD. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

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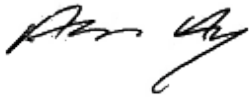
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Lawyers for the Proposed Foreign Representative

This is Exhibit “F” referred to in the affidavit of Adam Zalev, sworn October 8, 2026. The affiant was located in the City of Nashville, in the State of Tennessee and I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg, 431/20, Administering Oath or Declaration Remotely.



……...
A Commissioner for Taking Affidavits

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

Court File No. CL-26-00000372-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

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AFFIDAVIT OF ADAM ZALEV
(sworn August 21, 2026)

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AFFIDAVIT OF ADAM ZALEV
(sworn August 18, 2026)

I, Adam Zalev, of the City of Nashville, in the state of Tennessee, MAKE OATH AND SAY:

1. I am the Founding Member and Managing Director of Reflect Advisors LLC ("**Reflect**") and currently serve as the Chief Restructuring Officer ("**CRO**") of the Debtors[1]. I was appointed as CRO on July 22, 2026.

2. This affidavit supplements the affidavit I swore on August 19, 2026 (the "**Initial Affidavit**") and is sworn in support of an application by the Canadian Debtor, in its capacity as the Foreign Representative (as defined below), for the following orders:

(a) an order (the "**Initial Recognition Order**"), among other things:

(i) recognizing the Canadian Debtor as the Foreign Representative in respect of the Chapter 11 Cases; and

(ii) recognizing the Chapter 11 Case of the Canadian Debtor as a "foreign main proceeding" in respect of the Canadian Debtor; and

(b) an order (the "**Supplemental Order**"), among other things:

(i) recognizing certain orders (the "**First Day Orders**") issued by the U.S. Bankruptcy Court in the Chapter 11 Cases;

[1] The "**Debtors**" include BFG Supply Co., LLC ("**BFG Supply**"); Bamboo Purchaser, Inc.; BFG Purchaser Parent, Inc.; BFG Supply Holdings, Inc.; BFG Holdings I, Inc.; BFG Supply Canada Holdings, Inc.; BFG Kalamazoo, LLC; BFG Logistics, LLC; L&L Nursery Supply, Inc.; Gard'N-Wise Distributors, Inc.; International Greenhouse Contractors, LLC; Greenhouse Solutions, LLC; Greenhouse Contracting Services, LLC; Green-Tek, LLC; GROSouth, Inc.; BFG VG Supply Acquisition, LLC; and De Cloet Greenhouse Mfg. Ltd. (the "**Canadian Debtor**").

(ii) granting a stay of proceedings in respect of the Canadian Debtor and its directors and officers;

(iii) appointing AlixPartners Restructuring, Inc. ("**AlixPartners**") as information officer in respect of this proceeding (in such capacity, the "**Information Officer**");

(iv) granting a Court-ordered charge (the "**Administration Charge**") over the assets and property of the Canadian Debtor (the "**Property**") in Canada in favour of Canadian counsel to the Canadian Debtor, the Information Officer and counsel to the Information Officer;

(v) granting a Court-ordered charge (the "**D&O Charge**") over the Property in Canada to secure the indemnity obligations of the Canadian Debtor to its directors and officers in respect of obligations and liabilities that such directors and officers (including de facto directors and officers) may incur during these proceedings in their capacity as directors and officers; and

(vi) granting a Court-ordered charge (the "**DIP Lender's Charge**") over the Property in Canada to secure the obligations of the Canadian Debtor under the DIP Facility (as defined below).

I. OVERVIEW

3. On August 18, 2026 (the "**Petition Date**"), the Debtors filed voluntary petitions for relief (the "**Petitions**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**") pursuant to chapter 11 of title 11 of the United States Code (the "**U.S. Bankruptcy Code**"). The cases commenced by the Debtors in the U.S. Bankruptcy Court are

referred to herein as the "**Chapter 11 Cases**" and, together with the Canadian proceeding, are referred to as the "**Restructuring Proceedings**." A certified copy of the Chapter 11 petition for the Canadian Debtor is attached hereto as **Exhibit "A"**.

4. Concurrently with the Petition, the Debtors filed certain motions (the "**First Day Motions**") requesting authority from the U.S. Bankruptcy Court to continue to operate the Debtors' businesses in compliance with the U.S. Bankruptcy Code and to begin the planned restructuring process described in my Initial Affidavit. I understand that copies of the First Day Motions relevant to this recognition Proceeding (the "**Canadian Recognition Proceeding**") and certain supporting declarations are being provided to this Court in a separate affidavit.

5. On August 19, 2026, the Canadian Debtor, in its capacity as the proposed foreign representative of the Debtors (the "**Foreign Representative**"), brought an application before the Ontario Superior Court of Justice (Commercial List) (the "**Court**") for an order (the "**Interim Stay Order**") pursuant to Section 106 of the *Courts of Justice Act*, R.S.O. 1990, c C.43 and Part IV of the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C 36, as amended (the "**CCAA**"), among other things, granting a stay of proceedings in respect of the Canadian Debtor and its directors and officers.

6. The Court granted the Interim Stay Order on August 19, 2026, giving effect in Canada to the automatic stay of proceedings arising under the U.S. Bankruptcy Code.

7. On August 20, 2026, following a hearing in respect of the First Day Motions, the U.S. Bankruptcy Court granted the First Day Orders on an interim basis, including the Foreign Representative Order (as defined below) authorizing the Canadian Debtor to act as the Foreign Representative in respect of the Chapter 11 Cases.

8. As previewed in the Application Record dated August 19, 2026, the Foreign Representative now seeks the Initial Recognition Order and the Supplemental Order.

9. Background information with respect to the Debtors, including the Canadian Debtor, their business and the reasons for the initiation of the Restructuring Proceedings, are set out in the Initial Affidavit and the declaration that I swore in support of the Chapter 11 Cases (the "**First Day Declaration**"), a copy of which (without exhibits) was attached to the Initial Affidavit as Exhibit "B". Accordingly, such information is not repeated herein.

10. Capitalized terms used but not otherwise defined herein have the meanings given to them in the Initial Affidavit or the First Day Declaration, as applicable. All monetary references in this affidavit are in United States dollars, unless otherwise stated.

II. RELIEF SOUGHT

A. Initial Recognition Order/ Recognition of Foreign Main Proceeding

11. The Restructuring Proceedings have been commenced to provide stability and an opportunity to the Debtors to maximize the value of their assets and business through three complementary and concurrent workstreams (collectively, the "**Sales Processes**"), consisting of: (i) a marketing and sales process to identify a going concern transaction for some or all of the Debtors' business; (ii) an orderly monetization and liquidation of the Debtors' personal property; and (iii) a real estate disposition program with respect to the Debtors' owned real property and non-residential real property leases, including real property owned by the Canadian Debtor.

12. Pursuant to the proposed Initial Recognition Order, the Canadian Debtor, as the Foreign Representative, seeks recognition of the Canadian Debtor's Chapter 11 Case as a "foreign main proceeding" under Part IV of the CCAA. The Debtors operate as a single commercial enterprise

and, other than the Canadian Debtor, are each incorporated or formed under United States law and have all, or substantially all, of their assets located in the United States.

13. Notwithstanding the fact that the Canadian Debtor's registered office is the Canadian Facility, the centre of main interests for the Canadian Debtor is in the United States. As set out more fully beginning at paragraph 65 of the Initial Affidavit, the Canadian Debtor is an integrated part of the Debtors' enterprise, including that it is centrally managed from an overall strategic and financial perspective by a management team and CRO located in the United States. The Canadian Debtor relies upon other Debtors for the provision of certain intercompany services necessary to conduct its business, including, among other things, shared financial planning, strategic decision-making and marketing for the Canadian Debtor's products and services through sales representatives of the United States Debtors. Strategic decisions concerning the Canadian Debtor's business and restructuring efforts are being directed through the Chapter 11 Cases and under the supervision of the U.S. Bankruptcy Court. Further, the Canadian Debtor is a co-borrower under, and/or guarantor of, the Debtors' outstanding secured indebtedness advanced by United States-based lenders with related loan documentation that is governed by United States law.

14. I believe that a recognition order finding that the Canadian Debtor's centre of main interests is in the United States will support the Debtors' goals in the Chapter 11 Cases. I believe that the position of the Canadian Debtor's creditors will not be materially prejudiced by the recognition of the Canadian Debtor's Chapter 11 Case, by the imposition of the stay of proceedings, or by permitting the Canadian Debtor to continue operations while the Debtors explore a potential sale of the Debtors' business, including a potential going concern sale of the Canadian Debtor's business as part of an enterprise-wide restructuring.

B. Supplemental Order

a. Stay of Proceedings in Canada

15. By operation of the U.S. Bankruptcy Code, the Debtors (including the Canadian Debtor) obtained the benefit of an automatic stay of proceedings upon the filing of the Petitions. In issuing the Interim Stay Order, this Court granted an interim stay of proceedings in favour of the Canadian Debtor in respect of its business and property in Canada, as well as a stay of proceedings in favour of the directors and officers of the Canadian Debtor in Canada.

16. Under the proposed Supplemental Order, the Foreign Representative is seeking to extend the stay of proceedings granted pursuant to the Interim Stay Order. It is critical to the preservation of the value of the Canadian Debtor's business and the Debtors' overall efforts to implement a multi-track sale process and identify a potential going-concern sale that the Canadian Debtor and its directors and officers be protected by a stay of proceedings and from enforcement rights in Canada pursuant to a Canadian court order.

b. Appointment of Information Officer

17. The Foreign Representative seeks the appointment of AlixPartners as the Information Officer in this recognition proceeding pursuant to the proposed Supplemental Order. As part of the restructuring process, AlixPartners, if appointed as Information Officer, will report to the Court from time to time on the status of the Chapter 11 Cases and this proceeding and to assist in providing information to, and responding to inquiries from, interested parties in Canada.

18. I am advised by Murtaza Tallat of AlixPartners that (i) AlixPartners is a licensed insolvency trustee, well-known for its expertise in CCAA matters, including that its principals have acted as an information officer in several previous ancillary proceedings under Part IV of the CCAA), (ii)

AlixPartners has consented to act as Information Officer in this proceeding, and (iii) AlixPartners is not conflicted from acting as Information Officer.

19. The proposed Initial Recognition Order provides that, once appointed, the Information Officer will assist the Foreign Representative in publishing a notice in a national newspaper. In addition, notice of the Chapter 11 Cases will be given through notices mandated by the U.S. Bankruptcy Court. Both the claims and noticing agent in the Chapter 11 Cases and the proposed Information Officer will maintain websites providing detailed information regarding the Chapter 11 Cases and these proceedings, respectively. The appointment of an Information Officer will facilitate communication and information sharing with Canadian stakeholders throughout these Restructuring Proceedings. I understand that publication notice in insolvency proceedings is routinely addressed by the Court officer and the proposed Information Officer is well positioned to assist the Foreign Representative with this requirement.

c. Administration Charge

20. The Foreign Representative requests that the Court grant the proposed Information Officer, its legal counsel and Canadian legal counsel to the Canadian Debtor (including in its capacity as Foreign Representative) an Administration Charge to secure their fees and disbursements in the maximum amount of $450,000 on the Property in Canada. The Debtors have paid retainers to the proposed Information Officer and its counsel in the amount of C$100,000 and C$150,000, respectively. The Administration Charge is proposed to rank in priority to all other encumbrances in respect of the Canadian Debtor other than certain pre-existing registrations for a limited amount of cash collateral and leased equipment.

21. The quantum of the Administration Charge was calculated based on the substantial work required to prepare for and conduct the beginning of these Restructuring Proceedings and is

consistent with the budget provided for under the DIP Facility. I believe the amount of the Administration Charge to be reasonable in the circumstances, having regard to the size and complexity of this proceeding and the roles that will be required of Canadian legal counsel to the Canadian Debtor, the proposed Information Officer, and its legal counsel.

22. Approval of the Administration Charge by this Court is appropriate because the professionals will be providing services in respect of these proceedings before the Canadian Court.

d. D&O Charge

23. The Foreign Representative also requests that the Court grant the Directors and Officers a D&O Charge on the Property in Canada in the maximum amount of C$210,000. The D&O Charge would secure the indemnity provided to the Directors and Officers in the proposed Supplemental Order in respect of liabilities they may incur during this Canadian Recognition Proceeding in their capacities as such, which includes any obligations and liabilities for wages or vacation pay due to the Canadian Employees and certain taxes that may give rise to director liability, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director or officer's gross negligence or wilful misconduct.

24. While I understand that the Directors and Officers are potential beneficiaries of director and officer liability insurance maintained by BFG Supply Investment Holdings, LP for itself and its subsidiaries (the "**D&O Insurance**") with an aggregate coverage limit of up to $10 million, it is subject to several exclusions and limitations which may result in there being no coverage or insufficient coverage for potential liabilities. The proposed D&O Charge would only be relied upon to the extent of any deficiencies of the D&O Insurance in covering any exposure or liabilities of

the directors and officers of the Canadian Debtor that are incurred in the Restructuring Proceedings.

25. The D&O Charge would be subordinate to only the proposed Administration Charge and the limited cash collateral and leased equipment prior registrations described above.

26. The amount of the proposed D&O Charge has been estimated, in consultation with the proposed Information Officer, with reference to the Canadian Debtor's payroll, vacation pay, and federal and provincial tax liability exposure. The sole director of the Canadian Debtor is Patrick Bartels, who is also the sole director or member at each of the Debtors. The Canadian Debtor does not have any officers, but the proposed order provides that any party who may be deemed to be a director or officer will also have the benefit of the charge. Mr. Bartels has advised that he is unwilling to continue to serve in his director capacities if he is not granted the benefit of the D&O Charge.

27. In light of the potential liabilities that may arise during these Restructuring Proceedings, the potential insufficiency of the D&O Insurance, and the need for the continued service of the Canadian Debtor's director, I have been advised and believe the amount of the D&O Charge to be reasonable and the D&O Charge to be necessary in the circumstances.

e. DIP Lender's Charge

28. The Foreign Representative also requests the DIP Lender's Charge in favour of the DIP Lenders (as defined in the Interim DIP Order, defined below). The DIP Lender's Charge, if granted, will provide security over the Canadian Debtor's assets in respect of the obligations under the DIP Facility up to the maximum principal amount of $22 million plus other amounts provided for in the DIP Credit Agreement (as defined in the Interim DIP Order)) on an interim basis, and up to $55 million upon entry of the Final DIP Order. It is a requirement under the DIP

Credit Agreement that the Debtors obtain an order granting the DIP Lender's Charge within 10 business days of the Petition Date. Given the timeline of these Restructuring Proceedings and the Debtors' urgent need to access cash, the DIP Lenders did not require the DIP Lender's Charge as a condition to the first advance under the DIP Facility. However, a breach of the obligation to obtain the DIP Lender's Charge within 10 business days of the Petition Date will severely impair the Debtors' ability to operate going forward.

29. The DIP Lender's Charge would be subordinate to the Administration Charge, the D&O Charge, the limited cash collateral and leased equipment prior registrations described above and the liens of the Prepetition Term Loan Agent solely with respect to the Prepetition Term Loan Priority Collateral (each as defined in the Interim DIP Order). The DIP Lenders' Charge will otherwise follow the priorities set out in the Interim DIP Order. For clarity, the Supplemental Order does not propose to alter or impair the agreements between the DIP Secured Parties, Prepetition ABL Secured Parties, and the Prepetition Term Loan Secured Parties (each as defined in the Interim DIP Order) in respect of allocation or priority. Instead, as described below, the Prepetition Secured Parties' agreements are preserved and any disputes regarding allocation can be brought before the U.S. Bankruptcy Court at the appropriate time.

30. Details of the DIP Facility are provided in paragraphs 35-41 below.

f. Recognition of Certain First Day Orders

31. Pursuant to the proposed Supplemental Order, the Foreign Representative seeks recognition in Canada of certain of the First Day Orders, each of which are discussed below. I understand that the motion material filed in support of the First Day Orders will be provided to the Court in a separate affidavit, but the following provides a summary of the impact of each order on the Canadian Debtor.

i. Foreign Representative Order

32. A certified copy of the *Order (I) Authorizing De Cloet Greenhouse Mfg. Ltd. to Act as Foreign Representative in Canadian Proceeding and (II) Granting Related Relief* (the "**Foreign Representative Order**") is attached hereto as **Exhibit "B"**. A certified copy of the order has been ordered and will be provided to the Court upon receipt.

33. The Foreign Representative Order authorizes the Canadian Debtor to act as the Foreign Representative on behalf of the Debtors' estates pursuant to the U.S. Bankruptcy Code in connection with this Canadian Recognition Proceeding. It also requests the aid and assistance of this Court to recognize the Chapter 11 Cases as a "foreign main proceeding" and the Canadian Debtor as a "foreign representative" pursuant to the CCAA and to recognize and give full force and effect in all provinces and territories in Canada to the Foreign Representative Order and to other orders issued by the U.S. Bankruptcy Court in the Chapter 11 Cases.

ii. Interim DIP Order[2]

34. A copy of the *Interim Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "**Interim DIP Order**") is attached hereto as **Exhibit "C"**.

35. The Interim DIP Order, among other things, authorizes the Debtors to: (i) obtain postpetition financing pursuant to a superpriority senior secured, asset-based debtor-in-possession revolving credit facility (the "**DIP Facility**") in accordance with the DIP Credit

[2] Capitalized terms used but not defined in this section have the meaning given to them in the Interim DIP Order.

Agreement; and (ii) access cash collateral of the Prepetition ABL Secured Parties (the "**Cash Collateral**").

36. In the United States, the DIP Facility is secured by the DIP Liens, which are: (i) senior to the Prepetition Liens with respect to the Prepetition ABL Priority Collateral; and (ii) junior to the liens of the Prepetition Term Loan Agent with respect to the Prepetition Term Loan Priority Collateral.

37. The Interim DIP Order requires the Debtors to use any cash, collections and proceeds of DIP Collateral (other than Prepetition Term Loan Priority Collateral), on a dollar-for-dollar basis, to reduce the amounts outstanding under the Prepetition Revolving Loans (referred to in the Initial Affidavit as the "**Revolving Credit Facility**"), which will result in a corresponding increase to availability under the DIP Facility. If the Interim DIP Order is recognized in Canada, any cash, collections and proceeds of DIP Collateral of the Canadian Debtor (other than Prepetition Term Loan Priority Collateral) will also be used on a dollar-for-dollar basis to reduce the amounts outstanding under the Prepetition Revolving Loans. As described above, the DIP Facility provides a total interim availability of $22 million, approximately $8 million of which will be new money financing. Upon entry of the Final DIP Order, the size of the DIP Facility will be increased to $55 million.

38. Consistent with the Interim DIP Order, funds in the Canadian accounts will be applied to the Revolving Credit Facility. However, based on discussions with the DIP Lender, I understand that a minimum of approximately C$500,000 is expected to remain in the Canadian accounts throughout these Restructuring Proceedings to address the Canadian Debtor's operational needs. From time to time, I expect the Canadian Debtor will draw on the DIP Facility as it requires access to capital for ongoing projects.

39. The Canadian Debtor's obligations under the Prepetition Revolving Loans, under which it is both a borrower and a guarantor, are secured against substantially all of the Canadian Debtor's property and assets, excluding the lands on which the Canadian Facility is located and the buildings on such lands, by a first-ranking security interest.

40. As described in the First Day Declaration, the Debtors require access to liquidity to fund operations during the Restructuring Proceedings, including implementing the Sales Processes. Absent access to the DIP Facility and the Cash Collateral, the Debtors would not have sufficient liquidity to satisfy, among other things: (i) their working capital and business operating needs; (ii) the administrative costs of the Restructuring Proceedings; and (iii) the funding requirements necessary to pursue the Sales Processes and preserve value for the benefit of all stakeholders.

41. The Canadian Debtor is a borrower under the DIP Facility and may draw upon the DIP Facility to fund its operations if necessary. Further, the Canadian Debtor participates in the Debtors' integrated business and requires continued access to certain shared services, which will be funded through the liquidity provided under the DIP Facility. Recognition of the Interim DIP Order in Canada will support the ongoing operations of the Canadian Debtor and assist in preserving value while the Debtors pursue their restructuring and sale process.

iii. Interim Liquidation Procedures Order

42. A copy of the *Interim Order (A) Authorizing the Debtors to Assume the Consulting Agreement; (B) Authorizing and Approving the Sales of Assets Free and Clear of All Liens, Claims and Encumbrances; and (C) Granting Related Relief* (the "**Interim Liquidation Procedures Order**") is attached hereto as **Exhibit "D"**.

43. The Interim Liquidation Procedures Order, among other things: (i) authorizes the Debtors to assume the Consulting Agreement dated as of July 28, 2026 between SB360 Capital Partners, LLC and Tiger Capital Group (together, the "**Consultant**") and BFG Supply, on behalf of the Debtors (the "**Consulting Agreement**"); and (ii) authorizes the Sales, with such Sales to be free and clear of all Encumbrances (each as defined below).

44. In accordance with the Consulting Agreement, the Debtors, with the assistance of the Consultants, are authorized to conduct: (i) the sale of on-hand and in transit inventory at the Facilities (as defined in the Consulting Agreement); (ii) the sale of machinery, equipment and fixtures at the Facilities; and (iii) the collection or sale of accounts receivable (the "**Receivables**" and items (i) through (iii), collectively, the "**Assets**"). Sales conducted pursuant to the Interim Liquidation Procedures Order (the "**Sales**") will be free and clear of all liens, claims, encumbrances and interests, including the DIP Lender's Charge and the Prepetition Liens (collectively, the "**Encumbrances**"), with such Encumbrances attaching to the net proceeds according to the priorities set forth in the Interim DIP Order. Each of the Sales will be on an "as is, where is" basis.

45. The services to be provided under the Consulting Agreement (the "**Asset Sale Services**") commenced on August 3, 2026, prior to the Petition Date.

46. The Asset Sale Services include, among other things: (i) providing a team to assist with the advertising and marketing of the Assets; (ii) overseeing the liquidation of the Assets; (iii) assisting with the logistical planning for the transportation of Assets that are subject to a Sale; (iv) collecting proceeds from the Sales; and (v) assisting with the resolution and collection of Receivables. The Debtors are responsible for the reasonable and documented expenses incurred in connection with the implementation of the Consulting Agreement.

47. The Consulting Agreement is expected to result in the sale of some of the Assets at competitive prices through the channels used in the ordinary course of the Debtors' business. Given the need for liquidity, certain of the Assets are expected to be marketed at a discount to other wholesale customers. The Debtors are permitted to abandon any unsold Assets which they determine are not worth the costs of storage.

48. The conduct of the Sales is a condition to the DIP Credit Agreement and has been consented to by the lenders under the Prepetition Credit Facilities.

49. In addition to the sale of the Assets in accordance with the Consulting Agreement, the Debtors intend to continue marketing the Debtors' business, with the assistance of their investment banker, SSG Capital Advisors, LLC, in furtherance of identifying a going concern transaction for all or a part of the Debtors' business to maximize value for the Debtors' stakeholders. In the event that a going concern transaction is identified, the Debtors are permitted to cease the Sales in order to facilitate such transaction.

50. Given the nature of the Canadian Debtor's business, the ongoing efforts to identify a going concern transaction, and the Interim Stay Order, the Sales have not yet begun in Canada and are not anticipated to commence until after a determination has been made in connection with a going concern transaction. However, the Foreign Representative is seeking recognition of the Interim Liquidation Procedures Order in the event that the Debtors determine that certain assets of the Canadian Debtor should be sold outside the ordinary course of business.

iv. Joint Administration Order

51. A copy of the *Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief* (the "**Joint Administration Order**") is attached hereto as **Exhibit "E"**.

52. The Joint Administration Order directs the joint administration of all of the Chapter 11 Cases for procedural purposes only and authorizes the use of a consolidated docket and simplified case caption in connection with the administration of the Chapter 11 Cases. Given the integrated nature of the operations of the Debtors, including the Canadian Debtor, joint administration of the Chapter 11 Cases provides significant administrative convenience without affecting the substantive rights of any party in interest, and reduces fees and costs by avoiding duplicative filings, notices and objections.

v. Interim Critical Vendors Order

53. A copy of the *Interim Order (I) Authorizing the Debtors to Pay Prepetition Claims of Certain Critical Vendors and (II) Granting Related Relief* (the "**Interim Critical Vendors Order**") is attached hereto as **Exhibit "F"**.

54. The Interim Critical Vendors Order, among other things, (i) authorizes, but does not direct, the Debtors to pay prepetition amounts owing to vendors of goods and/or services that are critical to the Debtors' business (the "**Critical Vendors**") for prepetition goods or services (the "**Critical Vendor Claims**") in an aggregate amount not to exceed $2 million; and (ii) in exchange for the payment, in full or in part, of the Critical Vendor Claims, requires the Critical Vendors to provide customary trade terms for the postpetition procurement of goods ordered by, or services provided to, the Debtors.

55. The Debtors, including the Canadian Debtor, rely on certain suppliers, vendors, service providers, and similar entities to provide goods and services critical to their business, including machinery and equipment, information technology, billing and invoicing, customs and shipping and transportation services. The Canadian Debtor, as a member of the Debtors' integrated enterprise, is dependent on the Debtors' ability to continue receiving certain of these critical goods

and services from third-party suppliers, vendors and service providers. Any disruption to the provision of the critical goods or services that the Critical Vendors provide would have a detrimental effect on the Debtors' ability to conduct the Sales Processes with a view to maximizing value for the benefit of stakeholders.

56. The Canadian Debtor is working with its vendors and has not yet determined whether any creditor will be a Critical Vendor. The Canadian Debtor anticipates working closely with the Information Officer and CRO to review any Critical Vendor designations.

vi. Interim Utilities Order

57. A copy of the *Interim Order (I) Approving Debtors' Proposed Form of Adequate Assurance of Payment, (II) Establishing Procedures for Resolving Objections by Utility Companies, (III) Prohibiting Utility Companies from Altering, Refusing or Discontinuing Service, and (IV) Granting Related Relief* (the "**Interim Utilities Order**") is attached hereto as **Exhibit "G"**.

58. Under the U.S. Bankruptcy Code, utility providers are entitled to request adequate assurance of future payment for services. The Interim Utilities Order, among other things, (i) approves the Debtors' proposed form of adequate assurance of postpetition payment to their utility providers (the "**Utility Companies**"), (ii) approves the Debtors' proposed procedures for resolving additional adequate assurance requests; and (iii) prohibits the Utility Companies from altering, refusing, or discontinuing services to, or discriminating against, the Debtors on the basis of the commencement of the Chapter 11 Cases or any perceived inadequacy of the Debtors' proposed adequate assurance.

59. The Debtors receive electric, gas, telecommunications, internet, garbage, and other similar utility services from the Utility Companies (the "**Utility Services**"), which services the Debtors will continue to require while conducting an orderly liquidation of the Debtors' assets and

concurrently pursuing a multi-phase marketing process for a going concern sale. To provide adequate assurance of payment for postpetition Utility Services, the Debtors have established a segregated account and propose to deposit $53,104.00, which equals the costs of approximately two weeks of Utility Services, while also implementing procedures to address any requests for additional adequate assurance from Utility Companies.

60. Because the Canadian Debtor is a debtor in the Chapter 11 Cases, its Utility Companies are entitled to the benefit of adequate assurance. The Canadian Debtor's Utility Companies include phone, trash and hydro providers, as identified on the schedule to the Interim Utilities Order.

vii. Interim Taxes Order

61. A copy of the *Interim Order (I) Authorizing the Payment of Certain Taxes and Fees and (II) Granting Related Relief* (the "**Interim Taxes Order**") is attached hereto as **Exhibit "H"**.

62. The Interim Taxes Order, among other things, authorizes, but does not direct, the Debtors, including the Canadian Debtor, to pay and remit all prepetition and postpetition obligations on account of Taxes and Fees and Assessments (each as defined below), including where: (a) Taxes and Fees accrue or are incurred postpetition; (b) Taxes and Fees have accrued or were incurred prepetition but were not paid prepetition, or were paid in an amount less than actually owed; (c) payments were made prepetition by the Debtors but were lost or otherwise not received in full by any of the Authorities (as defined in the Interim Taxes Order); and (d) Taxes and Fees were incurred for prepetition periods and became due and payable after the commencement of the Chapter 11 Cases, including as a result of Audits (as defined in the Interim Taxes Order), provided that payments on account of prepetition obligations shall not exceed $500,000 during the interim period.

63. In the ordinary course of business, the Debtors collect and pay income tax, franchise taxes, real estate and personal property tax, sales and use taxes, value added tax, and certain other business license fees and other similar assessments, including but not limited to hazmat taxes and commercial activity taxes (collectively, the "**Taxes and Fees**"). Additionally, the Debtors may become subject to routine audit investigations in respect of prior years, which may result in additional prepetition Taxes and Fees being assessed against the Debtors (such additional Taxes and Fees, the "**Assessments**").

64. The Taxes and Fees payable by the Canadian Debtor generally consist of: (i) GST/HST, which the Canadian Debtor has historically paid through monthly remittances in arrears; (ii) property taxes, relating to the real property owned by the Canadian Debtor in Ontario; and (iii) certain business licensing, registration and similar governmental fees incurred in the ordinary course of business. The Canadian Debtor is current on its GST/HST remittances through July, 2026 and anticipates making a payment of approximately C$85,000 in monthly installments on account of GST/HST remittances owing to CRA for monthly installments which will come due during the interim period.

viii. Interim Insurance Order

65. A copy of the *Interim Order (I) Authorizing the Debtors to (A) Maintain Insurance and Surety Coverage and Letter of Credit Entered Into Prepetition and Satisfy Prepetition Obligations Related Thereto, (B) Renew, Amend, Supplement, Extend, or Purchase Insurance Policies, Surety Bonds, and Letters of Credit, and (C) Continue to Pay Broker Fees, and (II) Granting Related Relief* (the "**Interim Insurance Order**") is attached hereto as **Exhibit "I"**.

66. The Interim Insurance Order, among other things, authorizes, but does not direct, the Debtors to (i) maintain coverage under the insurance policies, the surety bonds, and the letters of

credit entered into prepetition and pay related prepetition obligations in the ordinary course of business, (ii) renew, amend, supplement, extend, or purchase insurance, surety coverage, and letters of credit in the ordinary course of business and consistent with prepetition practice, and (iii) continue to pay certain broker fees.

67. In the ordinary course of business, the Debtors maintain approximately seventeen (17) insurance policies (collectively, the "**Insurance Policies**"), administered by various third-party insurance carriers. The Canadian Debtor is a beneficiary of certain of the Insurance Policies, including certain policies maintained through Canadian insurance carriers. As of the Petition Date, the Debtors are not aware of any premiums owing under the Insurance Policies. The Debtors' ability to maintain the Insurance Policies, to renew, supplement, and modify the same as needed, and to enter into new insurance policies as needed in the ordinary course of business, is essential to preserving the value of the Debtors' estates and to comply with statutory obligations in certain of the jurisdictions in which the Debtors operate.

68. The Debtors obtain their Insurance Policies through Lockton (the "**Broker**"). As of the Petition Date, the Debtors do not believe that they owe any amounts to the Broker on account of brokerage fees. The continuation of the Broker's services is necessary to assure the Debtors' ability to secure Insurance Policies on advantageous terms at competitive rates, facilitate the proper maintenance of the Insurance Policies postpetition, administer insurance-related claims on a postpetition basis, and ensure adequate protection of the Debtors' property postpetition.

69. In the ordinary course of business, the Debtors are also required to maintain one surety bond to conduct the Debtors' business in Pickaway County, Ohio, and one letter of credit, in connection with customs obligations which directly relate to the Canadian Debtor's operations. The Debtors must be able to maintain the surety bond and letter of credit to continue their

business operations during these Restructuring Proceedings, including the Canadian Debtor's business operations. Failure to maintain the surety bond or letter of credit could impair the Debtors' ability to continue those operations in the ordinary course.

70. The Interim Insurance Order therefore permits the Debtors, including the Canadian Debtor, to maintain these arrangements, pay prepetition amounts related thereto up to $200,000 and renew, amend, supplement, extend, or purchase insurance policies as needed.

ix. Interim Wages Order

71. A copy of the *Interim Order (A) Authorizing, But Not Directing, the Debtors to (I) Pay Prepetition Wages, Compensation, Employee Benefits, and Other Employee Obligations, (II) Continue Certain Employee Benefit Programs In the Ordinary Course, (B) Authorizing All Banks to Honor Prepetition Checks For Payment of Prepetition Employee Obligations, and (C) Granting Related Relief* (the "**Interim Wages Order**") is attached hereto as **Exhibit "J"**.

72. The Interim Wages Order authorizes the Debtors to, among other things, (a) pay prepetition wages, compensation, employee benefits and other employee and independent contractor obligations up to the amount of $1,064,951.62, (b) continue certain employee benefit programs in the ordinary course.

73. As set out in my Initial Affidavit, the Canadian Debtor employs approximately 30 employees in Canada (the "**Canadian Employees**"), each of whom are employed on a full-time basis. The Canadian Employees are paid weekly, one week in arrears. In Canada, each payroll is approximately C$42,000, including employer tax contributions. Certain of the Canadian Employees are eligible to receive commissions and, when payable, the weekly payroll obligations are approximately C$62,000, including employer tax contributions. The Canadian Debtor also

engages independent contractors on an as needed, project-specific basis, to assist with the installation of greenhouse and related systems.

74. In respect of the Canadian Employees, the Interim Wages Order provides for payment of, among other amounts, wages, commissions, withholdings, health insurance benefits and RRSP contributions.

x. Interim Cash Management Order

75. A copy of the *Interim Order (I) Authorizing Continued (A) Use of Existing Cash Management System, Bank Accounts, and Business Forms and Payment of Related Prepetition Obligations and (B) Performance of Intercompany Transactions in the Ordinary Course of Business, (II) Granting Limited Waiver of Section 345(b) Deposit and Investment Requirements, and (III) Granting Related Relief* (the "**Interim Cash Management Order**") is attached hereto as **Exhibit "K"**.

76. The Interim Cash Management Order authorizes the Debtors to, among other things, (i) continue using their existing cash management system, bank accounts, and business forms, (ii) pay certain prepetition obligations related thereto, (iii) continue to perform intercompany transactions in the ordinary course of business, and (iv) obtain a limited waiver of the deposit and investment requirements set out in section 345(b) of the U.S. Bankruptcy Code.

77. As described in the Initial Affidavit and the First Day Declaration, the Debtors operate a cash management system to collect, transfer and disburse funds generated by their operations (the "**Cash Management System**"). The Canadian Debtor maintains two bank accounts with Royal Bank of Canada as part of the Cash Management System. The Canadian Debtor is dependent on the continued operation of the Cash Management System. Continued access to the Cash Management System is imperative to meet immediate obligations and preserve the

value of the Canadian business. Any disruption to the Cash Management System could have an immediate and significant value-destructive effect on the Canadian Debtor to the detriment of all stakeholders.

xi. Interim Customer Programs Order

78. A copy of the *Interim Order (I) Authorizing the Debtors to Honor, Maintain, and Administer Customer Programs and Related Prepetition Business Practices, and (II) Granting Related Relief* (the "**Interim Customer Programs Order**") is attached hereto as **Exhibit "L"**.

79. The Interim Customer Programs Order authorizes the Debtors to, among other things, (i) honour and fulfil customer obligations arising under their customer programs and related business practices, (ii) continue to maintain and administer their customer programs (the "**Customer Programs**"), and (iii) continue, renew, replace, modify, or terminate such Customer Programs in the ordinary course of business.

80. In the ordinary course of business, the Debtors provide certain pricing, incentives, discounts and other accommodations to their customers through various Customer Programs, including a rebate program, return and shortage policy, defective allowance policy, customer deposit program and co-op advertising program. The Debtors rely on the Customer Programs to maintain customer relationships, preserve goodwill and support the ongoing marketing and sale process.

81. In the ordinary course, the Canadian Debtor accepts deposits from customers in connection with orders relating to the design and manufacture of high-quality greenhouses (the "**Customer Deposits**"), with such deposits applied to the purchase price of such ordered products. Recognition of the Interim Customer Programs Order will authorize the Canadian Debtor to continue honouring the prepetition Customer Deposits in its discretion and continue to

collect Customer Deposits postpetition. The Customer Programs Order also allows the Debtors to cease to accept or honour Customer Deposits in the Debtors' business judgement.

82. While recognition of the Interim Customer Programs Order will permit the Canadian Debtor to continue receiving Customer Deposits, given the bespoke nature of the Canadian Debtor's products and services, every contract differs. The Canadian Debtor will confer with the Information Officer and the CRO before entering into contracts to determine (i) whether a Customer Deposit is required and (ii) the appropriate treatment of the Customer Deposit (including depositing amounts with the Information Officer or accepting deposits by credit card to allow the customer chargeback protections). The Canadian Debtor will advise all new customers of the Restructuring Proceedings and that Customer Deposits will not be held in trust unless specific arrangements are made.

III. NEXT STEPS IN CHAPTER 11 CASES

83. I understand that the Debtors are scheduled to appear before the U.S. Bankruptcy Court on September 16, 2026, at which appearance the Debtors intend to, among other things: (i) seek entry of the interim First Day Orders on a final basis; and (ii) seek additional relief, including relief authorizing the Debtors and their advisors to commence a sale and marketing process to identify a going concern transaction for all or part of the Debtors' business.

IV. CONCLUSION

84. I believe the relief set out herein and in the proposed Initial Recognition Order and Supplemental Order is necessary for the protection of the Canadian Debtor and to preserve the value of the Canadian business for the benefit of a broad range of stakeholders. The requested

relief will provide the Debtors with the opportunity to pursue the Sales Processes with a view to maximizing value for the benefit of the Debtors' stakeholders.

SWORN BEFORE ME by videoconference on this 21st day of August 2026. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely. The affiant was located in the City of Nashville, in the State of Tennessee, and I was located in the City of Toronto in the Province of Ontario.

Commissioner for Taking Affidavits
(or as may be)

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

ADAM ZALEV

Court File No. CL-26-00000372-0000

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF DE CLOET GREENHOUSE MFG. LTD.

APPLICATION OF DE CLOET GREENHOUSE MFG. LTD. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF ADAM ZALEV

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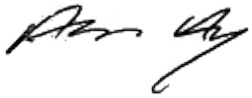
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Lawyers for the Foreign Representative

This is Exhibit “G” referred to in the affidavit of Adam Zalev, sworn October 8, 2026. The affiant was located in the City of Nashville, in the State of Tennessee and I was located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg, 431/20, Administering Oath or Declaration Remotely.



……...
A Commissioner for Taking Affidavits

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
BFG Supply Co., LLC, *et al.*,	Case No. 26-11284 (CTG)
Debtors.[1]	(Jointly Administered)
	Re: Docket Nos. 14, 165

NOTICE OF CANCELLATION OF AUCTION AND SUCCESSFUL BIDDERS

PLEASE TAKE NOTICE that, on August 18, 2026, the above-captioned debtors and debtors in possession (collectively, the "Debtors") each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

PLEASE TAKE FURTHER NOTICE that, on August 19, 2026, the Debtors filed the *Debtors' Motion for Entry of Orders (I)(A) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Designate a Stalking Horse Bidder and to Provide Bid Protections, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof and (F) Granting Related Relief; and (II)(A) Approving the Sale of the Debtors' Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases and (C) Granting Related Relief* [Docket No. 14] (the "Motion").[2]

PLEASE TAKE FURTHER NOTICE that, on September 14, 2026, the Bankruptcy Court entered an order [Docket No. 165] (the "Bidding Procedures Order") granting the relief requested in the Motion. The Bidding Procedures Order approved, among other things, the Bidding Procedures, which established certain key dates and deadlines related to the sale process and Auction, if necessary, for the Debtors' Assets.

---

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BFG Supply Co., LLC (6660); Bamboo Purchaser, Inc. (1173); BFG Purchaser Parent, Inc. (2451); BFG Supply Holdings, Inc. (4070); BFG Holdings I, Inc. (1502); BFG Supply Canada Holdings, Inc. (9737); De Cloet Greenhouse Mfg. Ltd. (N/A); BFG Kalamazoo, LLC (0121); BFG Logistics, LLC (4172); L&L Nursery Supply, Inc. (9972); Gard'N-Wise Distributors, Inc. (8418); International Greenhouse Contractors LLC (7313); Greenhouse Solutions, LLC (1860); Greenhouse Contracting Services, LLC (3738); Green-Tek, LLC (8749); GROSouth, Inc. (4231); BFG VG Supply Acquisition, LLC (0219). The Debtors' service address in these chapter 11 cases is 4660 East Paris Avenue SE, Grand Rapids, Michigan 49512.

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

PLEASE TAKE FURTHER NOTICE that, pursuant to the terms of the Bidding Procedures and Bidding Procedures Order, the Debtors designated the following three Stalking Horse Bidders for certain of their Assets: (i) Griffin Greenhouse Supplies, Inc., (ii) GMS Supply LLC, and (iii) American Plant Products & Services, Inc. [Docket Nos. 220, 221, 227].

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bidding Procedures Order, (i) the deadline for interested parties to submit a Qualified Bid was October 2, 2026 at 4:00 p.m. (prevailing Eastern Time) and (ii) in the event the Debtors received Qualified Bids, other than those submitted by the Stalking Horse Bidders, an Auction was scheduled to be held on October 6, 2026 at 10:00 a.m. (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE that, prior to the Bid Deadline, the Debtors received no Qualified Bids other than the Stalking Horse Bids. Therefore, in accordance with the Bidding Procedures and the Bidding Procedures Order, the Debtors, after consulting with the Consultation Parties, have designated the Stalking Horse Bidders as the Successful Bidders for the respective Assets.

PLEASE TAKE FURTHER NOTICE that the Debtors received certain bids for (i) certain De Cloet Greenhouse Mfg. Ltd Assets and (ii) Assets associated with the Michael Carr Designs business segment (together, the "Residual Assets") prior to the Bid Deadline. The Debtors determined, in their discretion and in consultation with the Consultation Parties, not to qualify these bids at this time. However, the Debtors reserve the right to (i) continue to negotiate with such bidders regarding potential sales of the Residual Assets, (ii) qualify bids for the Residual Assets at a later date, and (ii) hold an Auction for the Residual Assets in the future, following consultation with the Consultation Parties. The Debtors will file a notice on the docket advising of any Auction for the Residual Assets at least seven (7) calendar days in advance of such Auction.

ACCORDINGLY, THE DEBTORS, AFTER CONSULTING WITH THE CONSULTATION PARTIES, HAVE CANCELLED THE AUCTION SCHEDULED FOR OCTOBER 6th AND WILL NOT CONDUCT AN AUCTION FOR THE ASSETS INCLUDED IN THE STALKING HORSE BIDS.

PLEASE TAKE FURTHER NOTICE that, the Sale Hearing to consider approval of the sales of the Debtors' Assets to the Stalking Horse Bidders, **free and clear of all liens, claims, interests, and encumbrances**, in accordance with section 363(f) of the Bankruptcy Code and the respective Stalking Horse Agreements, will be held before The Honorable Craig T. Goldblatt, Bankruptcy Judge, United States Bankruptcy Court for the District of Delaware, at 824 Market Street North, 5th Floor, Courtroom No. 5, Wilmington, Delaware 19801, on **October 14, 2026 at 9:30 a.m. (prevailing Eastern Time) (the "Sale Hearing")**.

PLEASE TAKE FURTHER NOTICE that, the deadline to file an objection to the sales of Debtors' Assets free and clear of liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code (a "Sale Objection") is **October 12, 2026 at 4:00 p.m. (prevailing Eastern Time) (the "Sale Objection Deadline")**.

PLEASE TAKE FURTHER NOTICE that, Sale Objections, if any, must be filed with the Bankruptcy Court and served on the following Objection Notice Parties: (i) counsel for the Debtors: Cole Schotz P.C., 500 Delaware Avenue, Suite 600 Wilmington, DE 19801, Attn: Justin

R. Alberto (jalberto@coleschotz.com) and Sarah Carnes (scarnes@coleschotz.com); (ii) counsel to the DIP Agent and the Prepetition ABL Agent: Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: John F. Ventola (jventola@choate.com), (mcomerford@choate.com), and Michael Alexandra E. M. Comerford Thomas (athomas@choate.com), and Womble Bond Dickinson (US) LLP, 1313 North Market Street, Suite 1200, Wilmington, DE 19801, Attn: Matthew Ward (matthew.ward@wbd-us.com); (iii) co-counsel to the Prepetition Term Loan Secured Parties: Proskauer Rose LLP, Eleven Times Square, New York, New York 10036, Attn: David M. Hillman (dhillman@proskauer.com) and Matthew R. Koch (mkoch@proskauer.com) and Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, Delaware 19801, Attn: Matthew B. McGuire (mcguire@lrclaw.com); (iv) proposed counsel to the Creditors' Committee: Kelley Drye & Warren LLP, 3 World Trade Center, 175 Greenwich Street, New York, New York 10007, Attn: Eric R. Wilson (ewilson@kelleydrye.com), Jason R. Adams (jadams@kelleydrye.com) and Maeghan J. McLoughlin (mmcloughlin@kelleydrye.com), and Raines Feldman Littrell LLP, 824 North Market Street, Suite 805, Wilmington, DE 19801, Attn: Matthew P. Milana (mmilana@raineslaw.com); (v) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Jane Leamy (jane.m.leamy@usdoj.gov); and (iv) counsel for the applicable Stalking Horse Bidders: (a) with respect to Griffin Greenhouse Supplies, Inc.: Ruberto, Israel & Weiner P.C., 255 State Street, 7th Floor Boston, Massachusetts 02109, Attn: Michael D. Rosen (mdr@riw.com), James C. Fox (jcf@riw.com), and John E. Murray (jem@riw.com); (b) with respect to GMS Supply LLC: Clingen Callow & McLean, LLC, 2300 Cabot Drive, Suite 500, Lisle, Illinois 60532, Attn: John A. Lipinsky (Lipinsky@ccmlawyer.com); and (c) with respect to American Plant Products & Services, Inc.: Hartzog Conger Cason LLP, 201 Robert S. Ker Ave, Suite 1600, Oklahoma City, Oklahoma 73102, Attn: Evan D. Chambers (echambers@HartzogLaw.com), Neeley P. Cook (ncook@HartzogLaw.com), and Jacob L. Fanning (jfanning@HartzogLaw.com).

PLEASE TAKE FURTHER NOTICE that this notice is subject to the terms and conditions of the Bidding Procedures Order, with such Bidding Procedures Order controlling in the event of any conflict, and the Debtors encourage parties in interest to review the Bidding Procedures Order in its entirety. Parties with questions regarding this notice should contact Debtors' counsel at the contact information provided herein.

PLEASE TAKE FURTHER NOTICE that parties interested in receiving more information regarding the contemplated sale and/or copies of any related documents may visit the websites maintained by Epiq Corporate Restructuring LLC, the Debtors' claims and noticing agent, at https://dm.epiq11.com/case/bfgsupply/info.

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Dated: October 5, 2026
Wilmington, Delaware

COLE SCHOTZ P.C.

/s/ Justin R. Alberto

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Counsel for Debtors and Debtors in Possession

Court File No. CL-26-00000372-0000

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF DE CLOET GREENHOUSE MFG. LTD.

APPLICATION OF DE CLOET GREENHOUSE MFG. LTD. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF ADAM ZALEV

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Lawyers for the Foreign Representative

Tab 3

Court File No. CL-26-00000372-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 15TH
	)	
JUSTICE DUNPHY	)	DAY OF OCTOBER, 2026

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF DE CLOET GREENHOUSE MFG. LTD.

APPLICATION OF DE CLOET GREENHOUSE MFG. LTD. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

ORDER
(RECOGNITION OF FOREIGN ORDERS)

THIS MOTION, made by De Cloet Greenhouse Mfg. Ltd., in its capacity as the foreign representative (in such capacity, the "**Foreign Representative**") of itself and certain of its affiliates (the "**Debtors**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an Order pursuant to section 49 of the CCAA, among other things, recognizing and giving full force and effect in all provinces and territories of Canada to certain orders entered by the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**") in the cases commenced by the Debtors pursuant to chapter 11 of title 11 of the United States Code (the "**Foreign Proceeding**"), was heard this day by judicial videoconference in Toronto, Ontario.

ON READING the Notice of Motion, the Affidavit of Adam Zalev sworn October 8, 2026 (the "**Fourth Zalev Affidavit**"), the Affidavit of Joshua Gordon sworn August 21, 2026 and the Second Report of AlixPartners Restructuring, Inc., in its capacity as the information officer (in such capacity, the "**Information Officer**"), dated October ●, 2026, each filed, and upon hearing the submissions of counsel for the Foreign Representative, counsel for the Information Officer, and counsel for the other parties appearing on the participant information form, no one appearing

for any other party although duly served as appears from the Lawyer's Certificate of Service of Alec Hoy sworn October 8, 2026, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

RECOGNITION OF FOREIGN ORDERS

2. **THIS COURT ORDERS** that the following orders of the U.S. Bankruptcy Court made in the Foreign Proceeding, copies of which are attached hereto as Schedules "A" through "C" (the "**Foreign Orders**"), are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to Section 49 of the CCAA:

(a) *Second Interim Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief*;

(b) *Final Order Under Bankruptcy Code Sections 105, 361, 362, 363, 364, 503, 506, 507, and 552, and Bankruptcy Rules 2002, 4001, 6003, 6004, and 9014 (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral (II) Granting (A) Liens and Providing Superpriority Administrative Expense Status and (B) Adequate Protection to Prepetition Secured Creditors, (III) Modifying Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "**Final DIP Order**"); and

(c) *Final Order (I) Authorizing Continued (A) Use of Existing Cash Management System, Bank Accounts, and Business Forms and Payment of Related Prepetition Obligations and (B) Performance of Intercompany Transactions in the Ordinary*

Course of Business, (II) Granting A Limited Waiver of Section 345(B) Deposit and Investment Requirements, and (III) Granting Related Relief,

provided, however, that in the event of any conflict between the terms of the Foreign Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to the Property (as defined in this Court's Supplemental Order (Foreign Main Proceeding) dated August 28, 2026 (the "**Supplemental Order**")) in Canada.

AMENDMENT OF SUPPLEMENTAL ORDER

3. **THIS COURT ORDERS** that the Supplemental Order be and is hereby amended to change all references to the term "DIP Order" in paragraphs 23, 24, 26, and 27 therein to "Final DIP Order".

GENERAL

4. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, or regulatory or administrative body having jurisdiction in Canada, the United States or any other foreign jurisdiction, to give effect to this Order and to assist the Debtors, the Foreign Representative, the Information Officer, and their respective counsel and agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Debtors, the Foreign Representative, and the Information Officer, the latter as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Debtors, the Foreign Representative, and the Information Officer and their respective counsel and agents in carrying out the terms of this Order.

5. **THIS COURT ORDERS** that each of the Debtors, the Foreign Representative and the Information Officer shall be at liberty and is hereby authorized and empowered to apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

6. **THIS COURT ORDERS** that this Order shall be effective as of the date of this Order without the need for entry or filing of this Order.

Schedule “A”
Second Interim DIP Order

Schedule “B”
Final DIP Order

Schedule "C"
Final Cash Management Order

Court File No. CL-26-00000372-0000

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF DE CLOET GREENHOUSE MFG. LTD.

APPLICATION OF DE CLOET GREENHOUSE MFG. LTD. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER
(Recognition of Foreign Orders)

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Lawyers for the Foreign Representative

Court File No. CL-26-00000372-0000

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF DE CLOET GREENHOUSE MFG. LTD.

APPLICATION OF DE CLOET GREENHOUSE MFG. LTD. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD
ORDER (RECOGNITION OF FOREIGN ORDERS)

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