AlixPartners

**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**

# SECOND REPORT OF ALIXPARTNERS RESTRUCTURING, INC. AS INFORMATION OFFICER

**October 13, 2026**

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# 1.0 Introduction

1. On August 18, 2026 (the "**Petition Date**"), BFG Supply Co., LLC ("**BFG Supply**") and sixteen of its affiliates, including De Cloet Greenhouse Mfg. Ltd. ("**De Cloet**", and collectively with BFG Supply and such affiliates, the "**Debtors**"[1] or the "**Company**"), commenced proceedings (the "**Chapter 11 Cases**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**") by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "**U.S. Bankruptcy Code**").

2. On August 19, 2026, and in advance of its appointment as foreign representative, De Cloet in its capacity as proposed foreign representative applied to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") for, and obtained, an order (the "**Interim Stay Order**") under 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, as amended. Among other things, the Interim Stay Order stayed proceedings and the exercise of rights and remedies against De Cloet, its business and its property in Canada and against its directors and officers, restrained counterparties from terminating or interfering with agreements with De Cloet and prohibited De Cloet from disposing of its property outside the ordinary course of business.

3. On or shortly following the Petition Date, the Debtors filed thirteen first day motions (collectively, the "**First Day Motions**") seeking relief intended to stabilize their operations, provide access to interim financing and facilitate sale and monetization processes in respect of their assets and business. Among the First Day Motions was a motion for an order (the "**Foreign Representative Order**") authorizing De Cloet to act as foreign representative in respect of the Chapter 11 Cases (in such capacity, the "**Foreign Representative**"). The First Day Motions were heard by the U.S. Bankruptcy Court on August 20, 2026 (the "**First Day Hearing**"), and the U.S. Bankruptcy Court granted various orders on the same date (collectively, the "**First Day Orders**").

[1] The "**Debtors**" include 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.

4. At a hearing held on August 28, 2026 (the "**Comeback Hearing**"), the Court granted two orders, being the "**Initial Recognition Order**" and the "**Supplemental Order**". The Supplemental Order, among other things, recognized and gave effect in Canada to eleven of the First Day Orders, including an interim order authorizing the Debtors to obtain postpetition financing and use cash collateral (the "**Interim DIP Order**") and an interim order authorizing the Debtors to continue to use their cash management system (the "**Interim Cash Management Order**"), granted certain priority charges over De Cloet's Property (as defined in the Supplemental Order) in Canada, and appointed AlixPartners Restructuring, Inc. ("**AlixPartners**") as Information Officer in these proceedings (the "**CCAA Recognition Proceedings**").

5. On September 1, 2026, the Office of the United States Trustee ("**U.S. Trustee**") appointed an official committee of unsecured creditors in the Chapter 11 Cases (the "**UCC**"). The UCC is an estate fiduciary owing duties to all unsecured creditors of the Debtors, including those of De Cloet.

6. A hearing was originally scheduled for September 16, 2026, in the Chapter 11 Cases concerning the Debtors' request for final orders in respect of those First Day Orders granted on an interim basis and certain additional orders that had not been sought at the First Day Hearing.

7. On September 11, 2026, the Foreign Representative filed its motion returnable September 18, 2026 (the "**Second Recognition Hearing**") for an order (the "**Second Recognition Order**"), among other things, recognizing and giving effect in Canada to such orders, to the extent such orders would be formally entered by the U.S. Bankruptcy Court.

8. On September 14, 2026, in advance of the hearing scheduled for September 16 in the Chapter 11 Cases, the Debtors filed a certificate of no objection or certification of counsel in respect of, and the U.S. Bankruptcy Court entered without a hearing, eleven orders (collectively, the "**September 14 Orders**"), as set out below:

   (I) the following final orders in respect of First Day Orders entered on an interim basis, which were previously recognized by this Court:

   a) *Final 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*;

   b) *Final Order (I) Authorizing the Debtors to Pay Prepetition Claims of Certain Critical Vendors and (II) Granting Related Relief*;

c) *Final 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*;

d) *Final Order (I) Authorizing the Payment of Certain Taxes and Fees and (II) Granting Related Relief*;

e) *Final 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*;

f) *Final 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*; and

g) *Final Order (I) Authorizing the Debtors to Honor, Maintain, and Administer the Customer Programs and Related Prepetition Business Practices, and (II) Granting Related Relief*.

(II) the following orders, which had not been sought on an interim basis at the First Day Hearing:

h) *Order (I) Approving Bidding Procedures For the Sale of Substantially All of the Debtors' Assets, (II) Authorizing The Debtors to Designate a Stalking Horse Bidder and to Provide Bid Protections, (III) Scheduling An Auction and Approving the Form and Manner of Notice Thereof, (IV) Approving Assumption and Assignment Procedures, (V) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof, and (VI) Granting Related Relief*;

i) *Order Authorizing the Debtors to File Under Seal the Fee Letters Related to the DIP Facility*; and

j) *Order (I) Approving the Retention and Employment of Reflect Advisors, LLC ("**Reflect**") to Provide the Debtors with a Chief Restructuring Officer and Additional Staff Effective as of the Petition Date; (II) Designating Adam Zalev as the Chief Restructuring Officer to the Debtors (in such capacity, "**CRO**"); and (III) Granting Related Relief*.

(III) the following further interim order (the "**Second Interim Cash Management Order**"):

k) *Second 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 A Limited Waiver of Section 345(B) Deposit and Investment Requirements, and (III) Granting Related Relief*.

9. On September 18, 2026, the Court granted the Second Recognition Order, recognizing and giving effect in Canada to the September 14 Orders. The Debtors' motions for entry of the final versions of the Interim DIP Order and the Interim Cash Management Order were adjourned to September 29, 2026, to allow the Debtors additional time to address comments on the relief sought from the UCC and the U.S. Trustee. A copy of the Second Recognition Order is attached as **Appendix "A"**.

10. On September 22, 2026, the UCC filed an objection to the approval on a final basis of the Debtors' DIP financing motion (the "**UCC Objection**"). The Debtors, the DIP Lenders, the Prepetition Lenders and the UCC agreed to defer consideration of the issues raised in the UCC Objection and maintain the current status quo (subject to an increase in the amount of the DIP Financing to allow the Restructuring Proceedings to continue). Accordingly, the September 29, 2026 hearing was cancelled and, on September 28, 2026, the U.S. Bankruptcy Court entered, without a hearing and on consent, the *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**"). A copy of the Second Interim DIP Order is attached as Exhibit "A" to the Fourth Zalev Affidavit (defined below).

11. A hearing before the U.S. Bankruptcy Court is scheduled for October 14, 2026, at 9:30 a.m. (Eastern Time) (the "**October US Hearing**"), at which the Debtors intend to seek entry of, among other things, a final order approving the DIP Facility (the "**Final DIP Order**"). A copy of the draft Final DIP Order is attached as **Appendix "B"**.

12. Although the Debtors initially intended to seek entry of a final order authorizing the continued use of their cash management system at the October US Hearing, in the form substantially attached as Exhibit "B" to the Fourth Zalev Affidavit, such relief has been adjourned to a hearing date to be determined so that interested parties may continue their negotiations regarding the final form of order. A revised interim order in respect of the cash management system was submitted to

the U.S. Bankruptcy Court on October 9, 2026, under certification of counsel and subsequently entered without a hearing on October 12, 2026 (the "**Third Interim Cash Management Order**"). A copy of the entered Third Interim Cash Management Order is attached as **Appendix "C"**.

13. The Foreign Representative has brought a motion returnable October 15, 2026 (the "**Third Recognition Hearing**"), for an order (the "**Third Recognition Order**") recognizing and giving effect in Canada to the Second Interim DIP Order, the Third Interim Cash Management Order[2] and, to the extent that it is entered, the Final DIP Order (collectively with the Second Interim DIP Order, the "**Foreign Orders**").

14. The Foreign Orders and their effect on De Cloet are described in Section 4.0, below.

## 1.1 Purposes of this Second Report

1. The purposes of this report (the "**Second Report**") are to provide:

   a) an update on the Chapter 11 Cases;

   b) a summary of the Foreign Orders;

   c) the Information Officer's views regarding the Foreign Representative's motion for the Third Recognition Order; and

   d) the Information Officer's recommendation that the Court grant the relief sought by the Foreign Representative.

## 1.2 Scope and Terms of Reference

1. In preparing this Second Report, the Information Officer has relied upon unaudited financial information prepared by the Debtors' representatives, the Debtors' books and records, the affidavits of Adam Zalev sworn August 19, 2026, August 21, 2026, September 11, 2026, and October 8, 2026 (the "**Fourth Zalev Affidavit**" and, collectively, the "**Zalev Affidavits**"), the affidavits of Joshua Gordon sworn August 21, 2026, and September 15, 2026 (collectively, the "**Gordon Affidavits**"), in these CCAA Recognition Proceedings, the declaration of Adam Zalev dated August 19, 2026, filed in the Chapter 11 Cases (the "**First Day Declaration**"), the First Day Orders, the September 14 Orders, the Foreign Orders, the motion materials and

[2] At the time the Foreign Representative served its Motion Record seeking the Third Recognition Order on October 8, 2026, the Foreign Representative intended to seek recognition of a final order in respect of the cash management system. In light of the U.S. Bankruptcy Court's subsequent entry of the Third Interim Cash Management Order on October 12, 2026, the Foreign Representative has advised the Information Officer that it will be seeking recognition of the Third Interim Cash Management Order to maintain the status quo pending further developments in the Chapter 11 Cases regarding this relief.

declarations filed in respect of the First Day Orders, the September 14 Orders, and the Foreign Orders, additional documents and information filed on the U.S. Docket (as defined below), and discussions with, and other information and documents provided by, the CRO, the Debtors' management, Canadian counsel to the Foreign Representative, and other parties.

2. The Information Officer has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Second Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook (the "**Handbook**") and, accordingly, the Information Officer expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Additionally, the Information Officer has not examined or reviewed any forecasts or projections referred to in this Second Report in a manner that would comply with the procedures described in the Handbook.

3. Future oriented financial information relied upon in this Second Report is based on the Debtors' assumptions regarding future events; actual results achieved may vary from this information and those variations may be material.

4. Additional detail regarding the Debtors, their business, corporate structure, prepetition capital structure, and the circumstances leading to the Chapter 11 Cases is provided in the Zalev Affidavits, the First Day Declaration, and the Pre-Filing Report (as defined below).

5. The First Day Declaration, First Day Motions, First Day Orders, September 14 Orders, and other information regarding the Chapter 11 Cases are available on the case website maintained by Epiq Corporate Restructuring, LLC, the Debtors' claims and noticing agent, at https://dm.epiq11.com/case/bfgsupply/info (the "**U.S. Docket**").

6. AlixPartners, in its capacity as proposed Information Officer, filed with the Court a report dated August 26, 2026 (the "**Pre-Filing Report**"), and, in its capacity as Information Officer, a report dated September 16, 2026 (the "**First Report**") to provide the Court with, among other things, certain background information with respect to De Cloet and the Chapter 11 Cases. Copies of the Pre-Filing Report and First Report (without Appendices) are attached as **Appendix "D"** and **Appendix "E"**, respectively. Those reports, along with other Court-filed documents in the CCAA Recognition Proceeding, are available on the Information Officer's case website at: https://cdncases.alixpartners.com/experience/case/DeCloet-Greenhouse (the "**Case Website**").

### 1.3 Currency

1. Unless otherwise stated, all currency references in this Second Report are to U.S. dollars.

### 1.4 Defined Terms

1. Except as otherwise set out herein, capitalized terms used and not otherwise defined in this Second Report have the respective meanings ascribed to them in the Zalev Affidavits, the Pre-Filing Report, or the First Report, as applicable.

## 2.0 Background

### 2.1 The Debtors and their Business

1. The Debtors operate a wholesale distribution platform serving the professional green industry throughout the United States and Canada. The business was established in 1972 in Burton, Ohio and has expanded through organic growth and acquisitions into a diversified distributor of lawn and garden products, greenhouse supplies, nursery products, controlled-environment agriculture products, greenhouse structures and related horticultural equipment.

2. Distribution is conducted through both warehouse fulfillment operations and vendor-direct arrangements. The Debtors also operate complementary business lines, including greenhouse manufacturing through De Cloet, greenhouse construction and installation services, and the Greenhouse Megastore eCommerce platform.

3. The Debtors have expanded their operations through a series of acquisitions, including the acquisition of a portion of the wholesale distribution business of Central Garden & Pet Company in July 2023 and the acquisition of the distribution business of V-G Supply Co. in 2024.

4. The Debtors operate 19 distribution, manufacturing and service facilities across the United States and Canada and maintain their principal offices in Burton, Ohio. The Debtors own three facilities located in Danville, Illinois, Kalamazoo, Michigan, and Simcoe, Ontario, with the remaining facilities leased in the United States. As of the Petition Date, the Debtors employed approximately 461 employees, including approximately 30 employees employed by De Cloet in Canada.

5. BFG Supply is the principal operating entity for substantially all of the Debtors' wholesale distribution activities and, directly or indirectly, owns the Debtors' operating subsidiaries. The Debtors are held indirectly by BFG Supply Investment Holdings, LP, whose principal equity investor is Pamplona Equity Partners, L.P., together with certain rollover investors. The Debtors' Canadian operations are held through BFG Supply Canada Holdings, Inc., a Delaware corporation, which owns all of the issued and outstanding shares of De Cloet.

## 2.2 De Cloet's Business

1. De Cloet is an Ontario corporation formed by amalgamation on July 1, 2022, under the *Business Corporations Act* (Ontario), being the amalgamation of its predecessor of the same name and BFG Supply Canada Corp. De Cloet was acquired by the Debtors in 2021. Its registered office is located at 1805 Charlotteville West Quarterline, Simcoe, Ontario (the "**Canadian Facility**"), which, together with the adjoining property municipally known as 1809 Charlotteville West Quarterline, Simcoe, Ontario, is owned by De Cloet (the "**Simcoe Property**").

2. De Cloet designs and manufactures made-to-order commercial greenhouse structures and systems. It manufactures exclusively from the Canadian Facility and serves customers in Canada and the United States.

3. De Cloet employs approximately 30 employees (the "**Canadian Employees**"), all of whom are employed on a full-time basis at the Canadian Facility and none of whom are unionized. Fifteen of the Canadian Employees are remunerated on an hourly basis and fifteen are salaried, and the group includes a three-person sales team and a limited management team that provides day-to-day operational oversight subject to the direction of the Debtors' leadership team in the United States. De Cloet also engages independent contractors on an as-needed, project specific basis.

4. The majority of De Cloet's sales are generated by BFG Supply's sales representatives marketing De Cloet's products to customers of the U.S. Debtors, with customers located in the United States historically comprising more than two-thirds of De Cloet's customers. Sales into the United States were historically fulfilled through BFG Supply or the Greenhouse Megastore platform, with a mark-up commission payable to the U.S. Debtors. In August 2024, the Debtors modified that structure so that orders originating with the U.S. Debtors' sales representatives were priced and documented in conjunction with the local De Cloet team, with a commission payable by De Cloet to the U.S. entity employing the originating representative. In both the original and revised commission and pricing structures, the majority of sales of De Cloet were sold and invoiced to third party customers through the U.S. Debtors.

5. De Cloet relies on the other Debtors for certain services necessary to operate and manage its Canadian business, including financial planning, strategic decision-making, management of its online commerce platform, insurance, information technology and procurement of sales of its products and services.

6. De Cloet contributed revenue of approximately $12.2 million in fiscal 2026, being 2.3% of the Debtors' consolidated revenue of approximately $536.5 million, having increased from approximately $9.1 million in fiscal 2024.

7. As at the Petition Date, the Debtors were subject to approximately $342.6 million of secured indebtedness, in respect of which De Cloet is a borrower or guarantor, as applicable, and in support of which it has granted security over its assets.

8. The Information Officer understands that De Cloet has continued to carry on its business in the ordinary course at the Canadian Facility since the Petition Date. The Information Officer has not been advised of any termination of Canadian Employees or of any material disruption to De Cloet's operations, supply arrangements or customer relationships. Further, the Information Officer is not aware of any sales outside of the ordinary course with respect to De Cloet's Canadian Property and understands that no liquidations have been commenced in Canada.

# 3.0 Updates regarding the Chapter 11 Cases[3]

## 3.1 Going Concern Sale Process

1. As set out in more detail at Section 4.5 of the Pre-Filing Report and Section 3.3 of the First Report, the Debtors commenced the Chapter 11 Cases, in part, to pursue a court-supervised marketing and sale process for some or all of their businesses and assets on a going-concern basis. To that end, the Debtors sought and obtained a Bidding Procedures Order from the U.S. Bankruptcy Court establishing the procedures for interested parties to submit bids ("**Bidding Procedures**"), which was recognized by this Court pursuant to the Second Recognition Order. The Bidding Procedures allow for De Cloet's business to be bid on separately from the other Debtors' assets and businesses.

[3] Capitalized terms not otherwise defined in this Section have the meaning ascribed to them in the applicable order.

2. Any interested party wishing to submit a bid to serve as a stalking horse bid for all or part of the Debtors' business as part of the sale process was required to submit their bid on or before September 28, 2026, and any other Qualified Bids were due on or before October 2, 2026. In the event that multiple Qualified Bids were received for all or part of the Debtors' business or assets, an auction was scheduled to take place on October 6, 2026.

3. The Debtors received three separate stalking horse bids in respect of non-Canadian assets or business segments. No Qualified Bids other than those three stalking horse bids, including standalone Qualified Bids for De Cloet's assets or business, were received by the October 2 bid deadline.

4. After consulting with the Consultation Parties (being the DIP Agent, the Prepetition Term Loan Secured Parties, and the UCC), the Debtors designated each Stalking Horse Bidder as the successful bidder for its respective assets and business segments and cancelled the auction scheduled for October 6, 2026.

5. While no Qualified Bids were received in respect of De Cloet's assets or business, the Debtors received multiple expressions of interest in respect thereof. The Information Officer understands that the Debtors and their advisors are continuing discussions with those interested parties and will provide a further report to Court in respect of any going-concern sale of De Cloet's assets or business should a sale agreement involving De Cloet be executed.

### 3.2 Cure Costs Notice in respect of De Cloet

1. In connection with the going-concern sale process and as contemplated by the Bidding Procedures Order, the Debtors identified applicable contracts and leases that may be assigned to potential purchasers and calculated the estimated cure costs with respect to each such contract.

2. A notice in respect thereof was filed by the Debtors in the Chapter 11 Cases on September 16, 2026, which identified two contracts to which De Cloet is a party.

3. The Information Officer understands that notices in respect thereof were served on each counterparty via email, where available, and first class mail where email was not available.

4. In accordance with the Bidding Procedures Order, counterparties to contracts listed in the September 16 cure cost notice were given until September 30, 2026, to object to the proposed cure costs. Absent a proper objection, the cure costs set out in the notice would become binding.

5. The Information Officer understands that one of the two De Cloet counterparties listed in the cure cost notice filed a limited objection in the Chapter 11 Cases. The Information Officer further understands that a resolution in respect thereof has not been reached at this time.

6. If additional contracts and leases are identified, a new notice will be served and a further, similar process will be conducted in respect of those additional contracts and leases (as is as contemplated by the Bidding Procedures Order).

### 3.3 Bar Date Motion

1. On September 30, 2026, the Debtors filed a motion in the Chapter 11 Cases (the "**Bar Date Motion**"), seeking entry of a proposed order that would, among other things approve the procedures and deadlines for creditors to file proofs of claim against the Debtors (the "**Bar Date Order**"). The Bar Date Motion was originally scheduled to be heard at the October US Hearing, and has since been adjourned. Accordingly, the dates set out in the Bar Date Order are subject to change. The Bar Date Motion is currently scheduled to be heard before the U.S. Bankruptcy Court on October 27, 2026.

2. Given that the Bar Date Motion will be heard after the Third Recognition Hearing, no relief in respect thereof is being sought by the Foreign Representative on this motion. The Information Officer understands that, if the Bar Date Order is entered by the U.S. Bankruptcy Court, the Foreign Representative intends to return to this Court to seek its recognition in Canada, in which case the Information Officer intends to provide a further update to the Court with respect to the proposed Bar Date Order (and any bar dates contained therein) in a subsequent report.

## 4.0 The Foreign Orders[4]

### 4.1 The Second Interim DIP Order and Final DIP Order

1. Pursuant to the Interim DIP Order, the Debtors were authorized to obtain postpetition financing under the DIP Facility in accordance with the terms of the DIP Credit Agreement, and to use the Cash Collateral of the Prepetition Secured Creditors. Under the Interim DIP Order, the DIP Facility provided interim availability of $22 million, of which approximately $8 million was new money. The Interim DIP Order is

[4] Capitalized terms not otherwise defined in this Section have the meaning ascribed to them in the applicable order. The summaries of the Foreign Orders are intended solely for informational purposes to provide the Court and parties-in-interest with an overview of certain incremental modifications since the entering of the interim orders. The summaries are qualified in their entirety by the actual terms of the Foreign Orders, and stakeholders are encouraged to review their terms in their entirety.

described further in the Pre-Filing Report at Sections 5.0 and 6.0 and was recognized by this Court pursuant to the Supplemental Order.

2. As noted above, the Second Interim DIP Order was entered by the U.S. Bankruptcy Court on September 28, 2026, to preserve the status quo pending the determination of the UCC Objection. The material terms of the Second Interim DIP Order include the following:

   a) prior to the entry of the Final DIP Order, the Debtors are authorized to request extensions of credit under the DIP Facility up to an aggregate principal amount of $55 million at any one time outstanding (increased from $22 million in the Interim DIP Order), subject to the DIP Loan Documents and the Approved Budget;

   b) the Creeping Roll-Up continues, whereby cash, collections and proceeds of DIP Collateral (other than Prepetition Term Loan Priority Collateral) are applied to reduce the Prepetition Revolving Loans, with a corresponding increase in availability under the DIP Facility. For clarity, the Full Roll-Up (which includes the deemed repayment of the remaining Prepetition Revolving Loans) remains subject to the entry of the Final DIP Order and subject to any challenges that may be brought thereunder;

   c) all objections to the interim relief, other than the UCC Objection, were overruled to the extent not withdrawn or resolved, and the UCC Objection is expressly preserved and deferred to the final hearing;

   d) the deadline for parties in interest (including the UCC) to commence a Challenge is November 3, 2026, and, solely for the UCC in respect of the Prepetition Term Loan Secured Parties and related obligations, liens and collateral, December 3, 2026, in each case subject to extension; and

   e) the Debtors are required to set aside, as adequate protection, $84,517.41 in a segregated account for the benefit of certain jurisdictions in Texas on account of their statutory liens in respect of ad valorem taxes.

3. As set out in the Fourth Zalev Affidavit, the proposed form of Final DIP Order filed on October 9, 2026, would, if entered, amend the relief granted in the Second Interim DIP Order to, among other things:

   a) grant the relief on a final rather than interim basis;

   b) approve the Full Roll-Up;

   c) waive certain limitations and provisions of the Bankruptcy Code and include the proceeds of avoidance actions in the collateral package in favour of the DIP Lender;

d) preserve the rights of the Committee to object to payment of fees, costs and charges of the Prepetition Term Loan Secured Parties;

e) require that proceeds of the collateral of the Prepetition Term Loan Secured Parties be segregated and establish a process pursuant to which the Prepetition Secured Creditors may dispute the allocation thereto; and

f) waive certain rights related to marshaling and surcharge of collateral that would otherwise be available under the U.S. Bankruptcy Code.

4. De Cloet is a borrower under the DIP Facility and, as described in the Pre-Filing Report, its cash and collections are applied to reduce amounts outstanding under the Prepetition Revolving Loans, other than a minimum of approximately C$500,000 that De Cloet is permitted to retain in its accounts to fund its day-to-day operations and preserve the going-concern value of the Canadian business.

5. The Information Officer understands that as of the date of this Second Report, De Cloet has not drawn on the DIP Facility.

6. The Information Officer supports the recognition of the Second Interim DIP Order as the DIP Facility is required to fund the Debtors' operations (which are highly integrated with those of De Cloet), the sales process, and the administration of the Chapter 11 Cases and these CCAA Recognition Proceedings, and the Information Officer understands that no alternative financing was available to the Debtors on an unsecured, junior lien or priming basis. Further, Canadian stakeholders are not treated differently from U.S. stakeholders.

7. The Final DIP Order, if entered in the form filed with the U.S. Bankruptcy Court on October 9, 2026, would provide for the Full Roll-Up of the remaining Prepetition Revolving Loans into DIP Obligations, which the Information Officer understands was a condition of the DIP Lenders' agreement to provide the DIP Facility. While the rolled-up DIP Obligations will be secured by the Canadian Facility and the Simcoe Property (which did not secure the Prepetition Revolving Loans), the Information Officer is of the view that the Full Roll-Up does not alter the relative priority of the secured interests in De Cloet's Property, as the rolled-up obligations rank subordinate to the Term Loan Facility obligations secured by the Simcoe Property, which greatly exceed its estimated value, and also rank subordinate to the encumbrances in favour of Royal Bank of Canada and Toyota Industries Commercial Finance Canada as described in the Information Officer's Pre-Filing Report.

8. The Information Officer intends to file a supplement to this Second Report in the event that a form of Final DIP Order that differs materially from the form filed with the U.S. Bankruptcy Court on October 9, 2026, is entered by the U.S. Bankruptcy Court prior to the Third Recognition Hearing.

## 4.2 The Third Interim Cash Management Order

1. Pursuant to the Interim Cash Management Order, the Debtors were authorized to, among other things:

    a) continue using their existing cash management system, bank accounts and business forms;

    b) pay certain related prepetition obligations up to a maximum amount of $25,000;

    c) continue to perform intercompany transactions in the ordinary course of business; and

    d) obtain a limited waiver of the deposit and investment requirements under section 345(b) of the U.S. Bankruptcy Code, which requires deposit and investment accounts to be insured, collateralized or bonded, unless a waiver is provided.

2. The Second Interim Cash Management Order, which was recognized by this Court pursuant to the Second Recognition Order, effectively has preserved the status quo pending a resolution with respect to the Final Cash Management Order. The terms of the Second Interim Cash Management Order were not substantively modified from the Interim Cash Management Order.

3. The Information Officer understands that the Debtors continue to negotiate the terms of the Final Cash Management Order with their stakeholders, including the U.S. Trustee.

4. The Third Interim Cash Management Order, which was entered without a hearing, under the certification of counsel, contains no substantive changes to the Second Interim Cash Management Order.

5. The Information Officer supports the recognition of the Third Interim Cash Management Order as it is largely administrative in nature, is consistent with the interim orders previously recognized by this Court and permits De Cloet and the other Debtors to continue to operate their cash management system in the ordinary course.

## 5.0 Activities of the Information Officer

1. The activities of the Information Officer since the date of the First Report have included:

    a) monitoring the U.S. Docket and reviewing the materials filed in the Chapter 11 Cases;

    b) reviewing the Foreign Orders together with the related motion materials, and considering their effect on De Cloet, its Business, its Property and its Canadian stakeholders;

    c) reviewing and commenting upon the materials filed in support of the motion returnable at the Third Recognition Hearing;

    d) receiving updates regarding De Cloet's business from its management and the CRO;

    e) conferring with De Cloet and Reflect regarding the entry into new contracts, including the treatment of deposits;

    f) receiving updates from Reflect and SSG Advisors, LLC, in respect of the marketing and sale process of the Debtors' business, including De Cloet;

    g) responding to enquiries from creditors and other stakeholders of De Cloet;

    h) corresponding with the CRO, Canadian counsel to the Foreign Representative and its independent counsel in respect of the Chapter 11 Cases and the CCAA Recognition Proceedings; and

    i) preparing this Second Report.

## 6.0 Conclusion and Recommendation

1. For the reasons set out in this Second Report, the Information Officer respectfully recommends that this Court grant the Third Recognition Order sought by the Foreign Representative.

* * *

DATED at Toronto, Ontario, this 13 day of October, 2026.

*AlixPartners Restructuring, Inc.*

**ALIXPARTNERS RESTRUCTURING, INC.**
**IN ITS CAPACITY AS INFORMATION OFFICER OF**
**DE CLOET GREENHOUSE MFG. LTD.**
**AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**

# Appendix “A”

Electronically issued / Délivré par voie électronique : 20-Sep-2026 Court File No./N° du dossier du greffe: CL-26-00000372-0000
Superior Court of Justice - Toronto - Commercial List / Cour supérieure de justice

Court File No. CL-26-00000372-0000

***ONTARIO***
**SUPERIOR COURT OF JUSTICE**
**(COMMERCIAL LIST)**

| | | |
|---|---|---|
| THE HONOURABLE | ) | FRIDAY, THE 18TH |
| | ) | |
| JUSTICE DUNPHY | ) | DAY OF SEPTEMBER, 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 September 11, 2026 (the "**Third Zalev Affidavit**"), the Affidavit of Joshua Gordon sworn August 21, 2026, the Affidavit of Joshua Gordon sworn September 15, 2026, and the First Report of AlixPartners Restructuring, Inc., in its capacity as the information officer (in such capacity, the "**Information Officer**"), dated September 16, 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 Natalie Levine sworn September 11, 2026, filed:

**SERVICE AND DEFINITIONS**

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.

2. **THIS COURT ORDERS** that capitalized terms used herein and not otherwise defined have the meaning given to them in the Third Zalev Affidavit.

**RECOGNITION OF FOREIGN ORDERS**

3. **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" to "K" (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) *Final 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*;

(b) *Final Order (I) Authorizing the Debtors to Pay Prepetition Claims of Certain Critical Vendors and (II) Granting Related Relief*;

(c) *Final 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*;

(d) *Final Order (I) Authorizing the Payment of Certain Taxes and Fees and (II) Granting Related Relief*;

(e) *Final 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*;

(f) *Final 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*;

(g) *Second 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 A Limited Waiver of Section 345(B) Deposit and Investment Requirements, and (III) Granting Related Relief*;

(h) *Final Order (I) Authorizing the Debtors to Honor, Maintain, and Administer the Customer Programs and Related Prepetition Business Practices, and (II) Granting Related Relief*;

(i) *Order (I) Approving Bidding Procedures For the Sale of Substantially All of the Debtors' Assets, (II) Authorizing The Debtors to Designate a Stalking Horse Bidder and to Provide Bid Protections, (III) Scheduling An Auction and Approving the Form and Manner of Notice Thereof, (IV) Approving Assumption and Assignment Procedures, (V) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof, and (VI) Granting Related Relief*;

(j) *Order Authorizing the Debtors to File Under Seal the Fee Letters Related to the DIP Facility*; and

(k) *Order (I) Approving the Retention and Employment of Reflect Advisors, LLC to Provide the Debtors with a Chief Restructuring Officer and Additional Staff Effective as of the Petition Date; (II) Designating Adam Zalev as the Chief*

*Restructuring Officer to the Debtors; and (III) Granting Related Relief* (the "**Reflect Retention Order**"),

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 "**Canadian Recognition Proceeding**"), 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.

**ENGAGEMENT OF CHIEF RESTRUCTURING OFFICER**

4. **THIS COURT ORDERS** that none of Reflect Advisors, LLC ("**Reflect**"), any of their employees, directors, officers or shareholders, or Adam Zalev, as Chief Restructuring Officer of the Debtors (the "**CRO**"), shall be, or shall be deemed to be, a director, *de facto* director, employee or trustee of the Canadian Debtor, unless consented to in writing by such Person (as defined in the Supplemental Order) and approved by the Court or as may otherwise be ordered by the Court on notice to such Person, the CRO, the Foreign Representative and the Information Officer on at least seven (7) days' notice prior to the return date of any such motion.

5. **THIS COURT ORDERS** that neither Reflect nor the CRO shall, as a result of the performance of their respective obligations and duties in accordance with the terms of the CRO Engagement Letter between the CRO and the Debtors dated July 22, 2026 (the "**Engagement Letter**"), be deemed to be in possession of any Property within the meaning of any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination; provided, however, that if Reflect or the CRO is nevertheless found to be in possession of any such Property, then Reflect and/or the CRO, as applicable, shall be entitled to the benefits and protections in relation to the Canadian Debtor and such Property as are provided to a monitor under Section 11.8(3) of the CCAA; provided further, however, that nothing herein shall exempt Reflect and/or the CRO from any duty to report or make disclosure imposed by law incorporated by reference in Section 11.8(4) of the CCAA

6. **THIS COURT ORDERS** that no proceeding shall be commenced in Canada directly, or by way of counterclaim, third party claim or otherwise against or in respect of Reflect or the CRO related to the performance of its duties and obligations in any Order granted in this Canadian

Recognition Proceeding, and all rights and remedies of any Person against or in respect of them in Canada are hereby stayed and suspended, except with the written consent of Reflect, and/or the CRO, or with leave of this Court on notice to the Foreign Representative, the Information Officer and the CRO, as applicable. Notice of any such motion seeking leave of this Court shall be served upon the Foreign Representative, the Information Officer and the CRO, as applicable, at least seven (7) days prior to the return date of any such motion for leave.

7. **THIS COURT ORDERS** that neither Reflect nor the CRO shall have any liability in Canada with respect to any losses, claims, damages or liabilities, of any nature or kind, to any Person from and after the date of this Order to the extent arising from the CRO's performance of its duties and obligations in respect of the Canadian Debtor, except as specified in the Engagement Letter or the Reflect Retention Order, or as may otherwise be ordered by the Court on notice to the CRO, the Foreign Representative, and the Information Officer on at least seven (7) days' notice prior to the return date of any such motion.

**GENERAL**

8. **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.

9. **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.

10. **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"**
**Final Liquidation Procedures Order**

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

| | |
|---|---|
| In re:<br><br>BFG Supply Co., LLC, *et al.*,<br><br>Debtors.1 | Chapter 11<br><br>Case No. 26-11284 (CTG)<br><br>(Jointly Administered)<br><br>**Related Docket Nos. 11, 57** |

**FINAL 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**

Upon the *Debtors' Motion for Interim and Final Orders (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 "Motion")[2] filed by the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") and pursuant to sections 105(a), 363, 365, and 554 of the Bankruptcy Code and Bankruptcy Rules 6003, 6004, and 6007; and this Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334(b), and the *Amended Standing Order of Reference* from the United

[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, or 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], as applicable.

States District Court for the District of Delaware dated as of February 29, 2012; and this Court having found that venue of these cases and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and this Court having found that due and sufficient notice of the Motion has been given under the particular circumstances and that no other or further notice of the Motion need be given; and this Court having determined that it may enter a final order consistent with Article III of the United States Constitution; and upon consideration of the First Day Declaration; and a hearing having been held to consider the relief requested in the Motion; and upon the record of the hearing and all of the proceedings had before this Court; and this Court having found and determined that the relief sought in the Motion is in the best interest of the Debtors, their estates, their creditors and all other parties in interest; and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby

**FOUND, CONCLUDED, AND DETERMINED THAT:**[3]

A. The Debtors have advanced sound business reasons for commencement of the Sales and the assumption of the Consulting Agreement as set forth in the Motion and at the hearing, and assumption of the Consulting Agreement is a reasonable exercise of the Debtors' business judgment and is in the best interest of the Debtors and their estates.

B. The Consulting Agreement was negotiated, proposed, and entered into without collusion, in good faith, and from arm's length bargaining positions.

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

C. The Sales of Assets in accordance with this Final Order, and with the assistance of the Consultant, will provide an efficient means for the Debtors to orderly and efficiently liquidate and dispose of the Assets in an orderly and efficient manner and are in the best interest of the Debtors' estates.

D. The Debtors and the Consultant may sell the Assets free and clear of all liens, claims, encumbrances, or other interests (the "Encumbrances") as provided for herein because, in each case, one or more of the standards set forth in section 363(f)(1)–(5) of the Bankruptcy Code has been satisfied. The DIP Agent and applicable Prepetition Agent (i) hold the DIP Liens and Prepetition Liens (as defined in the DIP Order) for the benefit of the DIP Lenders and the applicable Prepetition Secured Creditors, respectively, on the property to be sold and such liens shall attach to the proceeds of all Sales of Assets, net of the Consultant Payment Obligations, in the priorities set forth in the DIP Order, including the Lien Priority Annex set forth therein (and any applicable Order granted in the recognition proceeding pending before the Ontario Superior Court of Justice (Commercial List) (the "Recognition Proceedings")); and (ii) have consented to the relief requested in the Motion in accordance with the terms set forth herein. The Debtors are authorized on a final basis to apply or reserve the proceeds of the Assets, net of the Consultant Payment Obligations, in accordance with the DIP Order, and to pay the Consultant Payment Obligations in a timely manner in accordance with the Consulting Agreement and this Final Order. Those holders of any such Encumbrances who did not object, or who withdrew their objections, to the entry of this Final Order are deemed to have consented thereto pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of any such Encumbrances who did object fall within one or more of the other subsections of section 363(f) and are adequately protected by having such Encumbrances attach to the proceeds of the sale of the applicable Assets, net of the Consultant

Payment Obligations, with the same validity and priority and to the same extent and in the same amount that any such Encumbrances had with respect to such Assets, immediately prior to such sale, and subject to the same rights, claims, defenses, and objections, if any, of all parties with respect thereto (including the Consultant) and subject to the terms of the DIP Order.

E. The Debtors have demonstrated good, sufficient, and sound business purposes and justifications for the relief approved herein.

F. The entry of this Final Order is in the best interest of the Debtors and their estates, creditors, and all other parties in interest herein.

**BASED ON THE FOREGOING FINDINGS OF FACT AND CONCLUSIONS OF LAW, IT IS HEREBY ORDERED THAT:**

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

2. The Debtors and the Consultant are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Final Order. The failure to specifically include any particular provision of the Consulting Agreement in this Final Order shall not diminish or impair the effectiveness of such provisions, it being the intent of this Court that the Consulting Agreement and all of its provisions, payments, and transactions, be and hereby are authorized and approved as and to the extent provided for in this Final Order. To the extent that there is any conflict between this Final Order, the Consulting Agreement, or any other agreement governing the Sales, the terms of this Final Order shall control over all other documents, and shall control over the Consulting Agreement.

**A. Assumption of the Consulting Agreement by the Debtors**

3. The Consulting Agreement, a copy of which is attached to the Motion as **Exhibit C**, is hereby assumed pursuant to sections 363 and 365 of the Bankruptcy Code on a final basis. The Debtors are authorized to act and perform in accordance with the terms of the Consulting

Agreement, including making payments required by the Consulting Agreement to the Consultant (including, without limitation, the Advisory Fee, Inventory Fee, Fixed Asset Commission, Receivables Fee), reimbursement of the Consultant Expenses, and, subject to the provisions contained herein, payment of indemnification amounts, in each case, as provided for in the Consulting Agreement without the need for any application of the Consultant or a further order of this Court (and all such payments of fees and reimbursement of expenses (collectively, the "Consultant Payment Obligations") shall be free and clear of any and all Encumbrances).

4. Consultant may, without further order of the Court, withhold the Consultant Payment Obligations from the Gross Proceeds generated from the Sales in accordance with the terms of the Consulting Agreement and any expense budget approved in connection therewith, without the need for any application of the Consultant, or a further order of the Court, and without adherence to any weekly, monthly, or aggregate limitation in any interim or final order approving the postpetition financing (the "DIP Orders"), other order, or any budget approved in connection with a DIP Order (each a "DIP Budget"), cash collateral or other budget entered in connection with the Debtors' chapter 11 case (collectively, an "Approved Budget"), provided however that the payment of the Consultant Payment Obligations shall be (a) deemed to be in compliance with any Approved Budget and the applicable provisions of the DIP Order; and (b) included in each Approved Budget. To the extent there is any conflict or inconsistency between this Final Order and the DIP Orders, the Consultant's rights under this Final Order regarding the payment of Consultant Payment Obligations shall be governed by this Order.

5. If Consultant Payment Obligations are not timely paid as contemplated by the Consulting Agreement and this Final Order (for any reason) (the "Unpaid Consultant Payment Obligations"), after five (5) business days' notice and opportunity to cure, which notice shall be

provided simultaneously to the DIP Agent, the Prepetition Term Loan Agent, and counsel to the Official Committee of Unsecured Creditors (the "Committee"), the Consultant can, at its election, suspend the provision of services until the Debtors have paid all outstanding Unpaid Consultant Payment Obligations and replenished any portion of the Prepayment that has been exhausted by the Consultant, provided that (x) if, within such five (5) business day period, the Debtors pay all undisputed Unpaid Consultant Payment Obligations and provide the Consultant with written notice, together with copies to the DIP Agent, the Prepetition Term Loan Agent, and counsel to the Committee, that the Debtors dispute in good faith the existence or amount of any remaining Unpaid Consultant Payment Obligations, the Consultant shall not suspend the provision of services on account of such disputed amount and shall be limited to the remedy of filing a motion to compel payment set forth below with respect to such disputed amount, and (y) before actually suspending the provision of services on account of any undisputed Unpaid Consultant Payment Obligations, the Consultant shall provide not less than two (2) business days' further written notice of its intent to do so to the Debtors, the DIP Agent, the Prepetition Term Loan Agent, and counsel to the Committee, during which period any such party may seek emergency relief from the Court. The Consultant shall have no liability for any claims arising from such suspension of services and the Consultant shall be indemnified for any damages caused by the suspension of services, provided that such release and indemnification shall not apply to the extent the Court determines that the underlying Unpaid Consultant Payment Obligations were not, in fact, due and owing; provided further, that the Consultant may not recover the amount of any such claim (other than Unpaid Consultant Payment Obligations) from any advances or any other amounts on deposit in the advance funding account, whether by setoff, lien, attachment or otherwise without the prior written consent of the DIP Agent. In addition, the Consultant will have the right to file a motion to compel

payment of any Unpaid Consultant Payment Obligations on expedited one-day notice with an expedited hearing, subject to Court availability (provided however, that with respect to the assets of De Cloet Mfg. Ltd. such motion shall be subject to the terms of the orders granted in the Recognition Proceedings).

6. The Debtors, with the assistance of the Consultant, shall maintain accurate records of all Term Loan Priority Collateral[4] proceeds realized during the Sale Term, including records sufficient to identify (i) the specific items of Term Loan Priority Collateral sold or otherwise subject to disposition, (ii) the identity of the purchaser and the date of each such sale or disposition, and (iii) the gross proceeds attributable to each such sale or disposition. The Debtors, with the assistance of the Consultant, shall maintain such records in a form that permits the segregation and identification of Term Loan Priority Collateral proceeds from proceeds attributable to other Assets.

7. Commencing on the fourteenth (14th) day following the date of entry of the Final Order and continuing every two (2) weeks thereafter through the Sale Termination Date (and, if the Receivables Services extend beyond the Sale Termination Date, every two (2) weeks through the conclusion of such services with respect to any Receivables constituting Term Loan Priority Collateral), the Debtors shall deliver to counsel to the DIP Agent and Prepetition Agent, counsel to the Prepetition Term Loan Secured Parties, and counsel to the Committee, a written report setting forth: (i) a summary of all Term Loan Priority Collateral sold or otherwise disposed of during the applicable reporting period; (ii) the aggregate gross proceeds realized from such sales or dispositions during the applicable reporting period; (iii) the aggregate Consultant Payment Obligations paid or withheld from Gross Proceeds during the applicable reporting period; and

[4] "Term Loan Priority Collateral" shall have the meaning ascribed to it in the Intercreditor Agreement (as defined in the DIP Order).

(iv) the cumulative gross proceeds realized from the sale or disposition of Term Loan Priority Collateral from the Start Date through the end of the applicable reporting period.

8. All parties' rights are reserved to challenge, contest, or otherwise object to (i) the characterization or classification of any collateral or proceeds thereof as Term Loan Priority Collateral, ABL Priority Collateral (as defined in the Intercreditor Agreement), or otherwise, and (ii) the allocation of any Consultant Payment Obligations to any such collateral.

**Authority to Engage in the Sales**

9. The Debtors are authorized, pursuant to section 105(a) and section 363(b)(1) of the Bankruptcy Code, to continue to conduct the Sales in accordance with this Final Order (as may be modified by a Side Letter) and the Consulting Agreement. Subject to the restrictions set forth in this Final Order, the Debtors and the Consultant are authorized to take any and all actions as may be necessary or desirable to implement the Consulting Agreement, the Sales, and each of the transactions contemplated by the Consulting Agreement, and any actions taken by the Debtors and the Consultant necessary or desirable to implement the Consulting Agreement or the Sales prior to the date of this Final Order are approved and ratified to the extent not inconsistent with this Final Order.

10. Notwithstanding anything to the contrary in the Consulting Agreement, the Debtors and their estates shall not indemnify the Consultant for any damages arising primarily out of the Consultant's fraud, willful misconduct, or gross negligence.

11. All entities that are presently in possession of some or all of the Assets in which the Debtors hold an interest that are or may be subject to the Consulting Agreement or this Final Order hereby are directed to surrender possession of such Assets to the Debtors.

12. Except as provided herein, neither the Debtors nor the Consultant nor any of their officers, employees, or agents shall be required to obtain the approval of any third party, including

(without limitation) any governmental unit (as defined in section 101(27) of the Bankruptcy Code) (a "Governmental Unit"), to conduct the Sales or to take any related actions authorized herein. Subject to the terms of this Final Order, each Governmental Unit with regulatory authority over the Sales shall consider this Final Order as binding authority that no further approval, license, or permit of any governmental unit shall be required, nor shall the Debtors be required to post any bond, to conduct the Sales.

**Conducting the Sales**

13. All newspapers and other advertising media in which the Sales may be advertised and all parties are directed to accept this Final Order as binding authority so as to authorize the Debtors and the Consultant to conduct the Sales pursuant to the Consulting Agreement, including, without limitation, to conduct and advertise the sale of the Assets in the manner contemplated by and in accordance with this Final Order and the Consulting Agreement.

14. The Debtors and the Consultant are hereby authorized, pursuant to sections 105(a) and 363(b)(1) of the Bankruptcy Code, to take such actions as may be necessary and appropriate to implement the Consulting Agreement and, notwithstanding any applicable non-bankruptcy laws, to conduct the Sales without the need for a further order of this Court as provided in this Final Order and the Consulting Agreement.

15. Except as expressly provided in the Consulting Agreement or this Final Order, the sale of the Assets shall be conducted by the Debtors and the Consultant notwithstanding any restrictive provision of any lease, license, restrictive covenant, reciprocal easement agreement, occupancy agreement or other agreement related to the Debtors' Assets, including but not limited to any wholesale, supply, exclusive, non-exclusive, or other distribution or vendor agreements, affecting or purporting to restrict the conduct of the Sales, including with respect to advertising and promotion of the Sales and any auctions conducted in connection with the sale of Assets, the

necessity of obtaining any third party consents, or the abandonment of assets, and such provisions shall not be enforceable in conjunction with the Sales of Assets. Breach of any such provisions in these Chapter 11 Cases in conjunction with the Sales shall not constitute a default under a lease or other agreement or provide a basis to terminate such lease or other agreement; *provided* that the Sales are conducted in accordance with the terms of this Final Order.

16. The Consultant and the Debtors are authorized to enter into agreements ("Side Letters") with applicable landlords, licensors, service providers, utilities, other creditors, and other contract counterparties (each such party, a "Side Letter Counterparty") modifying the Consulting Agreement without further order of this Court, and such Side Letters shall be binding as among the Consultant and any such Side Letter Counterparty; provided, however, that the terms of the Consulting Agreement may not be modified in a material way without the consent of the DIP Agent, in consultation with counsel to the Committee, (or, if the modification materially affects the Prepetition Term Loan Secured Parties or the Term Loan Priority Collateral, the consent of the Prepetition Term Loan Agent), which consent shall not be unreasonably withheld, conditioned, or delayed. In the event of any conflict between this Final Order and any Side Letter, the terms of such Side Letter shall control. To the extent the Debtors, the Consultant, the DIP Agent, and the Prepetition Term Loan Agent are unable to resolve any dispute regarding a modification to the Consulting Agreement, any party may request a hearing with this Court. Notwithstanding the foregoing, in no event shall any Side Letter or other agreement, alter, amend, or otherwise modify the Consultant Payment Obligations or other amounts payable from any collateral or proceeds thereof without further Court order.

17. Notwithstanding anything herein to the contrary, if any dispute arises during the course of the Sales regarding laws regulating the conduct of such sales, and the Debtors and the

Consultant are unable to resolve the matter with the disputing party consensually, any party may request a hearing with this Court pursuant to these provisions. Until such a hearing, no party shall interfere with the Sales' conduct in accordance with this Final Order.

18. Except as provided in this Final Order, no person or entity, including, but not limited to, any landlord, licensor, property owner, property manager, service provider, utility provider, seller or supplier of Assets to the Debtors, vendor or creditor or equity holder of the Debtors or other stakeholder, shall take any action to directly or indirectly prevent, interfere with, or otherwise hinder the Sales, the sale of the Assets, or the advertising and promotion of the Sales (where applicable), and all such parties and persons of every nature and description, including, but not limited to, any landlord, licensor, service provider, utility, seller or supplier of Assets to the Debtors, vendor, and creditor, as well as all those acting for or on behalf of such parties, are prohibited from (a) interfering in any way with, obstructing, or otherwise impeding the conduct of the Sales, including, but not limited to, by purporting to terminate any supply or distribution agreement with the Debtors by virtue of the Debtors' bankruptcy or pre-petition non-payment under such agreements; or (b) instituting any action or proceeding in any court (other than this Court) or administrative body seeking an order or judgment against, among others, the Debtors, the Consultant, or any landlords at the Facilities that might in any way directly or indirectly obstruct or otherwise interfere with or adversely affect the conduct of the Sales or seek to recover damages for breach(es) of covenants or provisions in any license or contract based upon any relief authorized herein.

19. In accordance with and subject to the terms and conditions of the Consulting Agreement, the Consultant shall have the right to use the Debtors' sales channels, the Facilities

and other assets of the Debtors for the purpose of conducting the Sales free of any interference from any entity or person, subject to compliance with this Final Order.

20. All sales of all Assets shall be "as is" and final, and all advertisements and sale receipts, where applicable, shall reflect that such sales are "as is" and final.

21. The Consultant shall not be liable for sales taxes and the Debtors remain responsible for the payment of any and all sales taxes. The Debtors are directed to remit all taxes accruing from the Sales to the applicable Governmental Units as and when due, provided that in the case of a bona fide dispute, the Debtors may pay such taxes upon the resolution of the dispute, if and to the extent that the dispute is decided in favor of the applicable Governmental Unit. For the avoidance of doubt, sales taxes collected and held in trust by the Debtors, if any, shall not be used to pay any creditor or any other party, other than the applicable Governmental Unit for which the sales taxes are collected.

22. Pursuant to section 363(f) of the Bankruptcy Code, the Consultant, on behalf of the Debtors, is authorized to sell all Assets pursuant to the Consulting Agreement and in accordance with the terms of this Final Order and the DIP Orders. All sales of Assets, whether by the Consultant or the Debtors, shall be free and clear of any and all Encumbrances; *provided, however*, that any Encumbrances shall, subject to the terms of the DIP Orders, attach to the proceeds of the sale of applicable Assets, net of the Consultant Payment Obligations, with the same validity and priority and to the same extent and in the same amount that any such Encumbrances had with respect to such Assets immediately prior to such sale and subject to the same rights, claims, defenses, and objections, if any, of all parties with respect thereto.

23. The Debtors and the Consultant, in consultation with the DIP Agent, are empowered to transfer Assets among, and into the Facilities. The Debtors and the Consultant are

authorized to sell the Debtors' Assets, as provided for and in accordance with the terms of the Consulting Agreement and this Final Order; *provided that*, notwithstanding anything to the contrary herein, the Debtors shall not abandon, or permit to be deemed abandoned, any Assets constituting DIP Collateral, Term Loan Priority Collateral or Prepetition Collateral (each as defined in the DIP Orders) without the prior written consent of the DIP Agent or Prepetition Term Loan Agent, as applicable (which consent may be provided by email from counsel to the DIP Agent or Prepetition Term Loan Agent), and any purported abandonment without such consent shall be void and of no force or effect. Any abandoned Inventory and/or Fixed Assets left in the Facilities after the later of the date the lease is rejected or the date the Debtors vacate the premises shall be deemed abandoned, and the landlord of or counterparty to the applicable agreement concerning the use of or access to such Facilities is authorized to dispose of the abandoned Inventory and/or Fixed Assets free and clear of Encumbrances without further notice and without any liability to the Debtors and/or any individual or entity that may claim an interest in such property. The automatic stay is modified to the extent necessary to allow such dispositions. Notwithstanding any other provision of this Final Order, (a) the Debtors may not abandon any personal property that the Debtors know is not property of the Debtors and (b) the Debtors are not authorized to abandon any hazardous materials as defined under applicable law from any leased premises. Consultant shall not be responsible for the removal or disposition of any hazardous materials or substances. To the extent the Debtors seek to abandon personal property that contains any "personally identifiable information," as that term is defined in section 101(41A) of the Bankruptcy Code, or other personal and/or confidential information about the Debtors' employees, or any other individual (the "Confidential Information"), the Debtors shall remove or wipe the Confidential Information from such personal property before abandonment.

24. The Debtors shall remove or cause to be removed any Confidential Information in any of the Debtors' hardware, software, computers or similar equipment which are to be sold or abandoned so as to render the Confidential Information unreadable or undecipherable. At the conclusion of the Sales, the Consultant shall provide the Debtors with written verification that the Consultant has not removed, copied, or transferred any customer Confidential Information and that the Consultant has used commercially reasonable efforts to shred, erase, or otherwise modify or render any records containing Confidential Information unreadable or undecipherable.

25. The Consultant is authorized to perform the Receivables Services and the Debtors are authorized, pursuant to sections 105(a) and 363(b)(1) of the Bankruptcy Code, to collect, compromise, adjust, and settle any and all accounts receivable of the Debtors (the "Receivables"), in each case in accordance with the terms of the Consulting Agreement and this Final Order, without the need for any further notice, hearing, motion pursuant to Bankruptcy Rule 9019, or order of this Court. In furtherance of the foregoing, the Debtors and the Consultant are authorized to negotiate the terms of, and enter into, settlements, compromises, or other resolutions with any customer or other obligor with an open account balance in order to resolve and settle payment of any Receivable; provided that the Debtors and the Consultant shall consult with the DIP Agent and counsel to the Committee in advance of the collection, compromise, adjustment, settlement, or release of any Receivable in excess of $250,000 (and with the Prepetition Term Loan Agent with respect to any Receivable that constitutes Term Loan Priority Collateral), and shall not compromise, settle, adjust, or release any Receivable other than in accordance with the DIP Orders and the Approved Budget. In connection with the settlement of any Receivable, the Debtors are authorized to release claims and causes of action related to such Receivable and its obligor. Encumbrances on any Receivable, to the extent valid, perfected, and enforceable, shall attach to

the proceeds thereof, net of the Consultant Payment Obligations, with the same validity, priority, extent, and amount, and subject to the same claims and defenses, as existed immediately prior to such collection or settlement, subject to the DIP Order. Nothing in this paragraph shall require the Debtors or the Consultant to obtain the approval of any third party (except the DIP Agent or the Prepetition Term Loan Agent as expressly set forth in this paragraph 25), in connection with the collection, compromise, or settlement of any Receivable.

**D. Dispute Resolution Procedures**

26. Nothing in this Final Order or the Consulting Agreement releases, nullifies, or enjoins the enforcement of any liability to a Governmental Unit under environmental laws or regulations (or any associated liabilities for penalties, damages, cost recovery, or injunctive relief) to which any entity would be subject as the owner, lessor, lessee, or operator of the property after the date of entry of this Final Order. Nothing contained in this Final Order or the Consulting Agreement shall in any way (a) diminish the obligation of any entity to comply with environmental laws or (b) diminish the obligations of the Debtors to comply with environmental laws consistent with its rights and obligations as debtor in possession under the Bankruptcy Code. The Sales shall not be exempt from laws of general applicability, including, without limitation, public health and safety, criminal, tax, labor, employment, environmental, antitrust, fair competition, traffic and consumer protection laws, including local laws, regulations, ordinances, or police powers of general applicability regarding matters such as regulating deceptive practices and false advertising (collectively, "General Laws"). Nothing in this Final Order or the Consulting Agreement shall alter or affect obligations to comply with all applicable federal safety laws and regulations. Nothing in this Final Order shall be deemed to bar any Governmental Unit (as such term is defined in section 101(47) of the Bankruptcy Code) from enforcing General Laws in the applicable non-bankruptcy forum, subject to the Debtors' rights to assert in that forum or before this Court (or the

Canadian Court) that any such laws are not in fact General Laws or that such enforcement is impermissible under the Bankruptcy Code, this Final Order, or otherwise. Notwithstanding any other provision in this Final Order, no party waives any rights to argue any position with respect to whether the conduct was in compliance with this Final Order and/or any applicable law, or that enforcement of such applicable law is preempted by the Bankruptcy Code. Nothing in this Final Order shall be deemed to have made any rulings on any such issues.

27. To the extent that the sale of Assets is subject to any Liquidation Sale Laws, including any federal, state, or local statute, ordinance, or rule, or licensing requirement directed at regulating inventory liquidation sales, or bulk sale laws, including laws restricting safe, professional, and non-deceptive customary advertising such as signs, banners, posting of signage, solely in connection with the Sales and including ordinances establishing license or permit requirements, waiting periods, time limits, or bulk sale restrictions that would otherwise apply solely to the sale of the Assets, or any similar laws, the dispute resolution procedures in this section shall apply.

28. Notwithstanding anything to the contrary in this Final Order, the Consulting Agreement, or the Motion, nothing herein shall be construed to impose, or shall result in the imposition of, any liability under any environmental law or regulation of any state or other Governmental Unit upon any of the Debtors' creditors or vendors, solely by virtue of the Sales, the receipt of proceeds thereof, or any action taken by the Consultant or the Debtors pursuant to this Final Order or the Consulting Agreement.

29. To the extent that any party has objections to the conduct of the Sales or to the sale of the Assets, the following procedures (the "Resolution Procedures") shall apply during the Sale Term:

a. Provided that the Sales are conducted in accordance with the terms of this Final Order and the Consulting Agreement, the Debtors and the Consultant are authorized to conduct the Sales, and the Debtors shall be presumed to be in compliance with any Liquidation Sale Laws, without the necessity of further showing compliance with any Liquidation Sale Laws.

b. Within two (2) business days after entry of this Final Order, the Debtors will serve by email, facsimile, or first-class mail, copies of the Final Order on the following: (i) landlords of or counterparties to any agreements governing the use of or access to the Facilities; (ii) the Attorney General's office for each state in which the Facilities are located; (iii) the county consumer protection agency or similar agency for each county in which the Facilities are located; (iv) the division of consumer protection for each state in which the Facilities are located; (v) supplier contract counterparties; (vi) and any other party with an interest in the Assets, or sales thereof (collectively, the "Dispute Notice Parties").

c. To the extent that there is a dispute arising from or relating to the conduct of the Sales, the sale of the Assets, this Final Order, or the Consulting Agreement (a "Reserved Dispute"), the Court shall retain exclusive jurisdiction to resolve the Reserved Dispute. Any party in interest (including, but not limited to, any of the Dispute Notice Parties) may assert that a Reserved Dispute exists by sending a notice (the "Dispute Notice") explaining the nature of the dispute to: (a) Proposed Counsel to the Debtors, Cole Schotz P.C., 500 Delaware Avenue, Suite 600, Wilmington, DE 19801, Attn: Justin Alberto (jalberto@coleschotz.com), Stacy Newman (snewman@coleschotz.com), and Sarah Carnes (scarnes@coleschotz.com); (b) 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); (c) Counsel to the Consultant Katten Muchin Rosenman LLP, 50 Rockefeller Plaza, New York, NY 10020, Attn: Cindi M. Giglio (cgiglio@katten.com) and Grace A. Thompson (grace.thompson@katten.com) (d) counsel to the DIP Agent and Prepetition ABL Agent, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: John F. Ventola (jventola@choate.com), Michael E. Comerford (mcomerford@choate.com), and Alexandra M. 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); (e) co-counsel to the Prepetition Term Loan Secured Parties, 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 Landis Rath & Cobb LLP, 919 Market Street, Suite 1800, Wilmington, Delaware 19801, Attn: Matthew B. McGuire (mcguire@lrclaw.com); and (f) counsel to the Committee.

d. If the Debtors, the Consultant, and the party asserting the Reserved Dispute are unable to resolve the Reserved Dispute within fourteen (14) days after service

of the Dispute Notice, the party asserting the Reserved Dispute may file a motion with the Court requesting that the Court resolve the Reserved Dispute (a "Dispute Resolution Motion").

e. Filing a Dispute Resolution Motion as set forth herein shall not be deemed to affect the finality of this Final Order or to limit or interfere with the Debtors' or the Consultant's ability to conduct or to continue to conduct the Sales pursuant to this Final Order, absent further order of the Court. Upon the entry of this Final Order, the Court grants authority for the Debtors and the Consultant to conduct the Sales pursuant to the terms of this Final Order and the Consulting Agreement, and to take all actions reasonably related thereto or arising in connection therewith. Nothing in this Final Order will constitute a ruling with respect to any issues to be raised in any Dispute Resolution Motion. Nothing in this Final Order shall preclude the Debtors from asserting that the provisions of the Liquidation Sale Laws are preempted by the Bankruptcy Code.

**E. Miscellaneous**

30. The Debtors are authorized and permitted to transfer to the Consultant personal information in the Debtors' custody and control solely for the purposes of assisting with and conducting the Sales and only to the extent necessary for such purposes, provided that the Consultant removes any such personal information from the Assets prior to the sale or abandonment of the same.

31. This Final Order and the terms and provisions of the Consulting Agreement shall be binding on all of the Debtors' creditors (whether known or unknown), the Debtors, the Consultant, and their respective affiliates, successors, and assigns, and any affected third parties including, but not limited to, all persons asserting an interest in the Assets, notwithstanding any subsequent appointment of any trustee, party, entity, or other fiduciary under any section of the Bankruptcy Code with respect to the foregoing parties, and as to such trustee, party, entity, or other fiduciary, such terms and provisions likewise shall be binding.

32. The provisions of this Final Order and the terms and provisions of the Consulting Agreement, and any actions taken pursuant hereto or thereto, shall survive the entry of any order that may be entered confirming or consummating any plan(s) of the Debtors pursuant to section

1129 of the Bankruptcy Code, or converting the Debtors' cases from chapter 11 to chapter 7, and the terms and provisions of the Consulting Agreement, as well as the rights and interests granted pursuant to this Final Order and the Consulting Agreement, shall continue in these or any superseding cases and shall be binding upon the Debtors, the Consultant, and their respective successors and permitted assigns, including any trustee or other fiduciary hereafter appointed as a legal representative of the Debtors under chapter 7 or chapter 11 of the Bankruptcy Code. Without the need for further order of this Court, (i) any trustee appointed in these Chapter 11 Cases shall be and hereby is authorized, but not required, to operate the business of the Debtors to the fullest extent necessary to permit compliance with the terms of this Final Order and the Consulting Agreement; and (ii) the Consultant and such trustee shall be and hereby are authorized, but not required, to perform under the Consulting Agreement upon the appointment of the trustee.

33. This Final Order shall be binding upon and shall govern the acts of all entities, including, without limitation, all filing agents, filing officers, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to the Assets.

34. The Consultant shall not be liable for any claims against the Debtors, and the Debtors shall not be liable for any claims against the Consultant, in each case, other than as expressly provided for in the Consulting Agreement.

35. Neither the Consultant nor any of its respective affiliates (whether individually, as part of a joint venture, or otherwise) shall be precluded from providing additional services to

the Debtors and/or bidding on the Debtors' assets in connection with any other future process that may or may not be undertaken by the Debtors, provided that any such services and/or transactions are approved by separate order of this Court.

36. The Consultant shall act solely as an independent consultant to the Debtors and shall not be liable for any claims against the Debtors other than as expressly provided in the Consulting Agreement (including the Consultant's indemnity obligations thereunder) with the exception of acts of gross negligence or willful misconduct and, for greater certainty, the Consultant shall not be deemed to be an employer, or a joint or successor employer, or a related or common employer or payor within the meaning of any legislation governing employment or labor standards or pension benefits or health and safety or other statute, regulation or rule of law or equity for any purpose whatsoever, and shall not incur any successor liability whatsoever.

37. The Debtors and the Consultant may modify the Consulting Agreement in accordance with the terms thereof without further order of the Court; provided that (a) the Debtors shall provide five (5) business days' advance notice of any contemplated material modification(s) of the Consulting Agreement (including any modification of the Consulting Agreement's economic terms) to the U.S. Trustee, counsel to the Prepetition Secured Creditors and DIP Credit Parties, counsel to the Prepetition Term Loan Secured Parties, counsel to the Committee, and counsel to any party that has requested such notice (collectively, the "Amendment Notice Parties"). If an Amendment Notice Party timely objects to a proposed material modification to the Consulting Agreement and the Debtors, the Consultant, and such objecting Amendment Notice Party cannot consensually resolve such objection, the Debtors and the Consultant shall not proceed with such modification absent a further order of the Court approving such modification.

38. The Debtors shall deliver to the DIP Agent (and any Agent Advisor (as defined in the DIP Credit Agreement)), the Prepetition Term Loan Agent and counsel to the Committee copies of all reports, statements, and reconciliations delivered to the Debtors by the Consultant pursuant to the Consulting Agreement within two (2) business days of the Debtors' receipt of such documents from the Consultant. In addition, the Debtors shall cooperate with, and promptly respond to, reasonable requests of the DIP Agent for reports and other information regarding the Sales, the Consultant Payment Obligations, the Gross Proceeds, and the Receivables in the form and level of detail reasonably requested by the DIP Agent to the extent such information is in the Debtors' possession or reasonably obtainable by the Debtors from the Consultant.

39. The requirements of Bankruptcy Rule 6007(a) are waived, to the extent applicable to the relief provided for herein.

40. Notice of the Motion as provided therein shall be deemed good and sufficient and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

41. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order shall be immediately effective and enforceable upon its entry.

42. This Court shall retain jurisdiction with regard to all issues or disputes arising from or relating to the implementation, interpretation, or enforcement of this Final Order or the Consulting Agreement, including, but not limited to, any claim or issue relating to any efforts by any party or person to prohibit, restrict, or in any way limit the Sales in accordance with this Final Order, or any other disputes related to the Sales. No parties or person shall take any action against the Debtors, the Consultant, the Sales, or the landlords of or counterparties to agreements concerning use of the Facilities, as applicable, until this Court has resolved such dispute. This

Court shall hear the request of such parties or persons with respect to any such disputes on an expedited basis, as may be appropriate under the circumstances.

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

**Schedule “B”**
**Final Critical Vendors Order**

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

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| In re:<br><br>BFG Supply Co., LLC, *et al.*,<br><br>Debtors.[1] | Chapter 11<br><br>Case No. 26-11284 (CTG)<br><br>(Jointly Administered)<br><br>**Re: Docket Nos. 10, 63** |

**FINAL ORDER (I) AUTHORIZING THE DEBTORS TO PAY PREPETITION CLAIMS OF CERTAIN CRITICAL VENDORS AND (II) 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") (i) authorizing the Debtors to pay, in the ordinary course of business, prepetition amounts owing on account of Critical Vendor Claims and (ii) granting related relief, 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 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,

[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, or *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], as applicable.

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. The Debtors are authorized, but not directed, to pay all or part of, and discharge, on a case-by-case basis, the Critical Vendor Claims in an aggregate amount not to exceed $2 million on a final basis, absent further order of the Court.

3. Notwithstanding anything to the contrary in the Motion or this Final Order, the Debtors shall not: (a) designate (i) any insider, (ii) any of the Debtors' professionals, or (iii) any entity affiliated with any insider as a Critical Vendor; (b) enter into any Customary Trade Terms with any insider or any entity affiliated with any insider; and/or (c) pay any Critical Vendor Claims of any insider, any of the Debtors' professionals, or any entity affiliated with any insider in each case, prior to consultation with counsel to any committee of unsecured creditors that may be

appointed (the "Committee"), the DIP Agent and Prepetition ABL Agent, and the Prepetition Term Loan Agent and the Prepetition Term Loan Lenders, or further order of the Court after notice and a hearing. For purposes of this Order, the term "insider" shall have the meaning ascribed to such term in section 101(31) of the Bankruptcy Code.

4. As a condition to receiving payment hereunder, the Debtors, in their sole discretion, may require, by written agreement, such parties to continue supplying goods or services to the Debtors in accordance with trade terms at least as favorable to the Debtors as those practices and programs (including credit limits, pricing, cash discounts, timing of payments, allowances, product mix, availability, and other programs) consistent with the parties' ordinary course practice (collectively, the "Customary Trade Terms"). The Debtors reserve the right to require more favorable trade terms with any party as a condition to payment of any prepetition claim.

5. If any party accepts payment hereunder for a prepetition obligation of the Debtors premised on compliance with the above, and thereafter fails to comply with the Customary Trade Terms, or other such terms as agreed to by the Debtors, then: (a) any payment on account of a prepetition claim received by such party shall be deemed, in the Debtors' sole discretion, an improper postpetition transfer and, therefore, immediately recoverable in cash upon written request by the Debtors; (b) upon recovery by the Debtors, any prepetition claim of such party shall be reinstated as if the payment had not been made; and (c) if there exists an outstanding postpetition balance due from the Debtors to such party, the Debtors may elect to recharacterize and apply any payment made pursuant to the relief requested by the Motion to such outstanding postpetition balance and such supplier or vendor will be required to repay to the Debtors such paid amounts that exceed the postpetition obligations then outstanding, without the right of any setoffs, claims, provisions for payment of any claims, or otherwise; *provided* that the Debtors shall consult with

counsel to the DIP Agent and Prepetition ABL Agent, counsel to the Prepetition Term Loan Secured Parties, and counsel to the Committee regarding any determination under this paragraph 5.

6. Any Critical Vendor that accepts payment from the Debtors on account of all or a portion of such party's claim pursuant to this Final Order shall be deemed to (a) agree to the terms and provisions of this Final Order and (b) have waived, to the extent so paid, Critical Vendor Claims of any type, kind, or priority (including any reclamation claim) against the Debtors and their assets. The Debtors shall provide a copy of this Final Order to any Critical Vendor in advance of any payment made pursuant to this Final Order.

7. Nothing herein shall impair or prejudice the Debtors' ability to contest, in their sole discretion, the extent, perfection, priority, validity, or amounts of any claims held by any Critical Vendor. The Debtors do not concede that any claims satisfied pursuant to this Final Order are valid, and the Debtors expressly reserve all rights to contest the extent, validity, or perfection, or to seek the avoidance of all such liens or the priority, of such claims.

8. Notwithstanding anything to the contrary in this Final Order, the Motion, or its attachments, the priority status of a creditor's claim, including that of claims arising under section 503(b)(9) of the Bankruptcy Code, shall not be affected by whether such creditor provides services or goods to the Debtors under Customary Trade Terms.

9. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

10. Nothing contained in the Motion or this Final Order, and no action taken pursuant to the relief requested or granted (including any payment made in accordance with this Final Order), is intended as or shall be construed or deemed to be: (a) an admission as to the amount, validity, or priority of, or basis for 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 right 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.

11. The Debtors shall maintain a schedule of amounts directly or indirectly paid, subject to the terms and conditions of this Final Order, including the following information: (a) the name of the transferor; (b) the name of the transferee; (c) the amount of the payment; and (d) the purpose of the payment; *provided* that the Debtors shall provide a copy of such schedule to the DIP Agent and Prepetition ABL Agent and its advisors, the Prepetition Term Loan Secured Parties and their advisors, the U.S. Trustee, and counsel to the Committee upon reasonable request, and in any event within three (3) business days following any such request; *provided*, *however*, the Debtors shall inform the advisors of the DIP Agent and Prepetition ABL Agent, Prepetition Term

Loan Secured Parties, and Committee on a bi-weekly basis of the identity of any Critical Vendors to which payments are made pursuant to this Final Order and the amounts of such payments.

12. 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.

13. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of this Chapter 11 Case with respect to prepetition amounts owed in connection with the relief granted herein.

14. Nothing in this Final Order authorizes the Debtors to accelerate any payments not otherwise due.

15. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) are satisfied by such notice.

16. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

17. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

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

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

**Schedule “C”**
**Final Utilities Order**

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

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| In re: | Chapter 11 |
| BFG Supply Co., LLC, *et al.*, | Case No. 26-11284 (CTG) |
| Debtors.[1] | (Jointly Administered) |
| | **Re: Docket Nos. 4, 55** |

**FINAL 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**

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") approving the Debtors' proposed form of adequate assurance of postpetition payment to the Utility Companies, (ii) establishing Adequate Assurance Procedures for resolving any objection by the Utility Companies relating to the Proposed Adequate Assurance, (iii) prohibiting the Utility Companies from altering, refusing, or discontinuing service to, or discriminating against, the

[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); Bamboo 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, or 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 Related Relief* [Docket No. 17], as applicable.

Debtors solely on the basis of the commencement of the Chapter 11 Cases or a debt owed by the Debtors for services rendered prior to the Petition Date, or on account of any perceived inadequacy of the Debtors' Proposed Adequate Assurance, and (iv) granting related relief, 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 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. The Proposed Adequate Assurance constitutes "adequate assurance of payment" for purposes of section 366 of the Bankruptcy Code.

3. To the extent a Utility Company seeks additional adequate assurance, it must comply with the following Adequate Assurance Procedures:

a) Except as provided by the Adequate Assurance Procedures, the Utility Companies will be prohibited from: (i) altering, refusing, or discontinuing services to, or discriminating against, the Debtors on the basis of the commencement of the Chapter 11 Cases or a debt owed by the Debtors for services rendered prior to the Petition Date, or on account of any perceived inadequacy of the Debtors' Proposed Adequate Assurance; or (ii) requiring the Debtors to pay a deposit or other security in connection with the provision of postpetition Utility Services, other than the funding of the Utility Deposit.

b) Within 48 hours after entry of the Interim Order,[3] the Debtors will mail a copy of the Motion and Interim Order to the Utility Companies on the Utility Company List.

c) If a Utility Company is not satisfied with the Proposed Adequate Assurance and seeks additional adequate assurance of payment, it must serve a written request for additional adequate assurance (an "Additional Assurance Request") upon: (i) the Debtors, BFG Supply Co., LLC, 4660 East Paris Avenue SE, Grand Rapids, Michigan 49512, Attn: Adam Zalav (azalev@reflectadvisors.com); (ii) proposed counsel for the Debtors, Cole Schotz P.C., 500 Delaware Avenue, Suite 600, Wilmington, Delaware 19801, Attn: Stacy L. Newman (snewman@coleschotz.com) and Carol E. Thompson (cthompson@coleschotz.com); (iii) counsel to the DIP Agent and Prepetition ABL Agent, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: John F. Ventola (jventola@choate.com), Michael E. Comerford (mcomerford@choate.com), and Alexandra M. 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); (iv) counsel to the Prepetition Term Loan Agent and the Prepetition Term Loan Lenders, 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 (v) proposed counsel to the Official Committee of Unsecured Creditors, (a) Kelley Drye & Warren, LLP, World Trade Center, New York, New York 10007, Attn:, Eric Wilson (ewilson@kelleydrye.com), Maeghan McLoughlin (mmcloughlin@kelleydrye.com) and Jason Adams (jadams@kelleydrye.com); and (b) Raines Feldman Littrell, LLP, 84 N. Market Street Suite 805, Wilmington, Delaware, 19801, Attn: Matthew P. Milana (mmilana@raineslaw.com) and Jordan N. Kelly (jkelly@raineslaw.com) (collectively, the "Adequate Assurance Notice Parties").

[3] Local Rule 9013-1(m)(iv) requires service of first-day orders and the underlying first-day motions on affected parties within 48 hours of the entry of such first-day orders.

d) Each Additional Assurance Request must: (i) be made in writing; (ii) set forth the amount and form of additional assurance of payment requested; (iii) set forth the type of Utility Services, any account numbers, and the location(s) for which Utility Services are provided; (iv) include a summary of the Debtors' payment history to such Utility Company, including whether the Utility Company holds any deposits or other security, and if so, in what amount; (v) set forth why the Utility Company believes the Proposed Adequate Assurance is insufficient; and (vi) provide an email address to which the Debtors may respond to the Additional Assurance Request.

e) Upon the Debtors' receipt of an Additional Assurance Request, the Debtors will promptly negotiate with the requesting Utility Company to resolve such Utility Company's Additional Assurance Request.

f) Should the Debtors be unable to reach a resolution with respect to an Additional Assurance Request, the Debtors will, upon reasonable notice, calendar the matter (the "Determination Hearing") for the next regularly scheduled omnibus hearing to determine the adequacy of assurance of payment pursuant to section 366(c)(3) of the Bankruptcy Code.

g) Pending the Determination Hearing, the Utility Company that is the subject of the unresolved Additional Assurance Request is prohibited from altering, refusing, or discontinuing service to the Debtors on account of unpaid charges for prepetition services, the filing of the Chapter 11 Cases, or any objection (an "Objection") to the adequacy of the proposed Adequate Assurance.

h) Any Utility Company that does not serve an Additional Assurance Request in compliance with the procedures herein will be deemed to have received adequate assurance of payment that is satisfactory to such Utility Company within the meaning of section 366(c)(2) of the Bankruptcy Code, subject to each such Utility Company's right to seek a modification of adequate assurance under section 366(c)(3) of the Bankruptcy Code.

4. Except as the amount may be adjusted by application of the provisions of this Final Order and as set forth on Exhibit C attached to the Motion, Utility Deposits in the aggregate amount of $53,104 deposited in the Utility Deposit Account shall be held for the purpose of providing adequate assurance of payment to each Utility Company listed on Exhibit C attached to the Motion (the "Utility Company List") for its postpetition Utility Services provided to the Debtors.

5. The balance of the Utility Deposit Account may be adjusted by the Debtors, without further order of the Court, as follows: (a) to the extent no dispute over postpetition amounts due exists, the balance of the Utility Deposit Account may be reduced by the amount of a Utility

Deposit associated with any terminated utility account; (b) the balance of the Utility Deposit Account shall be increased to the extent a Utility Company is added to the Utility Company List; and (c) the balance of the Utility Deposit Account may be adjusted in accordance with the terms of any agreement with respect to adequate assurance of payment reached between a Debtor and the affected Utility Company; *provided, however*, that before the Debtors make any adjustment under subsection (a) of this paragraph with respect to a Utility Company, the Debtors shall provide at least ten (10) days' prior notice of such adjustment to the affected Utility Company and if such Utility Company disputes the proposed adjustment, the Debtors shall not be permitted to effectuate such adjustment absent further order of this Court or agreement by the parties.

6. The Debtors shall maintain the Utility Deposit Account until the earlier of the Court's entry of an order authorizing the return of the Utility Deposit Account to the Debtors, the effective date of a chapter 11 plan, or the date that an order is entered dismissing these Chapter 11 Cases.

7. No liens – prepetition, postpetition, debtor-in-possession, or otherwise – shall attach to the funds in the Utility Deposit Account until such time that the Utility Companies have been paid in full.

8. The Debtors are authorized, in their sole discretion, to amend the Utility Company List to add or remove any Utility Company and this Final Order and the Adequate Assurance Procedures shall apply to any such Subsequently Identified Utility Company that is added to such list, *provided, however*, that to the extent that a Subsequently Identified Utility Company is added to the Utility Company List, the Debtors shall: (i) file a copy of any such amendment and serve a copy of the Motion, the Interim Order, and this Final Order on any Subsequently Identified Utility Company, along with an amended Utility Company List; and (ii) increase the amount of the Utility

Deposit Account by an amount equal to the cost of two weeks of Utility Services provided by each such Subsequently Identified Utility Company. Such Subsequently Identified Utility Company shall be permitted to make an Additional Assurance Request in compliance with the Adequate Assurance Procedures after it receives notice of the Motion

9. Pending resolution of any Adequate Assurance Request, Objection or Determination Hearing, the Utility Companies are prohibited from (a) discriminating against the Debtors, (b) altering, refusing, or discontinuing service to the Debtors, or (c) requiring payment of a deposit or receipt or any other security for continued service other than the Utility Deposit, on the basis of the commencement of the Chapter 11 Cases or a debt owed by the Debtors for services rendered prior to the Petition Date, or on account of any perceived inadequacy of the Debtors' Proposed Adequate Assurance. The Utility Companies are further prohibited from drawing upon any existing security deposit, surety bond, or other form of security to secure future payment for Utility Services, absent further order of this Court.

10. For the avoidance of doubt, the terms of this Final Order, including the Adequate Assurance Procedures, shall apply to each Utility Company, notwithstanding any customary business practices, policies, internal operating procedures, or state or local laws or regulations to the contrary. Any Utility Company that believes its customary business practices, policies, internal operating procedures, or state or local laws or regulations forbid it from accepting the Proposed Adequate Assurance or entitle it to additional adequate assurance shall make an Additional Assurance Request in accordance with this Final Order.

11. Nothing herein constitutes a finding that any entity is or is not a Utility Company hereunder or a "utility" within the meaning of section 366 of the Bankruptcy Code, whether or not such entity is listed on the Utility Company List.

12. 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.

13. Nothing contained in the Motion or this Final Order, and no action taken pursuant to the relief requested or granted (including any payment made in accordance with this Final Order) is intended as or shall be construed or deemed to be: (a) an admission as to the amount, validity, or priority of, or basis for, 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 right 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.

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

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

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

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

**Schedule “D”**
**Final Taxes Order**

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

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| In re: | Chapter 11 |
| BFG Supply Co., LLC, *et al.*, | Case No. 26-11284 (CTG) |
| Debtors.[1] | (Jointly Administered) |
| | **Re: Docket Nos. 8, 61** |

**FINAL ORDER (I) AUTHORIZING THE PAYMENT OF CERTAIN TAXES AND FEES AND (II) 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") authorizing, but not directing, the Debtors to (i) to pay certain prepetition taxes and fees and related obligations that are payable to certain local, state, and federal taxing and regulatory authorities (the "Authorities"); and (ii) granting related relief, 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 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*

[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, or 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], as applicable.

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. The Debtors are authorized, but not directed, to: (a) negotiate, pay, and remit (or use tax credits to offset) or otherwise satisfy the Taxes and Fees (including corresponding Assessments) that arose or accrued prior to the Petition Date and that will become due and owing in the ordinary course of business during the pendency of the Chapter 11 Cases, at such time when the Taxes and Fees are payable; and (b) negotiate, pay, and remit (or use tax credits to offset) Taxes and Fees that arise or accrue in the ordinary course of business on a postpetition basis—including, for the avoidance of doubt, posting collateral (that is not collateral of the Prepetition Term Loan Agent or the Prepetition Term Loan Lenders without their prior written consent) or a

letter of credit in connection with any dispute related to the Audits or Assessments or paying any Taxes and Fees arising as a result of the Audits or Assessments (including, for the avoidance of doubt, with respect to kinds of Taxes and Fees otherwise addressed by the Wages Motion); *provided* that notwithstanding anything to the contrary herein or in the Motion, that in the event the Debtors make a payment with respect to any Taxes and Fees for the prepetition portion of any "straddle" amount, and this Court subsequently determines such amount was not entitled to priority or administrative treatment under sections 507(a)(8) or 503(b)(1)(B) of the Bankruptcy Code, the Debtors, or any other party in interest, including the Official Committee of Unsecured Creditors (the "Committee"), as may be applicable, may (but shall not be required to) seek an order from the Court requiring a return of such amounts. Further, in the event that the Debtors are negotiating any material tax liability, the Debtors shall consult in good faith with the DIP Agent and Prepetition ABL Agent, the Prepetition Term Loan Secured Parties, and the Committee, and the Debtors shall provide counsel for the DIP Agent and Prepetition ABL Agent, the Prepetition Term Loan Secured Parties, and the Committee with at least three (3) business days' advance written notice prior to posting any unencumbered collateral or letter of credit.

3. Notwithstanding the relief granted herein or any actions taken hereunder, nothing contained in this Final Order shall create any rights in favor of, or enhance the status of any claim held by, any of the Authorities.

4. To the extent that the Debtors have overpaid any Taxes and Fees, the Debtors are authorized, but not directed, to seek a refund or credit.

5. The Debtors' right to contest the validity or priority of any Taxes and Fees on any grounds they deem appropriate are reserved and extend to the payment of Taxes and Fees relating to Audits that have been completed, are in progress, or arise from prepetition periods.

6. Nothing contained in the Motion or this Final Order, and no action taken pursuant to the relief requested or granted (including any payment made in accordance with this Final 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.

7. Nothing in this Final Order shall be deemed to authorize the Debtors to pay any past-due taxes.

8. 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.

9. The requirements of Bankruptcy Rule 6004(a) and the Local Rules with respect to notice of the Motion have been satisfied.

10. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Final Order are immediately effective and enforceable upon its entry.

11. The Debtors are authorized, but not directed, to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

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

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

**Schedule “E”**
**Final Insurance Order**

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

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| In re:<br><br>BFG Supply Co., LLC, *et al.*,<br><br>Debtors.[1] | Chapter 11<br><br>Case No. 26-11284 (CTG)<br><br>(Jointly Administered)<br><br>**Re: Docket Nos. 7, 60** |

**FINAL 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**

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") (i) authorizing, but not directing, the Debtors to (a) maintain coverage under the Insurance Policies, Surety Bond, and Letter of Credit and pay any related obligations, (b) renew, amend, supplement, extend, or purchase insurance, surety coverage, and letters of credit in the ordinary course of

[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, or 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], as applicable.

business and consistent with prepetition practice, and (c) continue to pay certain broker fees; and (ii) granting related relief, 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 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. The Debtors shall serve a copy of this Final Order on each Insurance Carrier listed in **Exhibit C** attached to the Motion within two (2) business days after entry of this Final Order

3. The Debtors are authorized, but not directed, in the ordinary course of business, to: (a) continue and maintain the Insurance Policies, Surety Bond, and Letter of Credit and pay any

related prepetition or postpetition amounts or obligations, including any prepetition or postpetition obligations related to the Insurance Policies, Insurance Brokerage Fees, and any other related expenses; and (b) renew, amend, supplement, extend, or purchase insurance policies, in each case, to the extent that the Debtors determine that such action is in the best interests of their estates.

4. The Debtors are authorized, but not directed, to pay any prepetition or postpetition obligations on account of the Deductibles or the SIRs in the ordinary course of business and consistent with prepetition practice.

5. Notwithstanding anything to the contrary herein, the Debtors shall provide counsel to the DIP Agent and Prepetition ABL Agent, the Prepetition Term Loan Secured Parties, and the official committee of unsecured creditors appointed in these Chapter 11 Cases with (a) prompt written notice, within five (5) days, of any renewal, amendment, supplement, extension, or purchase of insurance coverage, Surety Bond, or Letter of Credit that results in an increase in premium, coverage limit, or collateral obligation; and (b) upon written request reasonably prompt access to documentation supporting any payment made on account of the Deductibles or SIRs.

6. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

7. Nothing contained in the Motion or this Final Order, and no action taken pursuant to the relief requested or granted (including any payment made in accordance with this Final Order) is intended as or shall be construed or deemed to be: (a) an admission as to the amount, validity, or priority of, or basis for, 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 right 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.

8. The Debtors are authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of the Chapter 11 Cases with respect to prepetition amounts owed in connection with the relief granted herein.

9. 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.

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

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

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



**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

# Schedule “F”
# Final Wages 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 (___) |
| Debtors.[1] | (Joint Administration Requested) |
| | **Re: Docket No. 12** |

**FINAL 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**

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"), (i) authorizing, but not directing, the Debtors to (a) pay prepetition wages, compensation, employee benefits and other employee obligations, (b) continue certain employee benefit programs in the ordinary course, (ii) authorizing all banks to honor prepetition checks for payment of prepetition employee obligations, and (iii) granting other related relief, 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 to consider this Motion under 28 U.S.C. §

[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.

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. The Debtors are authorized, but not directed, to pay and honor, in their discretion, the prepetition Employee Obligations, in an aggregate amount not to exceed $1,937,715.74, as follows:

| Employee Obligations | Final Amount |
|---|---|
| **Compensation Obligations** | |
| **Wages** | **$642,664.36** |
| **Commissions** | **$28,907.15** |
| **Payroll Processing Fees** | **$6,500** |
| **Withholdings** | **$45,000** |
| **Independent Contractor Obligations** | **$14,000** |
| **Paid Time Off** | |

| | |
|---|---|
| **PTO and Holidays** | **$844,274.51** |
| **Other Time Off Policies** | **$5,000** |
| **Reimbursable Expenses & Corporate Cards** | **$212,000** |
| **Health and Welfare Programs** | |
| **Health Insurance Benefits** | **$37,092.27** |
| **HSA Employer Contributions** | **$10,000** |
| **Disability and Life Benefits** | **$4,750** |
| **Employee Assistance Program** | **$0.00** |
| **Voluntary Benefits Remittance Obligations** | **$3,400** |
| **Workers' Compensation Program** | **$56,325.26** |
| **401(k) Plan** | **$26,000** |
| **RRSP** | **$1,802.19** |
| **Total:** | **$1,937,715.74** |

3. Notwithstanding the foregoing, the Debtors shall not make any payments on account of prepetition Employee Obligations in excess of the limits provided for under sections 507(a)(4) or 507(a)(5) of the Bankruptcy Code, unless applicable state or foreign law requires payments upon termination of an Employee that, in combination with the other payments authorized by this Final Order, would exceed the limits of sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code.

4. The Debtors are authorized, but not directed, in their discretion, to honor and continue the Employee Programs that were in effect as of the Petition Date; *provided*, *however*, that such relief shall not constitute or be deemed an assumption or an authorization to assume any of such Employee Programs under section 365(a) of the Bankruptcy Code.

5. Nothing herein shall be deemed to authorize the payment of any amounts that would violate or implicate section 503(c) of the Bankruptcy Code.

6. The Debtors' bank and other financial institutions shall be and hereby are authorized to receive, process, honor and pay all prepetition and postpetition checks and fund transfers on account of the Employee Obligations that had not been honored and paid as of the Petition Date, up to the amounts authorized to be paid pursuant to this Final Order, provided that

sufficient funds are on deposit in the applicable accounts to cover such payments. The Debtors shall be and hereby are authorized to issue new postpetition checks or effect new postpetition fund transfers on account of the Employee Obligations to replace any prepetition checks or fund transfer requests that may be dishonored or rejected.

7. Pursuant to section 362(d) of the Bankruptcy Code, the automatic stay is modified solely to the extent necessary to allow Employees to proceed with their claims under the Workers' Compensation Program in the appropriate judicial or administrative forum, and Employees are authorized to so proceed. The Debtors are authorized, but not directed, to continue the Workers' Compensation Program and pay all prepetition amounts relating thereto in the ordinary course of business. The modification of the automatic stay set forth in this paragraph pertains solely to claims under the Workers' Compensation Program.

8. The Debtors may pay any and all Withholdings, including social security, FICA, federal, state and foreign income taxes, garnishments, health care payments, retirement fund withholding and other types of withholding, whether these relate to the period prior to Petition Date or subsequent thereto.

9. The Debtors are authorized, but not directed, in their discretion, to pay all processing fees associated with, and all costs incident to, the foregoing, including, but not limited to, the Payroll Processor Fees.

10. Notwithstanding the relief granted in this Final Order and any actions taken pursuant to such relief, nothing in this Final Order shall be deemed: (a) an admission as to the validity of any prepetition claim against the Debtors; (b) a waiver of any party's right to dispute any prepetition claim on any grounds; (c) a promise or requirement to pay any prepetition claim; (d) an implication or admission that any particular claim is of a type specified or defined in this

Final Order or the Motion; (e) a request or authorization to assume any prepetition agreement, contract, or lease pursuant to Bankruptcy Code section 365; or (f) a waiver of any party's rights under the Bankruptcy Code or any other applicable law.

11. 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 Debtors' 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.

12. All objections to entry of this Final Order, to the extent not withdrawn or settled, are overruled.

13. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Final Order in accordance with the Motion.

14. This Final Order shall be immediately effective and enforceable upon its entry. The 14-day stay imposed by Bankruptcy Rule 6004(h) is hereby waived.

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

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

**Schedule "G"**
**Second Interim Cash Management Order**

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

| | |
|---|---|
| In re:<br><br>BFG Supply Co., LLC, *et al.*,<br><br>Debtors.[1] | Chapter 11<br><br>Case No. 26-11284 (CTG)<br><br>(Jointly Administered)<br><br>**Re: Docket Nos. 13, 64** |

**SECOND 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 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 second interim order (this "Second Interim 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 Second Interim Order to come

[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, or 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], as applicable.

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 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 an interim 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 Second Interim 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 DIP Agent and Prepetition ABL Agent, the Prepetition Term Loan Secured Parties, the U.S. Trustee, and counsel to the Official Committee of Unsecured Creditors (the "Committee") appointed in these 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 Second Interim 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. For Banks at which the Debtors hold accounts that are not party to a Uniform Depository Agreement with the U.S. Trustee for the District of Delaware, the Debtors shall use their good-faith efforts to cause the Banks to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee within thirty (30) days of entry of this Second Interim Order. The U.S. Trustee's rights to seek further relief from this Court on notice in the event that the aforementioned Banks are unwilling to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee are fully reserved.

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 Second Interim 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 Second Interim 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 Second Interim 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 Second Interim 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 Second Interim 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 Second Interim Order and any other applicable interim and/or final orders of this Court.

12. The Debtors shall serve a copy of this Second Interim Order on the Banks within forty-eight (48) hours of the entry of this Second Interim 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 detailed, 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 the Committee upon request. For the avoidance of doubt, the Debtors are not authorized to make any Intercompany Transactions outside the ordinary course of business pursuant to this Second Interim Order. For the avoidance of doubt, this Second Interim 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. Nothing in this paragraph shall prejudice, or constitute a waiver of, the rights of any party in interest to investigate, and if appropriate, object to, contest, or seek recharacterization or subordination of, any Intercompany Claim or Intercompany Transactions.

16. Subject to the terms of this Second Interim 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 Second Interim 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 Second Interim Order, the Debtors, in consultation with the prepetition and DIP lenders and the Prepetition Term Loan Agent and the Prepetition Term Loan Lenders, the Banks, and the Committee 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 Second Interim Order.

20. The Debtors shall give notice within 10 days of closing any bank accounts to the U.S. Trustee and the Committee.

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, the prior written consent of the Prepetition Term Loan Secured Parties, and consultation with the Committee.

22. Nothing in the Motion or this Second Interim 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 Second Interim 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 Second Interim 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. Notwithstanding Bankruptcy Rule 6004(h), this Second Interim Order shall be effective and enforceable immediately upon entry hereof.

25. The Debtors are authorized to take all actions necessary to implement the relief granted in this Second Interim Order.

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

27. Notwithstanding the relief granted in this Second Interim 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 Second Interim 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.

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

**Schedule “H”**
**Final Customer Programs Order**

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

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| In re:<br><br>BFG Supply Co., LLC, *et al.*,<br><br>Debtors.[1] | Chapter 11<br><br>Case No. 26-11284 (CTG)<br><br>(Jointly Administered)<br><br>**Re: Docket Nos. 9, 62** |

**FINAL ORDER (I) AUTHORIZING THE DEBTORS TO HONOR, MAINTAIN, AND ADMINISTER THE CUSTOMER PROGRAMS AND RELATED PREPETITION BUSINESS PRACTICES, AND (II) 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") (i) authorizing, but not directing, the Debtors, in their sole discretion, to (a) fulfill and honor (through payment, credit, setoff, or otherwise) the Customer Obligations (as defined herein) as they deem appropriate, and (b) continue, renew, replace, terminate, and implement Customer Programs (as defined herein) and any other customer practices as they deem appropriate, without further application to the Court, and (ii) granting related relief, all as more fully set forth in the Motion; and upon consideration of the First Day Declaration; and the United States District Court

[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, or 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], as applicable.

for the District of Delaware having jurisdiction 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. The Debtors are authorized, but not directed, in the ordinary course of business, to: (a) maintain, modify, supplement or terminate the Customer Programs in their discretion; and (b) honor any obligations related to the Customer Programs, whether incurred prepetition or postpetition, as they come due in the ordinary course of business on an final basis; *provided, however*, the Debtors shall provide five (5) days' written notice (which may be by email) of any material changes to any Customer Program, including the termination of a Customer Program, to

counsel to the DIP Agent and Prepetition ABL Agent, the Prepetition Term Loan Secured Parties, and to the official committee of unsecured creditors appointed in the Chapter 11 Cases.

3. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Final Order.

4. Nothing contained in the Motion or this Final Order, and no action taken pursuant to the relief requested or granted (including any payment made in accordance with this Final Order), is intended as or shall be construed or deemed to be: (a) an admission as to the amount, validity or priority of, or basis for 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 right 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.

5. The Debtors are authorized, but not directed, to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests

that are dishonored as a consequence of the Chapter 11 Cases with respect to prepetition amounts owed in connection with the relief granted herein.

6. 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 *Debtors' 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.

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

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

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

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

**Schedule "I"**
**Bidding Procedures Order**

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

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

**ORDER (I) APPROVING BIDDING PROCEDURES FOR THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS, (II) AUTHORIZING THE DEBTORS TO DESIGNATE A STALKING HORSE BIDDER AND TO PROVIDE BID PROTECTIONS, (III) SCHEDULING AN AUCTION AND APPROVING THE FORM AND MANNER OF NOTICE THEREOF, (IV) APPROVING ASSUMPTION AND ASSIGNMENT PROCEDURES, (V) SCHEDULING A SALE HEARING AND APPROVING THE FORM AND MANNER OF NOTICE THEREOF, AND (VI) GRANTING RELATED RELIEF**

Upon consideration of 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*

[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.

*Assignment of Executory Contracts and Unexpired Leases, and (C) Granting Related Relief* [Docket No. 14] (the "Motion")[2] filed by the debtors and debtors-in-possession (the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"); and the Court having reviewed the Motion, the First Day Declaration [Docket No. 16], and the Gupta Declaration [Docket No. 15]; and the Court having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court to consider certain of the relief requested in the Motion (the "Bidding Procedures Hearing"); and after due deliberation, this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, and their creditors, and the Debtors having demonstrated good, sufficient, and sound business justifications for the relief granted herein;

**IT IS HEREBY FOUND AND DETERMINED THAT:**

A. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012 (Sleet, C.J.). This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). The predicates for the relief granted herein are sections 105, 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, and 6006.

B. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

[2] Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Motion, the Bidding Procedures, or 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 DIP Order"), as applicable.

C. Notice of the Motion, the Bidding Procedures Hearing, and the proposed entry of this Bidding Procedures Order was sufficient under the circumstances of the Chapter 11 Cases, and such notice complied with all applicable requirements of the Bankruptcy Code, Bankruptcy Rules, and the Local Rules. Accordingly, no other or further notice of the Motion, the Bidding Procedures Hearing, or this Bidding Procedures Order need be provided.

D. The bidding procedures, substantially in the form attached hereto as **Exhibit 1** (the "Bidding Procedures") and incorporated herein by reference as if fully set forth in this Bidding Procedures Order, are fair, reasonable, and appropriate and are designed to maximize the value of the proceeds of the sale of all, substantially all, or a portion of the Debtors' assets (the "Assets").

E. The Bidding Procedures comply with the requirements of Rule 6004-1(c) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules").

F. The procedures set forth herein regarding the Debtors' assumption and assignment of executory contracts and unexpired leases (collectively, the "Contracts") in connection with a sale of the Assets (the "Assumption and Assignment Procedures") are fair, reasonable, and appropriate and comply with the provisions of section 365 of the Bankruptcy Code and Rule 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules").

G. The Debtors have articulated good and sufficient business reasons for the Court to approve the relief requested in the Motion, including, without limitation, (i) the Bidding Procedures (including the Stalking Horse Designation Procedures); (ii) the form and manner of notice of the Bidding Procedures, the auction of the Assets (the "Auction"), and the final hearing to consider approval of a sale of the Assets (the "Sale Hearing"), substantially in the form attached

hereto as **Exhibit 2** (the "Sale Notice"); (iii) the form and manner of notice of designation of a Stalking Horse Bidder attached hereto as **Exhibit 3** (the "Stalking Horse Notice"); (iv) the form and manner of notice to each relevant non-debtor counterparty to a Contract (each, a "Counterparty") of (a) the Debtors' calculation of the amount necessary to cure any defaults under an applicable Contract (the "Cure Costs") and (b) certain other information regarding the potential assumption and assignment of Contracts in connection with the sale of the Assets, substantially in the form attached hereto as **Exhibit 4** (the "Assumption and Assignment Notice"); and (v) the Assumption and Assignment Procedures. Such good and sufficient business reasons, which were set forth in the Motion and on the record at the Bidding Procedures Hearing, including the First Day Declaration and the Gupta Declaration are incorporated herein by reference and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

H. The Bidding Procedures are reasonably designed to promote active bidding at and participation in the Auction to ensure that the highest or otherwise best value is generated for the Assets.

I. If the Debtors designate a Stalking Horse Bidder, the Debtors shall file a Stalking Horse Notice in accordance with the Stalking Horse Designation Procedures. Any objection to (i) the Bid Protections set forth in a Stalking Horse Notice or (ii) the designation of the Stalking Horse (a "Stalking Horse Objection"), shall be filed within five days after the Stalking Horse Notice is filed. If a timely Stalking Horse Objection is filed, the Debtors are authorized to seek an expedited hearing with respect to the Stalking Horse Objection on not less than three calendar days' notice. Absent any timely Stalking Horse Objection, the Court may enter an order approving the Bid Protections set forth in the Stalking Horse Notice and the designation of the Stalking Horse (the

"Stalking Horse Order"). For the avoidance of doubt, entry of the Stalking Horse Order shall not constitute approval of the sale of the Debtors' Assets to the Stalking Horse Bidder and all parties' right to object to approval of the sale to the Stalking Horse Bidder are preserved.

J. Good and sufficient notice of the relief sought in the Motion has been provided under the circumstances, and no other or further notice is required except as set forth in the Bidding Procedures and the Assumption and Assignment Procedures. A reasonable opportunity to object and be heard regarding the relief granted herein has been afforded to all parties-in-interest.

K. The Sale Notice and the Assumption and Assignment Notice are appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Auction, the Sale Hearing, the Bidding Procedures, the Assumption and Assignment Procedures, the Debtors' proposed Cure Costs, any proposed assumption of a Contract in connection with a sale of the Assets, and all relevant and important dates and deadlines with respect to the foregoing, and no other or further notice of the Auction, the sale of the Assets, or the assumption and assignment of Contracts in connection therewith shall be required.

L. The findings of fact and conclusions of law herein constitute the Court's findings of fact and conclusions of law for the purposes of Bankruptcy Rule 7052, made applicable pursuant to Bankruptcy Rule 9014. To the extent any findings of facts are conclusions of law, they are adopted as such. To the extent any conclusions of law are findings of fact, they are adopted as such.

**IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:**

1. The Motion is GRANTED as set forth herein.

2. All objections to the relief granted in this Bidding Procedures Order that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby overruled, and denied on the merits with prejudice.

**A. The Timeline for the Sale**

3. The Debtors are authorized to proceed with the sale transaction in accordance with the Bidding Procedures and are authorized to take any and all actions reasonably necessary or appropriate to implement the Bidding Procedures in accordance with the following timeline:

| DEADLINE | EVENT |
|---|---|
| **Two business days after the entry of the Bidding Procedures Order** | Deadline for Debtors to file and serve Sale Notice |
| **Two business days after the entry of the Bidding Procedures Order** | Deadline for Debtors to file and serve Assumption and Assignment Notice |
| **4:00 p.m. (prevailing Eastern Time) on the date that is 14 days after service of the Assumption and Assignment Notice** | Cure Objection Deadline |
| **September 28, 2026, at 4:00 p.m. (prevailing Eastern Time)** | Deadline for Debtors to designate a Stalking Horse Bidder |
| **October 2, 2026, at 4:00 p.m. (prevailing Eastern Time)** | Bid Deadline |
| **Five days after the Stalking Horse Notice is filed** | Stalking Horse Objection Deadline |
| **October 6, 2026, at 10:00 a.m. (prevailing Eastern Time)** | Auction |
| **One day after the conclusion of the Auction** | Deadline for Debtors to file and serve Notice of Auction Results |
| **October 12, 2026, at 4:00 p.m. (prevailing Eastern Time)** | Sale Objection Deadline and Adequate Assurance Objection Deadline |
| **October 13, 2026, at 4:00 p.m. (prevailing Eastern Time)** | Debtors' Deadline to Reply to Sale Objections |
| **October 14, 2026, at 9:30 a.m. (prevailing Eastern Time)** | Sale Hearing |
| **October 21, 2026** | Deadline for entry of a recognition order in the |

| DEADLINE | EVENT |
|---|---|
| | recognition proceedings commenced before the Ontario Superior Court of Justice (Commercial List) (the "Recognition Proceedings") (if necessary) |
| **October 22, 2026** | Deadline to consummate approved Sale |

**B. The Bidding Procedures**

4. The Bidding Procedures attached hereto as **Exhibit 1** are hereby approved in their entirety and are incorporated by reference as if fully set forth herein. The Bidding Procedures shall govern the selection of any Stalking Horse Bidder, bids and proceedings related to the Auction and the sale of the Assets. The failure to specifically include or reference a particular provision of the Bidding Procedures in this Bidding Procedures Order shall not diminish or impair the effectiveness of such provision.

5. Subject to this Bidding Procedures Order and the Bidding Procedures, the Debtors, in the exercise of their reasonable business judgment and in a manner consistent with their fiduciary duties and applicable law, shall have the right to, following consultation with the Consultation Parties: (i) subject to the express consent of the DIP Agent, select one or more Stalking Horse Bidders and provide such Stalking Horse Bidder(s) with Bid Protections; (ii) determine which bidders qualify as "Qualified Bidders," and which bids qualify as "Qualified Bids;" (iii) subject to the express consent of the DIP Agent, make final determinations as to whether the Debtors will conduct an Auction; (iv) subject to the express consent of the DIP Agent, select the Baseline Bid for the Assets; (v) determine the amount of each Minimum Overbid; (vi) subject to the prior written consent of the DIP Agent (in its sole discretion), determine the Leading Bid for the Assets; (vii) subject to the prior written consent of the DIP Agent (in its sole discretion), determine which Qualified Bid is the highest or otherwise best bid for the Assets (such Qualified

Bid, a "Successful Bid") and which Qualified Bid is the next highest and next best bid after the Successful Bid for the Assets (such Qualified Bid, a "Backup Bid"); (viii) reject any bid that is (a) inadequate or insufficient; (b) not in conformity with the requirements of this Bidding Procedures Order or any other applicable order of the Court, the Bidding Procedures, the Bankruptcy Code, or other applicable law; or (c) contrary to the best interests of the Debtors and their estates; (ix) subject to the express consent of the DIP Agent, adjourn or cancel the Auction in accordance with the Bidding Procedures; and (x) subject to the express consent of the DIP Agent, adjourn the Sale Hearing in accordance with the Bidding Procedures.

6. In accordance with and subject to the Bidding Procedures, the Debtors, in the exercise of their reasonable business judgment and in a manner consistent with their fiduciary duties and applicable law, shall have the right, in consultation with the Consultation Parties, to modify the Bidding Procedures, including to (i) extend or waive deadlines or other terms and conditions set forth herein or therein; (ii) adopt new rules and procedures for conducting the bidding and Auction process so long as any such modifications are disclosed to all Prospective Bidders and Qualified Bidders; and (iii) otherwise modify the Bidding Procedures to further promote competitive bidding for and maximizing the value of the Assets; *provided*, that the Debtors shall not, (x) without the express consent of the DIP Agent, extend, waive, or modify any date or deadline set forth in the timeline in paragraph 3 above, or (y) without the express consent

of the DIP Agent and the Prepetition Agents (as applicable), modify the Bidding Procedures in any manner that is adverse to the DIP Credit Parties or the Prepetition Secured Creditors.

7. Notwithstanding anything to the contrary in this Bidding Procedures Order or the Bidding Procedures, the Debtors shall not be required to take, or refrain from taking, any action that would be inconsistent with their fiduciary duties or other obligations under applicable law.

8. Subject in all respects to the Bankruptcy Code, other applicable law, the DIP Order, including any Challenge, and each agent's applicable loan documents, the DIP Agent and the Prepetition Agents may credit bid all or any portion of such party's secured claims against the Debtors pursuant to section 363(k) of the Bankruptcy Code or other applicable law, and any such credit bid shall be deemed to be a Qualified Bid submitted by a Qualified Bidder, without the need to provide any Good Faith Deposit (as defined in the Bidding Procedures); *provided*, that all parties in interest right to object to such Credit Bid are preserved. Any Credit Bid submitted by the DIP Agent or Prepetition Secured Creditors, respectively, made prior to the expiration of the Challenge Period shall be subject to Challenge as set forth in the DIP Order, notwithstanding entry of the order approving the Sale or the closing of the Sale. In the event that the amount, validity, perfection, enforceability, priority or extent of any liens or claims (including such liens or claims) of the Prepetition Secured Creditors or the DIP Agent are subject to a Challenge (as defined in the DIP Order) or a pending motion seeking standing to file a Challenge, or any other challenge (or a motion seeking standing with respect thereto) by any party, the DIP Agent and Prepetition Secured Creditors, as applicable, (i) shall not be obligated to close until any such Challenge is resolved in its entirety, and (ii) may (with the consent of the Debtors and after consultation with the

Consultation Parties) modify the terms of the bid prior to the Sale Hearing, including, without limitation, the structure or amount of the credit bid.

9. Nothing contained in this Bidding Procedures Order or in the Bidding Procedures is intended to or shall be construed to alter, amend or modify the DIP Order, nor constrain, limit, or impair any right granted to the DIP Credit Parties or the Prepetition Secured Lenders (as such terms are defined therein) thereunder.

10. For the avoidance of doubt, and notwithstanding anything to the contrary in this Bidding Procedures Order or the Bidding Procedures, each reference to the "express consent of the DIP Agent" or the "express consent of the Prepetition Agents (or the applicable Prepetition Agent)" means the prior express written consent of the DIP Agent or the applicable Prepetition Agent not to be unreasonably withheld, conditioned, or delayed, which consent may be given by electronic mail from counsel to the DIP Agent or the applicable Prepetition Agent.

**C. Stalking Horse Agreement and Bid Protections**

11. The Stalking Horse Designation Procedures and the Stalking Horse Notice, substantially in the form attached hereto as **Exhibit 3**, are approved, and the Debtors, subject to the express consent of the DIP Agent, are authorized to designate one or more Stalking Horse Bidders and provide Bid Protections, in accordance with the Stalking Horse Designation Procedures by **no later than September 28, 2026**, which deadline may be extended by the Debtors (after consultation with the Consultation Parties and subject to the express consent of the DIP Agent).

12. The Bid Protections, if any, are approved through this Bidding Procedures Order pursuant to the Stalking Horse Designation Procedures; *provided*, that any break-up fee shall not

exceed 3%. Other than any Bid Protections approved by the Court in connection with a Stalking Horse Bid, if any, no bidder or any other party shall be entitled to any termination or "break-up" fee, expense reimbursement, or any other bidding protection in connection with the submission of a bid for the Assets or otherwise participating in the Auction or the sale process. For the avoidance of doubt, approval of the Stalking Horse Designation Procedures or entry of the Stalking Horse Order shall not constitute approval of the sale of the Assets to the Stalking Horse Bidder and all parties' rights to object to approval of the sale to the Stalking Horse Bidder are preserved.

13. If the Debtors designate any Stalking Horse Bidder, the Debtors shall file a Stalking Horse Notice seeking approval of the same and any Bid Protections provided to such Stalking Horse Bidder. Objections to the designation of a Stalking Horse Bidder or any of the terms of a Stalking Horse Bid (including any proposed Bid Protections for such Stalking Horse Bidder) shall (a) be in writing, (b) comply with the Bankruptcy Code, Bankruptcy Rules, and Local Bankruptcy Rules, (c) state, with specificity, the legal and factual bases thereof and (d) be filed with this Court and served on the Objection Notice Parties **within five days after the service of the Stalking Horse Notice**.

14. If a timely Stalking Horse Objection is filed, the Debtors will schedule a hearing regarding such Stalking Horse Objection as soon as reasonably practicable seeking approval of such Stalking Horse Bid and in accordance with this Order and the Bidding Procedures; *provided* that such hearing with respect to the Stalking Horse Objection shall be on not less than three calendar days' notice. If no timely Stalking Horse Objection is filed and served with respect to the Stalking Horse Bid, upon the expiration of the objection deadline, the Debtors will submit a proposed order under certification of counsel to this Court approving the Stalking Horse Bid

(including the Stalking Horse Agreement and the Bid Protections), which this Court may enter without a hearing and any further or other notice except as required herein or under the Bidding Procedures, including with respect to any Bid Protections set forth in the Stalking Horse Notice. For the avoidance of doubt, notwithstanding any approval of Bid Protections, designation of a Stalking Horse Bid, or entry into a Stalking Horse Agreement, any such bid will remain subject to higher and better offers, as determined in consultation with the Consultation Parties, and the Debtors shall not be authorized to consummate any sale with respect to such Stalking Horse Bid or Stalking Horse Agreement until after the Sale Hearing and the entry of an appropriate form of Sale Order by the Court.

**D. Bid Deadline and Auction**

15. Any Prospective Bidder that intends to participate in the Auction must submit in writing to SSG (contact information in Sections I and III of the Bidding Procedures) a Qualified Bid on or before **October 2, 2026 at 4:00 p.m. (prevailing Eastern Time)** (the "Bid Deadline"). The Debtors shall promptly provide a copy of each bid to each of the Consultation Parties, but in no event later than the day after the date of the Bid Deadline.

16. If the Debtors receive more than one Qualified Bid for the Assets, the Debtors shall conduct an Auction for the Assets.

17. The Auction, if required, will be conducted on **October 6, 2026, at 10:00 a.m. (prevailing Eastern Time)**, either (i) at the offices of Cole Schotz P.C., 500 Delaware Avenue Suite 600 Wilmington, DE 19801, or (ii) virtually or at such other date, time or location as designated by the Debtors, after consulting with the Consultation Parties. If the Debtors conduct the Auction virtually, the Debtors will provide instructions setting forth how to attend the Auction

to the participants and other attendees via electronic mail. The Debtors will provide notice (via electronic mail or otherwise) of any change in the date, time, or location of the Auction to Qualified Bidders and the Consultation Parties and will cause publication of such change to occur on the Epiq Website (as defined below). If held, the Auction proceedings shall be transcribed and/or video recorded.

18. If the Debtors, subject to the express consent of the DIP Agent, determine not to hold an Auction, the Debtors shall file with the Court, serve on parties in interest, and cause to be published on the website maintained by Epiq Corporate Restructuring, LLC, the Debtors' claims and noticing agent in these Chapter 11 Cases, located at https://dm.epiq11.com/BFGSupply (the "Epiq Website"), within one day of making the determination, a notice containing the following information (as applicable): (i) a statement that the Auction has been canceled; (ii) the identity of the Successful Bidder; (iii) either include a copy of the Successful Bid or a summary of the material terms of such bid, or provide instructions for accessing the Successful Bid free of charge from the Epiq Website; and (iv) the date, time, and location of the Sale Hearing.

19. Any creditor of the Debtors shall be eligible to attend the Auction, subject to any other limitations as the Debtors may reasonably impose in accordance with the Bidding Procedures. Qualified Bidders participating in the Auction must attend the Auction personally or through a duly authorized representative. The Debtors may establish a reasonable limit on the number of representatives and/or professional advisors that may appear on behalf of a Qualified Bidder or otherwise attend the Auction.

20. Each Qualified Bidder participating in the Auction shall confirm in writing on the record that (i) it has not engaged in any collusion with respect to the Auction or the submission of

any bid for any of the Assets; and (ii) the Qualified Bid that gained the Qualified Bidder admission to participate in the Auction and each Qualified Bid submitted by the Qualified Bidder at the Auction constitutes a binding, good-faith, and *bona fide* offer to purchase the Assets identified in such bids.

21. Within one day after the conclusion of the Auction, the Debtors shall file with the Court, serve on parties in interest, and cause to be published on the Epiq Website, a notice setting forth the results of the Auction (the "Notice of Auction Results"). The Notice of Auction Results will (i) identify each Successful Bidder and each Backup Bidder; (ii) either include a copy of each Successful Bid and each Backup Bid or a summary of the material terms of such bid, or provide instructions for accessing each Successful Bid and each Backup Bid free of charge from the Epiq Website; and (iii) set forth the date, time, and location of the Sale Hearing and any other relevant dates or other information necessary to reasonably apprise the Sale Notice Parties of the outcome of the Auction.

**E. Sale Noticing and Objection Procedures**

22. All objections to the sale of the Assets (each, a "Sale Objection") shall be (a) in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof; (b) filed with the Court by **no later than October 12, 2026, at 4:00 p.m. (prevailing Eastern Time)** (the "Sale Objection Deadline"); and (c) served on the Objection Notice Parties (as defined in Section X.D of the Bidding Procedures).

23. Any party who fails to file and serve a timely Sale Objection in accordance with the terms of this Bidding Procedures Order shall be forever barred from asserting, at the Sale Hearing or thereafter, any Sale Objection to the relief requested in the Motion, or to the

consummation or performance of the sale of the Assets, including the transfer of Assets to the Successful Bidder free and clear of liens, claims, interests, and encumbrances pursuant to section 363(f) of the Bankruptcy Code, and shall be deemed to "consent" to such sale for purposes of section 363(f) of the Bankruptcy Code, provided, however, that nothing in this Bidding Procedures Order or the Bidding Procedures shall (i) constitute, or be deemed to constitute, the consent of the DIP Agent, the DIP Lenders, the Prepetition Agents, or the Prepetition Secured Creditors to a sale of any Assets, free and clear of the DIP Liens, the Prepetition Liens, or the Adequate Protection Liens or (ii) limit, waive, or impair any right of such parties under sections 363(f) or 363(k) of the Bankruptcy Code, the DIP Order, or the DIP Documents.

24. The Debtors shall file any reply to any Sale Objection, if any, by **no later than October 13, 2026 at 4:00 p.m. (prevailing Eastern Time).**

25. Consummation of the sale of the Assets pursuant to a Successful Bid shall be subject to Court approval. The Sale Hearing to (a) approve a sale of all, substantially all, or a portion of the Assets to the Successful Bidder(s) and (b) authorize the assumption and assignment of certain executory contracts and unexpired leases shall be held before the Court on **October 14, 2026, at 9:30 a.m. (prevailing Eastern Time)**; *provided, that*, the Debtors may seek an adjournment or rescheduling of the Sale Hearing consistent with the Bidding Procedures and this Bidding Procedures Order. At the Sale Hearing, the Debtors will seek Court approval of the Successful Bid(s) and the Backup Bid(s) (if any). Unless the Court orders otherwise, the Sale Hearing shall be an evidentiary hearing on matters relating to the sale transaction and there will be no further bidding at the Sale Hearing. If the Successful Bidder(s) cannot or refuses to consummate the Sale(s) because of the breach or failure on the part of such Successful Bidder, the

Debtors may, in accordance with the Bidding Procedures, designate the Backup Bid to be the new Successful Bid and the Backup Bidder to be the new Successful Bidder, and the Debtors shall be authorized, but not required, subject to the express consent of the DIP Agent and consultation with the Consultation Parties, to consummate the applicable transaction with the Backup Bidder without further order of the Court.

26. The Sale Notice, substantially in the form attached hereto as **Exhibit 2**, is approved, and no other or further notice of the proposed sale of the Assets, the Auction, the Sale Hearing, the Sale Objection Deadline shall be required if the Debtors serve and publish the Sale Notice in the manner provided in the Bidding Procedures and this Bidding Procedures Order.

27. By no later than two business days after the entry of this Bidding Procedures Order, the Debtors shall file with the Court, serve on the Sale Notice Parties, and cause to be published on the Epiq Website, the Sale Notice.

**F. Assumption and Assignment Procedures**

28. The Assumption and Assignment Notice, substantially in the form attached hereto as **Exhibit 4**, is approved, and no other or further notice of the Debtors' intention to assume or assign the Contracts or of the Debtors' proposed Cure Costs is necessary or required.

29. By no later than two business days after the entry of this Bidding Procedures Order, the Debtors shall file with the Court, serve on the applicable Counterparties (and counsel, if known), and cause to be published on the Epiq Website, the Assumption and Assignment Notice.

30. Any objection to the Debtors' proposed Cure Costs (each such objection, a "Cure Objection") shall be (a) in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof; (b) filed with the Court by **no later**

**than 4:00 p.m. (prevailing Eastern Time) on the date that is 14 days after service of the Assumption and Assignment Notice**; and (c) served on the Objection Notice Parties.

31. The Debtors, any Stalking Horse Bidder or, as applicable, the Successful Bidder, and the objecting Counterparty shall first confer in good faith to attempt to resolve the Cure Objection without Court intervention. If a Cure Objection is resolved in a manner that is not reasonably acceptable to the Debtors or the Successful Bidder, whether or not such resolution occurs prior to or after the closing of the sale of the Assets, the Debtors, any Stalking Horse Bidder or, as applicable, the Successful Bidder, may determine that any Contract subject to such resolved Cure Objection no longer will be assumed and assigned in connection with the sale of the Assets (subject to the terms of the applicable purchase agreement).

32. If a timely Cure Objection cannot otherwise be resolved by the parties, the Cure Objection may be heard at the Sale Hearing, at the next regularly scheduled omnibus hearing in these Cases, or such later date as may be agreed upon by the parties or fixed by the Court (each such Cure Objection, an "Adjourned Cure Objection"). An Adjourned Cure Objection may be resolved after the closing date of the sale of the Assets. Upon resolution of an Adjourned Cure Objection and the payment of the applicable cure amount, if any, to be made as soon as reasonably practicable or within five days of resolution of the Cure Objection, the Contract that was the subject of such Adjourned Cure Objection shall, at the election of the Successful Bidder, and subject to the Debtors' rights set forth in paragraph 31 of this Bidding Procedures Order, be deemed assumed and assigned to the Successful Bidder as of the closing date of the sale of the Assets. Notwithstanding anything to the contrary herein, with respect to any unexpired lease of nonresidential real property that is the subject of a Cure Objection, Adjourned Cure Objection or

Adequate Assurance Objection, the Debtors shall assume or assume and assign any such unexpired lease no later than the deadline imposed by section 365(d)(4) of the Bankruptcy Code.

33. If a Counterparty fails to file with the Court and serve on the Objection Notice Parties a timely Cure Objection, the Counterparty forever shall be barred from asserting any objection with regard to the cost to cure any defaults under the applicable Contract. The Cure Costs set forth in the applicable Assumption and Assignment Notice shall be controlling and will be the only amount necessary to cure outstanding defaults under the Contract and satisfy the requirements of section 365(b) of the Bankruptcy Code, and the Counterparty to the Contract shall be bound by and deemed to have consented to the Cure Costs.

34. In accordance with the Bidding Procedures, Qualified Bids shall be accompanied by Adequate Assurance Information (as defined in the Bidding Procedures). The Debtors shall promptly provide (with Email being acceptable), the Adequate Assurance Information to any Counterparty (and counsel, if known) to any Contract that may be assumed by the applicable Qualified Bidder.

35. Any objection to the proposed assumption and assignment of a Contract, the subject of which objection is a Successful Bidder's or any other relevant assignee's proposed form of adequate assurance of future performance with respect to the Contract (each such objection, an "Adequate Assurance Objection"), shall be (a) in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof; (b) filed with

the Court by **no later than October 12, 2026 at 4:00 p.m. (prevailing Eastern Time)**; and (c) served on the Objection Notice Parties.

36. The Debtors, the Successful Bidder, and a Counterparty that has filed an Adequate Assurance Objection shall first confer in good faith to attempt to resolve the Adequate Assurance Objection without Court intervention. If the parties are unable to consensually resolve the Adequate Assurance Objection prior to the commencement of the Sale Hearing, the Adequate Assurance Objection and all issues of adequate assurance of future performance of the Successful Bidder (or any other relevant assignee) shall be determined by the Court at the Sale Hearing, at the next regularly scheduled omnibus hearing in these Cases, or such later date as may be agreed upon by the parties or fixed by the Court.

37. If a Counterparty fails to file with the Court and serve on the Objection Notice Parties a timely Adequate Assurance Objection, the Counterparty shall be forever barred from asserting any objection to the assumption and/or assignment of a Contract with regard to adequate assurance of future performance. The Successful Bidder (or any other relevant assignee) shall be deemed to have provided adequate assurance of future performance with respect to a Contract in accordance with Bankruptcy Code sections 365(b)(1)(C), 365(f)(2)(B), and, if applicable, Bankruptcy Code section 365(b)(3), notwithstanding anything to the contrary in the Contract or any other document.

38. As soon as reasonably practicable after the closing of the sale of the Assets, the Debtors shall file with the Court, serve on the applicable Counterparties, and cause to be published

on the Epiq Website, a notice containing the list of Contracts that the Debtors assumed and assigned pursuant to any asset purchase agreement with a Successful Bidder.

39. The inclusion of a Contract or Cure Costs with respect to any Contract on any Assumption and Assignment Notice, shall not constitute or be deemed a determination or admission by the Debtors, any Stalking Horse Bidder, any Successful Bidder, or any other party that such Contract is an executory contract or an unexpired lease within the meaning of the Bankruptcy Code, and shall not be a guarantee that such Contract ultimately will be assumed or assigned. The Debtors reserve all of their rights, claims, and causes of action with respect to each Contract listed on any Assumption and Assignment Notice.

**G. Other Related Relief**

40. Notwithstanding anything herein or in the Bidding Procedures to the contrary, the Debtors shall not be permitted to (a) modify the consultation rights of the Consultation Parties in the Bidding Procedures or (b) modify the consent rights of the DIP Agent or Prepetition Agents, absent further order of this Court or the consent of any affected Consultation Parties, the DIP Agent, or the Prepetition Agents, as applicable.

41. All persons and entities that participate in the Auction or bid for the Assets during the Sale Process shall be deemed to have knowingly and voluntarily (i) consented to the core jurisdiction of the Court to enter any order related to the Bidding Procedures, the Auction, or any other relief requested in the Motion or granted in this Bidding Procedures Order; (ii) waived any right to a jury trial in connection with any disputes relating to the Bidding Procedures, the Auction, or any other relief requested in the Motion or granted in this Bidding Procedures Order; and (iii) consented to the entry of a final order or judgment in connection with any disputes relating to the

Bidding Procedures, the Auction, or any other relief requested in the Motion or granted in this Bidding Procedures Order, if it is determined that the Court would lack Article III jurisdiction to enter such a final order or judgment absent the consent of the relevant parties.

42. Nothing in this Bidding Procedures Order, or any of the Exhibits hereto, shall (i) prevent the Debtors from, in the exercise of their fiduciary duties, pursuing or otherwise consummating an alternative transaction or (ii) obligate the Debtors to pursue or consummate any transaction with any Qualified Bidder.

43. Notwithstanding the applicability of any of Bankruptcy Rules 6004(h), 6006(d), 7062, 9014, or any other provisions of the Bankruptcy Rules or the Local Rules stating to the contrary, the terms and provisions of this Bidding Procedures Order shall be immediately effective

and enforceable upon its entry, and any applicable stay of the effectiveness and enforceability of this Bidding Procedures Order is hereby waived.

44. The Debtors are authorized to take all steps necessary or appropriate to implement the relief granted in this Bidding Procedures Order.

45. This Bidding Procedures Order shall be binding on and inure to the benefit of the Debtors, including any Chapter 7 or Chapter 11 trustee or other fiduciary appointed for the estates of the Debtors.

46. This Bidding Procedures Order shall constitute the findings of fact and conclusions of law and shall take immediate effect upon execution hereof.

47. Except as set forth in paragraph 8 above, to the extent this Bidding Procedures Order is inconsistent with any prior order or pleading with respect to the Motion in these Chapter 11 Cases, the terms of this Bidding Procedures Order shall govern.

48. Notwithstanding the relief granted in this Bidding Procedures 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 Debtors' 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. To the extent there is any inconsistency between the terms of the DIP Order and the terms of this Bidding

Procedures Order, or any actions taken or proposed to be taken hereunder, the terms of the DIP Order and Approved Budget (as defined in the DIP Order) shall control.

49. To the extent any of the deadlines set forth in this Bidding Procedures Order do not comply with the Local Rules, such Local Rules are waived and the terms of this Bidding Procedures Order shall govern.

50. This Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Bidding Procedures Order.

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

# Exhibit 1

## Bidding Procedures

**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) |

# BIDDING PROCEDURES

The above-captioned debtors and debtors in possession (the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases") will use the procedures set forth herein (the "Bidding Procedures") in connection with a sale or disposition of all, substantially all, or a portion of the Debtors' assets (the "Assets").

On August 18, 2026, the Debtors filed with the United States Bankruptcy Court for the District of Delaware (the "Court") 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. [●]] (the "Motion"). By the Motion, the Debtors sought, among other things, entry of an order approving Bidding Procedures for soliciting bids for an auction (the "Auction") of, and consummating a sale of, the Assets, as further described herein.

On [●], 2026, the Court entered an *Order (I) Approving Bidding Procedures for the Sale of Substantially all of the Debtors' Assets, (II) Authorizing the Debtors to Designate a Stalking Horse Bidder and to Provide Bid Protections, (III) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (IV) Approving Assumption and Assignment Procedures, (V)*

[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.

*Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof, and (VI) Granting Related Relief* [Docket No. [●]] (the "Bidding Procedures Order").[2]

On [●], 2026, the Ontario Superior Court of Justice (Commercial List), granted an order (the "Bidding Procedures Recognition Order") recognizing and enforcing the Bidding Procedures Order in Canada.

## I. ASSETS FOR SALE

The Debtors intend to sell all, substantially all, or a portion of their Assets.

A Prospective Bidder (as defined in Section III below) may bid on the Assets, subject to the conditions set forth herein.

The ability to undertake and consummate a sale of the Assets shall be subject to competitive bidding, as set forth herein, and approval by the Court. In addition to any Stalking Horse Bid (as defined in the Motion), and as set forth herein, the Debtors will consider bids for the Assets from other parties.

Any party interested in submitting a bid for any of the Debtors' Assets should contact the Debtors' investment banker:

**SSG Advisors, LLC**
Neil Gupta (ngupta@ssgca.com)
Teresa C. Kohl (tkohl@ssgca.com)
J. Scott Victor (jsvictor@ssgca.com)

## II. KEY DATES AND DEADLINES

| DEADLINE | EVENT |
|---|---|
| **Two business days after the entry of the Bidding Procedures Order** | Deadline for Debtors to file and serve Sale Notice |
| **Two business days after the entry of the Bidding Procedures Order** | Deadline for Debtors to file and serve Assumption and Assignment Notice |
| **4:00 p.m. (prevailing Eastern Time) on the date that is 14 days after service of the Assumption and Assignment Notice** | Cure Objection Deadline |
| **September 28, 2026, at 4:00 p.m. (prevailing Eastern Time)** | Deadline for Debtors to designate a Stalking Horse Bidder |
| **October 2, 2026, at 4:00 p.m. (prevailing Eastern Time)** | Bid Deadline |
| **Five days after the Stalking Horse Notice is filed** | Stalking Horse Objection Deadline |

[2] Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms later in these Bidding Procedures or in the Motion, the Bidding Procedures Order, and the Interim DIP Order, as applicable.

| DEADLINE | EVENT |
|---|---|
| **October 6, 2026, at 10:00 a.m. (prevailing Eastern Time)** | Auction |
| **One day after the conclusion of the Auction** | Deadline for Debtors to file and serve Notice of Auction Results |
| **October 12, 2026, at 4:00 p.m. (prevailing Eastern Time)** | Sale Objection Deadline and Adequate Assurance Objection Deadline |
| **October 13, 2026, at 4:00 p.m. (prevailing Eastern Time)** | Debtors' Deadline to Reply to Sale Objections |
| **October 14, 2026, at 9:30 a.m. (prevailing Eastern Time)** | Sale Hearing |
| **October 21, 2026** | Deadline for entry of a recognition order in the recognition proceedings commenced before the Ontario Superior Court of Justice (Commercial List) (the "Recognition Proceedings") (if necessary) |
| **October 22, 2026** | Deadline to consummate approved Sale |

## III. DUE DILIGENCE

Each person or entity that desires to participate in the Auction must first deliver to SSG (contact information in Section I above and in this Section III) the following:

- documentation identifying the Prospective Bidder, its principals, and the representatives thereof who are authorized to appear and act on its behalf for all purposes regarding the contemplated Sale;
- an executed confidentiality agreement, in form and substance satisfactory to the Debtors;
- a statement and other factual support demonstrating to the Debtors and their advisors, in their sole judgment, that the Prospective Bidder has a *bona fide* interest in purchasing some or all of the Assets; and
- preliminary proof by the Prospective Bidder of its financial capacity to close a proposed sale transaction, which may include current unaudited or verified financial statements of, or verified financial commitments obtained by, the Prospective Bidder (or, if the Prospective Bidder is an entity formed for the purpose of acquiring the Assets to be sold, the party that will bear liability for a breach by the Prospective Bidder of an asset purchase agreement or other agreement entered into in respect of the sale transaction), the adequacy of which the Debtors and their advisors will determine in their sole judgment.

The Debtors and their advisors shall have the right to disclose on a confidential basis to the DIP Agent, the Prepetition Agents, the Creditors' Committee, and their respective advisors each Prospective Bidder's identity, its bid and any related diligence materials.

Any person or entity that delivers the foregoing shall be a "Prospective Bidder." Without the need for any further action, any Stalking Horse Bidder is a Prospective Bidder and a Qualified Bidder (as defined in Section VI.C below).

Upon execution of a valid confidentiality agreement and subject to the other limitations and guidelines set forth herein, the Debtors may grant a Prospective Bidder that the Debtors identify as reasonably likely to become a Qualified Bidder with access to information allowing such Prospective Bidder to conduct due diligence with respect to the potential acquisition of some or all of the Assets. If any Prospective Bidder is (or is affiliated with) a competitor of the Debtors, the Debtors will not be required to disclose to such Prospective Bidder any trade secrets or proprietary information (as determined by the Debtors in their sole discretion), unless the confidentiality agreement executed by such Prospective Bidder is satisfactory to the Debtors and contains provisions sufficient to ensure that such Prospective Bidder will not use such trade secrets or proprietary information for an improper purpose or to gain an unfair competitive advantage.

If the Debtors determine, after consulting with the Consultation Parties, that a Prospective Bidder is unlikely to qualify as a Qualified Bidder or fails to become a Qualified Bidder, then such Prospective Bidder shall have no further right to access due diligence or any other non-public information. The Prospective Bidder shall return or destroy any non-public information the Debtors or their advisors provided to the Prospective Bidder in accordance with the terms of the confidentiality agreement executed by the Debtors and the Prospective Bidder.

The Debtors will use reasonable efforts to accommodate all reasonable requests from Prospective Bidders for additional information and due diligence access. All due diligence requests shall be directed to the Debtors' investment banker:

**SSG Advisors, LLC**
Neil Gupta (ngupta@ssgca.com)
Teresa C. Kohl (tkohl@ssgca.com)
J. Scott Victor (jsvictor@ssgca.com)

## IV. STALKING HORSE DESIGNATION PROCEDURES

The procedures set forth in this section (the "Stalking Horse Designation Procedures") shall apply to the designation of any Stalking Horse Bidder, Stalking Horse Agreement and Bid Protections.

Subject to the provisions set forth herein, the Bidding Procedures Order, and in consultation with the Consultation Parties, the Debtors may, subject to the express consent of the DIP Agent, designate one or more Stalking Horse Bidders that submits a Qualified Bid (as defined below) acceptable to the Debtors, subject to higher or otherwise better offers at the Auction, **no later than September 28, 2026, at 4:00 p.m. (prevailing Eastern Time)**, which deadline may be extended by the Debtors (after consultation with the Consultation Parties and subject to the express consent of the DIP Agent).

The Debtors, in consultation with the Consultation Parties, and subject to the express consent of the DIP Agent, may provide one or more bid protections, including break-up fees and/or

reimbursement of expenses, if any, for documented, actual, and necessary expenses incurred by any Stalking Horse Bidder (collectively, the "Bid Protections"); *provided*, that any break-up fee shall not exceed 3%.

The Debtors shall file a notice (the "Stalking Horse Notice") regarding such selection and any Bid Protections. The Stalking Horse Notice shall be served on (i) the U.S. Trustee, (ii) the Consultation Parties, and (iii) any party that has filed the appropriate notice pursuant to Bankruptcy Rule 2002 requesting notice of all pleadings filed in these Chapter 11 Cases (the "Stalking Horse Notice Parties") with no further or other notice regarding the Stalking Horse Bidder, the Stalking Horse Bid, or the Bid Protections being required. To the extent the Stalking Horse Bid includes any of the Debtors' assets located in Canada, the Information Officer appointed in Recognition Proceeding shall be a Stalking Horse Notice Party. Any Stalking Horse Notice shall (a) set forth the identity of the Stalking Horse Bidder (and if the Stalking Horse Bidder is a newly formed entity, then the Stalking Horse Bidder's parent company or sponsor); (b) set forth the amount of the Stalking Horse Bid and any Bid Protections; (c) state whether the Stalking Horse Bidder has any connection to the Debtors other than those that arise from the Stalking Horse Bid; (d) confirm the proposed Bid Protections are consistent with the Bidding Procedures Order; (e) attach the purchase agreement finalized with the Stalking Horse Bidder or otherwise summarize the material terms thereof; and (f) set forth the deadline to object to the Stalking Horse Bidder designation. All parties in interest shall have the right to object to the Debtors' designation of a Stalking Horse Bidder on any grounds, including objections to the Bid Protections and the form of proposed order.

Objections to the designation of a Stalking Horse Bidder or any of the terms of the applicable Stalking Horse Notice (a "Stalking Horse Objection") shall (a) be in writing, (b) comply with the Bankruptcy Code, Bankruptcy Rules, and Local Rules, (c) state, with specificity, the legal and factual bases thereof and (d) be filed with the Court and served on the Objection Notice Parties. The Stalking Horse Objection shall be filed within five days after the Stalking Horse Notice is filed. If a timely Stalking Horse Objection is filed, the Debtors are authorized to seek an expedited hearing with respect to the Stalking Horse Objection on not less than three calendar days' notice. Absent any timely Stalking Horse Objection, the Court may enter an order approving the Bid Protections set forth in the Stalking Horse Notice and the designation of the Stalking Horse (the "Stalking Horse Order"). For the avoidance of doubt, entry of the Stalking Horse Order shall not constitute approval of the sale of the Debtors' assets to the Stalking Horse Bidder and all parties rights to object to approval of the sale to the Stalking Horse Bidder are preserved.

Upon filing of the Stalking Horse Notice, any Stalking Horse Agreement executed by the Debtors and the transactions contemplated thereby will be deemed a Qualified Bid for all purposes, and any Stalking Horse Bidder party to a Stalking Horse Agreement executed by the Debtors will be deemed to be a Qualified Bidder.

Other than as provided by order of the Court, no party submitting a Bid shall be entitled to a break-up fee or expense reimbursement except for the Bid Protections for any Stalking Horse Bidder. Any substantial contribution claims by any bidder are deemed waived.

## V. BID DEADLINE

Any Prospective Bidder that intends to participate in the Auction must submit in writing to the Bid Notice Parties a Qualified Bid (as defined in Section VI.C below) on or before **October 2, 2026, at 4:00 p.m. (prevailing Eastern Time**) (the "Bid Deadline"). The Debtors shall promptly provide a copy of each bid to each of the Consultation Parties, but in no event later than the day after the Bid Deadline.

## VI. BID REQUIREMENTS

### A. Qualified Bid Requirements

To qualify as a "Qualified Bid," a bid must be in writing and satisfy the following requirements (provided that, notwithstanding anything to the contrary herein, any Credit Bid shall constitute a Qualified Bid submitted by a Qualified Bidder without further action and shall not be required to provide a Good Faith Deposit):

1. Identification of Bidder. A Qualified Bid must fully disclose the following: (a) the legal identity of each person or entity bidding for the Assets and/or otherwise sponsoring, financing (including through the issuance of debt in connection with such bid), or participating in (including through license or similar arrangement with respect to the Assets to be acquired in connection with such bid) the Auction in connection with such bid and the complete terms of any such participation; and (b) any past or present connections or agreements with the Debtors, any Stalking Horse Bidder, any other known Prospective Bidder or Qualified Bidder, the Prepetition Secured Creditors, the DIP Credit Parties, or any officer or director of any of the foregoing (including any current or former officer or director of the Debtors).

2. Purchased Assets. A Qualified Bid must identify the following:

   a. the Assets to be purchased, including any executory contracts and unexpired leases (collectively, the "Contracts") that, as of the submission of such bid, the Prospective Bidder proposes to be assumed and assigned by the Debtors in connection with the proposed sale; and

   b. the liabilities, if any, to be assumed, including any debt to be assumed.

3. Form of Consideration.

   a. Credit Bidding. The DIP Agent and the Prepetition Agents may, to the extent permitted by their applicable loan documents and subject to the terms of the DIP Order, including any Challenge, credit bid all or any portion of such secured party's claims against the Debtors (the "Credit Bid"). Any Credit Bid shall be a Qualified Bid without

the need to provide any Good Faith Deposit and the Prepetition Agents shall each be a Qualified Bidder in connection with such Credit Bid.

b. Consideration. Other than a Credit Bid, each other bid must include a statement confirming that the bid is based on an all-cash offer, or if a bid includes forms of consideration other than cash, the bidder shall include an analysis or description of the value of such non-cash components, including any supporting documentation, to assist the Debtors and the Consultation Parties in evaluating the bid.

4. Minimum Bid for Assets. If a Stalking Horse Bidder has been designated, each bid that is not a Stalking Horse Bid must have a value to the Debtors, as determined by the Debtors, in consultation with the Consultation Parties, that is greater than or equal to the sum of the value offered under the Stalking Horse Agreement, plus (a) the amount of the Bid Protections and (b) the Minimum Overbid amount (collectively, the "Minimum Bid Amount").

If the value of a bid relative to any Stalking Horse Bid includes additional non-cash components (such as fewer contingencies than are in any Stalking Horse Agreement), the bidder should include an analysis or description of the value of any such additional non-cash components, including any supporting documentation, to assist the Debtors and the Consultation Parties in better evaluating the competing bid.

If a Stalking Horse Bidder is not designated pursuant to the Stalking Horse Designation Procedures, the Debtors, in consultation with the Consultation Parties, may set a minimum bid requirement, which shall be considered the Minimum Bid Amount for all purposes hereunder. In such case, the Debtors will notify all Prospective Bidders of the Minimum Bid Amount no later than October 5, 2026, at 5:00 p.m.

5. Proposed Asset Purchase Agreement. A Qualified Bid must constitute an irrevocable offer and be in the form of an asset purchase agreement reflecting the terms and conditions of the bid (each, a "Proposed Asset Purchase Agreement"). A Proposed Asset Purchase Agreement shall be (a) duly authorized and executed; (b) based on, and marked against, the form asset purchase agreement provided by the Debtors (the "Form APA") or, if a Stalking Horse Bidder has been designated, the Stalking Horse Agreement, to reflect the proposed sale transaction and to show any other proposed modifications to the Form APA or Stalking Horse Agreement, as applicable; (c) specify the proposed purchase price for the Assets in U.S. dollars; and (d) identify any Contracts that, as of the submission of such bid, the Prospective Bidder proposes to be assumed and assigned by the Debtors in connection with the proposed sale transaction.

6. Financial Information. A Qualified Bid must include the following:

   a. Other than a Credit Bid, a statement that the Prospective Bidder is financially capable of consummating the sale transaction contemplated by the Prospective Bidder's Proposed Asset Purchase Agreement and Proposed Sale Order;

   b. Other than a Credit Bid, sufficient evidence, as determined by the Debtors in their sole discretion, to determine that the Prospective Bidder has, or will obtain, the financial wherewithal to consummate the sale transaction contemplated by the Prospective Bidder's Proposed Asset Purchase Agreement and Proposed Sale Order; and

   c. Adequate Assurance Information (as defined in Section VI.A.8 below) with respect to any Contracts included or that may be included in the Prospective Bidder's bid, including the identity of any known proposed assignee of the applicable Contracts (if different from the Prospective Bidder), including contact information for such proposed assignee;

7. Good Faith Deposit. Each Qualified Bid (other than a Credit Bid, for which no deposit is required) must be accompanied by a good faith deposit (each, a "Good Faith Deposit") in the form of cash in an amount equal to ten percent (10%) of the proposed purchase price for the Assets. The Good Faith Deposits shall be deposited **no later than October 5, 2026 at 3:00 pm (prevailing Eastern Time)** with an escrow agent selected by the Debtors (the "Escrow Agent") and held in escrow until 10 business days after the conclusion of the Auction, except for the Good Faith Deposit of any bidder who is selected at the Auction as a Successful Bidder or as a Backup Bidder, and thereafter returned to the respective Qualified Bidders in accordance with Section VII.D of these Bidding Procedures.

   For the avoidance of doubt, to the extent the purchase price of a bid is increased at any time or from time to time, whether prior to the commencement of, or during, the Auction (if any), the amount of the required Good Faith Deposit shall automatically increase accordingly (*i.e.*, to equal ten percent (10%) of such increased purchase price), and the corresponding Prospective Bidder shall promptly deposit the amount of such increase into escrow within one business day following such increase. Without limiting the foregoing, if a purchase price is increased in order for a bid to qualify as a Qualified Bid, the Debtors may condition the applicable Prospective Bidder's participation in the Auction (if any) on such Prospective Bidder depositing the full amount of the then-required Good Faith Deposit into escrow prior to the commencement of the Auction. Moreover, the amount of the required Good Faith Deposit shall likewise automatically increase accordingly (*i.e.*, to equal ten percent (10%) of such increased purchase price) with respect to any Successful Bid

or Backup Bid, and the corresponding Successful Bidder or Backup Bidder shall promptly deposit the amount of such increase into escrow within one business day following the close of the Auction.

8. Adequate Assurance. A Qualified Bid must include evidence of the Prospective Bidder's (or any other relevant assignee's) ability to comply with section 365 of the Bankruptcy Code (to the extent applicable), including providing adequate assurance of such Prospective Bidder's (or any other relevant assignee's) ability to perform future obligations arising under any Contracts included in its bid. The Debtors may require the following information in connection with demonstrating adequate assurance of future performance: (a) information evidencing the Prospective Bidder's (or any other relevant assignee's) financial wherewithal and willingness to perform under any Contracts included in the bid, which information may include (i) a corporate organizational chart or similar disclosure identifying corporate ownership and control, (ii) financial statements, (iii) tax returns, and (iv) annual reports; and (b) the Prospective Bidder's (or any other relevant assignee's) proposed use of any leased premises or other property included in the bid (the information described in clauses (a) and (b) of this Section VI.A.8, the "Adequate Assurance Information").

   All Adequate Assurance Information must be in a form that will permit its immediate dissemination to Contract counterparties ("Counterparties"), with email being acceptable.

9. Representations and Warranties (As-Is, Where-Is). Each Qualified Bid must include a written acknowledgement and representation that (a) the Prospective Bidder has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its Qualified Bid, (b) the Prospective Bidder has relied solely upon its own or its advisors' independent review, investigation, and/or inspection of any documents and/or the Assets in making its Qualified Bid, (c) the Prospective Bidder did not rely upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law, or otherwise, regarding the Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in the Prospective Bidder's Proposed Asset Purchase Agreement; and (d) the Assets will be conveyed "as is, where is, with all faults," with limited representations and warranties, and no indemnification or guarantees by the Debtors.

10. Authorization. A Qualified Bid must (a) include evidence of authorization and approval from the Prospective Bidder's board of directors (or comparable governing body) with respect to the submission, execution, and delivery of any bid for the Assets, participation in the Auction, and closing of the sale transaction contemplated by the Prospective Bidder's

Proposed Asset Purchase Agreement and Proposed Sale Order; or, (b) if the Prospective Bidder is an entity formed for the purpose of effecting the proposed sale transaction, a Qualified Bid must provide written evidence acceptable to the Debtors of authorization and the approval by the equity holder(s) of such Prospective Bidder.

11. Other Requirements. A Qualified Bid must:

a. state that the Prospective Bidder agrees to serve as a backup bidder (a "Backup Bidder") if such bidder's Qualified Bid is selected at the Auction as the next highest or next best bid after the Successful Bid (as defined in Section VII.C.1 below) for the Assets (each such bid, a "Backup Bid");

b. state that the bid represents a binding, good-faith, and *bona fide* offer to purchase the Assets and is not subject to or conditioned on any further due diligence, and is irrevocable (i) until the selection of the Successful Bid in accordance with these Bidding Procedures; or (ii) if the bid is selected as a Successful Bid or as a Backup Bid, until the Backup Bid Expiration Date (as defined in Section VII.C.2 below);

c. for any bidder other than any Stalking Horse Bidder, state and acknowledge that the Prospective Bidder shall not be entitled to any bidding protection or payment in connection with the submission of a bid for the Assets or otherwise participating in the Sale process;

d. state that the Prospective Bidder is committed to closing the sale transaction contemplated in its bid as soon as practicable (and in no event later than October 22, 2026);

e. expressly waive any claim or right to assert any substantial contribution administrative expense claim under section 503(b) of the Bankruptcy Code in connection with bidding for any of the Assets and/or otherwise participating in the Auction or the Sale process;

f. not contain any financing contingencies of any kind;

g. state whether the Prospective Bidder intends to offer future employment to any of the Debtors' employees and, if so, to whom;

h. certify that the Prospective Bidder did not collude with any other bidders and is not otherwise a partnership, joint venture, or other entity in which more than one bidder (or any affiliates of a bidder) has a direct or indirect interest, unless consented to in writing by the Debtors;

i. include a covenant to comply with the terms of these Bidding Procedures and the Bidding Procedures Order; and

j. contain such other information as may be reasonably requested by the Debtors.

**B. Bid Review Process**

The Debtors will evaluate bids and, based upon their evaluation of the content of each bid, the Debtors may, as they deem appropriate in their reasonable business judgment and in a manner consistent with their fiduciary duties and applicable law, engage in negotiations with any Prospective Bidder for the purposes of (i) curing any deficiencies in a bid that prevents it from constituting a Qualified Bid, (ii) improving the terms of the Prospective Bidder's bid, or (iii) otherwise promoting a more competitive bidding and Auction process with the ultimate goal of maximizing the value of the Assets; provided that the Debtors shall not waive, amend, or modify any bid requirement set forth in Section VI.A in a manner that is adverse to the DIP Credit Parties or the Prepetition Secured Creditors without the express consent of the DIP Agent or the Prepetition Secured Creditors, as applicable.

In evaluating a bid, the Debtors may take into consideration any and all factors that the Debtors deem reasonably pertinent, including (i) the amount of the proposed purchase price and proposed form of consideration; (ii) any Assets included in, or excluded from, the bid, including any Contracts to be assumed and assigned; (iii) the value to be provided to the Debtors under the bid, including the net economic effect on the Debtors' estates (taking into account any Stalking Horse Bidder's rights with respect to any Bid Protections and the amounts necessary to fund a wind-down of the Debtors' estates); (iv) any benefits to the Debtors' estates from any assumption or waiver of liabilities contemplated by the bid; (v) the structure of the proposed sale transaction and any attendant execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and general financial wherewithal to meet all commitments; and any required governmental approvals; and (vi) the impact of the proposed sale transaction on the Debtors' employees, trade creditors, landlords, and any other parties-in-interest.

The Debtors will evaluate timely bids and will (i) after consultation with the Consultation Parties, determine which bids qualify as Qualified Bids, and subject to the express consent of the DIP Agent, which Qualified Bid has been selected as the Baseline Bid and (ii) notify bidders whether they are Qualified Bidders as soon as commercially reasonable following the Bid Deadline. A Qualified Bidder shall not (without the consent of the Debtors), modify, amend, or withdraw its Qualified Bid, unless for the purposes of increasing the purchase price or otherwise improving the terms of the Qualified Bid, as determined by the Debtors in their reasonable business judgment.

**C. Qualified Bidders**

A (a) bid received for the Assets that the Debtors determine satisfies the requirements set forth in Sections V and VI.A above and (b) credit bid by the DIP Credit Parties and/or Prepetition Secured Creditors will in each case qualify as a "Qualified Bid," and (a) any bidder that submits a

Qualified Bid and (b) the DIP Credit Parties and the Prepetition Secured Creditors will in each case qualify as a "Qualified Bidder."

The Debtors may, in their reasonable business judgment, in a manner consistent with their fiduciary duties and applicable law, amend or waive the conditions precedent to qualifying as a Qualified Bidder; provided that the Debtors may not amend or waive any terms or conditions that are subject to the consent of the DIP Agent without the DIP Agent's prior written consent.

### D. Bid Protections

Other than any Bid Protections approved by the Court in connection with a Stalking Horse Bid, if any, no bidder or any other party shall be entitled to any termination or "break-up" fee, expense reimbursement, or any other bidding protection in connection with the submission of a bid for the Assets or otherwise participating in the Auction or the sale process.

## VII. THE AUCTION

If the Debtors receive more than one Qualified Bid (including a combination of bids that, when considered together, constitute a Qualified Bid) for the Assets, the Debtors will conduct an Auction for the Assets. If any Stalking Horse Bid is the only Qualified Bid received in respect of the Assets, the Debtors will not conduct an Auction for the Assets and will seek approval of such Stalking Horse Bid at the Sale Hearing. If the Debtors determine not to hold an Auction, within one day of making the determination, the Debtors will file with the Court, serve on parties in interest, and cause to be published on the Epiq Website within one day of making the determination, a notice containing the following information, as applicable: (i) a statement that the Auction for the Assets has been canceled; (ii) the identity of the Successful Bidder; (iii) a copy of the Successful Bid or a summary of the material terms of such bid, including any assumption and assignment of Contracts contemplated thereby, or provide instructions for accessing the Successful Bid free of charge from the Epiq Website; and (iv) the date, time, and location of the Sale Hearing.

The Auction, if required, will be conducted on **October 6, 2026, at 10:00 a.m. (prevailing Eastern Time)**, either (i) at the offices of Cole Schotz P.C., 500 Delaware Avenue Suite 600 Wilmington, DE 19801, or (ii) virtually or at such other date, time or location as designated by the Debtors, after consulting with the Consultation Parties. If the Debtors conduct the Auction virtually, the Debtors will provide instructions setting forth how to attend the Auction to the participants and other attendees via electronic mail. The Debtors will provide notice (via electronic mail or otherwise) of any change in the date, time or location of the Auction to Qualified Bidders and the Consultation Parties, and will cause publication of such change to occur on the Epiq Website.

If held, the Auction proceedings will be transcribed and/or video recorded.

### A. Participants and Attendees

Any creditor of the Debtors shall be permitted to attend the Auction, subject to other limitations as may be reasonably imposed by the Debtors in accordance with these Bidding Procedures. Qualified Bidders participating in the Auction must attend the Auction personally or through a duly authorized representative. Subject to the Auction procedures set forth in Section

VII.B, all Qualified Bidders and the Consultation Parties are permitted to attend the Auction; *provided* that the Debtors may, in their sole discretion, establish a reasonable limit on the number of representatives and/or professional advisors that may appear on behalf of a Qualified Bidder or otherwise attend the Auction.

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

All Prospective Bidders and Qualified Bidders (including any Stalking Horse Bidder, Successful Bidder, and Backup Bidder) shall be deemed to have (i) agreed that all proceedings in the Court related to these Bidding Procedures, the Auction, any other relief requested in the Motion or granted pursuant to the Bidding Procedures Order, or the construction or enforcement of any agreement or any other document directly relating to the sale transaction are core proceedings as described in 28 U.S.C. § 157; (ii) waived any right to a jury trial in connection with any disputes relating to these Bidding Procedures, the Auction, or the construction or enforcement of any agreement or any other document directly relating to the sale transaction; and (iii) consented to the entry of a final order or judgment by the Court in connection with any disputes relating to these Bidding Procedures, the Auction, or the construction or enforcement of any agreement or any other document relating directly to the sale transaction, if it is determined that the Court would lack Article III jurisdiction to enter such a final order or judgment absent the consent of the relevant parties.

### B. Auction Procedures

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

1. Baseline Bids. Prior to the commencement of the Auction, the Debtors will determine, in their reasonable business judgment (and in consultation with the Consultation Parties and subject to the express consent of the DIP Agent) the highest and/or best Qualified Bid submitted for the Assets (such Qualified Bid, a "Baseline Bid"). Bidding at the Auction shall commence at the amount of the Baseline Bid. **No later than October 5, 2026 at 5:00 p.m. (prevailing Eastern Time)**, the Debtors will provide all Qualified Bidders with (a) a notice identifying all the Qualified Bidders and which Qualified Bid is the Baseline Bid; and (b) a copy of the Baseline Bid.

2. Minimum Overbid. Bidding shall commence at the Baseline Bid. The first overbid at the Auction shall be in an amount not less than the amount of the Baseline Bid plus the Minimum Overbid. In consultation with Consultation Parties, the Minimum Overbid amount will be determined based on the Qualified Bids received and the assets contemplated being sold (the

"Minimum Overbid"). At each round of bidding, Qualified Bidders may submit successive bids higher than the Leading Bid (as defined below) from the prior round. During the Auction, the Debtors may, in their reasonable discretion and in consultation with the Consultation Parties, announce increases or reductions to Minimum Overbids at any time; provided that any reduction of a Minimum Overbid shall be subject to the express consent of the DIP Agent. For the avoidance of doubt, a Credit Bid may be increased at the Auction on a dollar-for-dollar basis by additional credit bid amounts, and no credit bidder shall be required to include cash consideration in any overbid except as required by section 363(k) of the Bankruptcy Code or the DIP Order.

Except as specifically set forth herein, for the purpose of evaluating the value of the consideration provided by any bid subsequent to the Baseline Bid, the Debtors will, at each round of bidding, consider and/or give effect to (a) any Bid Protections payable to any Stalking Horse Bidder under the Stalking Horse Agreement; (b) any additional liabilities to be assumed by a Qualified Bidder under the bid, including whether such liabilities are secured or unsecured; and (c) any additional costs that may be imposed on the Debtors.

3. Leading Bid. After the first round of bidding and between each subsequent round of bidding, in consultation with the Consultation Parties, the Debtors will announce the bid that they believe, subject to the prior written consent of the DIP Agent (in its sole discretion), to be the highest or otherwise best offer for the Assets (such bid, a "Leading Bid") and describe the material terms thereof. Each round of bidding will conclude after each participating Qualified Bidder has had the opportunity to submit a subsequent bid with full knowledge of the material terms of the Leading Bid.

The Auction will include open bidding in the presence of all other Qualified Bidders. Each Qualified Bidder shall have the right to be present for all rounds of bidding and to submit additional bids and make modifications to its Proposed Asset Purchase Agreement at the Auction to improve its bid. The Debtors may, in their reasonable business judgment, negotiate with any and all Qualified Bidders participating in the Auction.

The Debtors shall have the right to determine, in their reasonable business judgment after consultation with the Consultation Parties, subject to the prior written consent of the DIP Agent (in its sole discretion), which bid is the highest or otherwise best bid with respect to the Assets and, after consultation with the Consultation Parties, reject, at any time, without liability, any bid that the Debtors deem to be inadequate or insufficient, not in conformity with the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, these Bidding Procedures, any order of the Court, or the best interests of the Debtors and their estates.

**C. Auction Results**

1. Successful Bids. Immediately prior to the conclusion of the Auction, the Debtors will (a) determine, consistent with these Bidding Procedures and in consultation with the Consultation Parties, subject to the prior written consent of the DIP Agent (in its sole discretion), which Qualified Bid constitutes the highest or otherwise best bid (such bid, a "Successful Bid") and (b) notify all Qualified Bidders at the Auction of the identity of the bidder that submitted the Successful Bid (such bidder, a "Successful Bidder") and the amount of the purchase price and other material terms of the Successful Bid. Notwithstanding anything contained herein to the contrary and for the avoidance of doubt, selection of the Successful Bidder and approval of the ultimate sale transaction or transactions will require the prior written approval of the DIP Agent (in its sole discretion).

2. Backup Bids. Immediately prior to the conclusion of the Auction, the Debtors will (a) determine, in a manner consistent with these Bidding Procedures and in consultation with the Consultation Parties, subject to the prior written consent of the DIP Agent (in its sole discretion), which Qualified Bid, other than any Credit Bid, is the Backup Bid; and (b) notify all Qualified Bidders at the Auction of the identity of the Backup Bidder and the amount of the purchase price and other material terms of the Backup Bid.

   Except as may otherwise be provided in any Stalking Horse Agreement, a Backup Bid will remain binding on the applicable Backup Bidder until the later of (a) the first business day after the closing of the sale transaction with the Successful Bidder for the Assets and (b) 30 days after the Sale Hearing (such date, the "Backup Bid Expiration Date"). If the sale transaction with the Successful Bidder is terminated prior to the Backup Bid Expiration Date, the Backup Bidder shall be deemed the new Successful Bidder for the Assets and shall be obligated to consummate the Backup Bid as if it were the Successful Bid at the Auction; *provided* that the Debtors may, in their reasonable business judgment (after providing notice to the Sale Notice Parties and after consultation with the Consultation Parties, subject to the express consent of the DIP Agent) elect not to pursue the sale transaction contemplated by the Backup Bid.

3. Notice of Auction Results. Within one day after the conclusion of the Auction, the Debtors will file with the Court, serve on parties in interest, and cause to be published on the Epiq Website, a notice setting forth the results of the Auction (the "Notice of Auction Results"), which will (a) identify each Successful Bidder and the Backup Bidder; (b) include a copy of each Successful Bid and the Backup Bid or a summary of the material terms of such bids, or provide instructions for accessing each Successful Bid and the Backup Bid free of charge from the Epiq Website; and (c) set forth the Sale Objection Deadline (as defined in Section X.D

below), the date, time, and location of the Sale Hearing and any other relevant dates or other information necessary to reasonably apprise parties in interest of the outcome of the Auction.

**D. Good Faith Deposit**

1. Prospective Bidders. Within five business days after the Debtors make final determinations as to which Prospective Bidders qualify as Qualified Bidders, the Escrow Agent shall return to each Prospective Bidder that did not qualify as a Qualified Bidder, as confirmed by the Debtors, such Prospective Bidder's Good Faith Deposit. Upon the authorized return of a Prospective Bidder's Good Faith Deposit in accordance with this Section VII.D, the bid of such Prospective Bidder shall be deemed terminated and no longer binding against the Prospective Bidder.

2. Qualified Bidders.

   a. Forfeiture of Good Faith Deposit. The Good Faith Deposit of a Qualified Bidder shall be forfeited if the Qualified Bidder attempts to withdraw its Qualified Bid, except as may be permitted by these Bidding Procedures, during the time the Qualified Bid remains binding and irrevocable under these Bidding Procedures. The Debtors and their estates shall be entitled to retain the Qualified Bidder's Good Faith Deposit as partial compensation for the damages caused to the Debtors and their estates as a result of the Qualified Bidder's failure to adhere to the terms of these Bidding Procedures and/or the relevant Qualified Bid. If a Qualified Bidder's Good Faith Deposit is deemed forfeited, the Escrow Agent shall release such Good Faith Deposit by wire transfer of immediately available funds to an account designated by the Debtors within two business days after the Escrow Agent receives written notice by an authorized officer of the Debtors stating that the applicable Qualified Bidder has breached or otherwise failed to satisfy its obligations in accordance with these Bidding Procedures and the applicable Qualified Bid.

   b. Return of Good Faith Deposit. With the exception of the Good Faith Deposits of the Successful Bidder and the Backup Bidder, the Escrow Agent shall return to any other Qualified Bidder the Qualified Bidder's Good Faith Deposit, within 10 business days after the conclusion of the Auction for the Assets.

   c. Backup Bidder. Unless the Backup Bidder becomes the Successful Bidder, the Escrow Agent shall return the Backup Bidder's Good Faith Deposit, within 10 business days after the occurrence of the applicable Backup Bid Expiration Date; *provided, however*, if the Backup Bidder becomes the Successful Bidder, its Good Faith

Deposit shall be forfeited if it fails to consummate the sale transaction because of a breach that entitles the Debtors to terminate the applicable asset purchase agreement with such Backup Bidder, and the Debtors and their estates shall be entitled to retain the Backup Bidder's Good Faith Deposit as partial compensation for the damages caused to the Debtors and their estates as a result of such breach. If a Backup Bidder's Good Faith Deposit is deemed forfeited, the Escrow Agent shall release such Good Faith Deposit by wire transfer of immediately available funds to an account designated by the Debtors within two business days after the Escrow Agent receives written notice by an authorized officer of the Debtors stating that the applicable Backup Bidder has breached or otherwise failed to satisfy its obligations in accordance with these Bidding Procedures and the applicable Backup Bidder.

d. Successful Bidder. At the closing of the sale transaction, the Successful Bidder shall be entitled to a credit against the purchase price in the amount of the Successful Bidder's Good Faith Deposit. The Good Faith Deposit of a Successful Bidder shall be forfeited if the Successful Bidder fails to consummate the sale transaction because of a breach that entitles the Debtors to terminate the applicable asset purchase agreement with such Successful Bidder, and the Debtors and their estates shall be entitled to retain the Successful Bidder's Good Faith Deposit as partial compensation for the damages caused to the Debtors and their estates as a result of such breach. If a Successful Bidder's Good Faith Deposit is deemed forfeited, the Escrow Agent shall release such Good Faith Deposit by wire transfer of immediately available funds to an account designated by the Debtors within two business days after the Escrow Agent receives written notice by an authorized officer of the Debtors stating that the Successful Bidder has breached or otherwise failed to satisfy its obligations in accordance with these Bidding Procedures and the Successful Bid.

## VIII. SALE HEARING

The Successful Bid (including any Backup Bid that is subsequently deemed a Successful Bid) will be subject to Court approval. The hearing to approve the sale transaction consummated in accordance with these Bidding Procedures (except in the case of the sale transaction contemplated by a Backup Bid that subsequently is deemed a Successful Bid) shall take place on **October 14, 2026, at 9:30 a.m. (prevailing Eastern Time)** (the "Sale Hearing") before the Honorable Craig T. Goldblatt, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, located at 824 N. Market Street, Wilmington, Delaware 19801.

At the Sale Hearing, the Debtors will seek entry of an order (a "Sale Order") approving, among other things, the sale of the Assets to the Successful Bidder. If necessary, upon entry of

the Sale Order the Debtors will seek entry of a recognition order in the Debtors' Companies' Creditors Arrangement Act recognition proceeding by the Ontario Superior Court of Justice.

The Debtors may, in their reasonable business judgment (after consulting with the Consultation Parties and the Successful Bidder), and subject to the express consent of the DIP Agent, adjourn or reschedule the Sale Hearing with sufficient notice to the Sale Notice Parties, including by announcing such adjournment or rescheduling at the Auction or in Court on the date of the originally scheduled Sale Hearing.

The Debtors' presentation to the Court for approval of a selected Qualified Bid as a Successful Bid does not constitute the Debtors' acceptance of such bid. The Debtors will have accepted a Successful Bid only when such Successful Bid has been approved by the Court at the Sale Hearing.

## IX. RESERVATION OF RIGHTS TO MODIFY BIDDING PROCEDURES

The Debtors reserve the right to, in their reasonable business judgment, after consultation with the Consultation Parties and in a manner consistent with their fiduciary duties and applicable law, (i) modify these Bidding Procedures, including to, among other things, extend or waive deadlines or other terms and conditions set forth herein; adopt new rules and procedures for conducting the bidding and Auction process so long as any such modifications are disclosed to all Prospective Bidders and Qualified Bidders, as applicable; or (ii) otherwise modify these Bidding Procedures to further promote competitive bidding for and maximizing the value of the Assets, in each case, to the extent not materially inconsistent with these Bidding Procedures or the Bidding Procedures Order; *provided*, that the Debtors shall not extend, waive, or modify, without the express consent of the DIP Agent and the Prepetition Agents (as applicable), any date or deadline set forth in Section II above, or modify these Bidding Procedures in any manner that is adverse to the DIP Credit Parties or the Prepetition Secured Creditors.

## X. NOTICING

### A. Bid Notice Parties

Qualified Bids must be submitted in writing to the following parties (collectively, the "Bid Notice Parties"):

- Counsel for the Debtors: Cole Schotz P.C., 500 Delaware Avenue Suite 600 Wilmington, DE 19801, Attn: Justin R. Alberto (jalberto@coleschotz.com);
- the Debtors' investment banker: SSG Advisors, LLC, Attn: Neil Gupta (ngupta@ssgca.com); Teresa C. Kohl (tkohl@ssgca.com); J. Scott Victor (jsvictor@ssgca.com);
- 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), Michael E. Comerford (mcomerford@choate.com), and Alexandra M. 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);

- 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); and

- counsel to the official committee of unsecured creditors appointed in these Chapter 11 Cases (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).

**B. Sale Notice Parties**

The "Sale Notice Parties" shall include the following persons and entities:

- the Consultation Parties (as applicable);

- counsel to any Stalking Horse Bidder;

- counsel to the Creditors' Committee;

- all persons and entities known by the Debtors to have asserted any lien, claim, interest, or encumbrance in the Assets (for whom identifying information and addresses are available to the Debtor);

- all relevant non-debtor parties (each, a "Counterparty") to any Contract that may be assumed or rejected in connection with the sale transaction, and their counsel (if known);

- all of the Debtors' known creditors (for whom identifying information and addresses are known to the Debtors);

- any governmental authority known to have a claim against the Debtors in these Chapter 11 Cases;

- the office of the U.S. Trustee;

- all applicable federal, state, and local taxing authorities, including the Internal Revenue Service;
- the United States Attorney's Office for the District of Delaware;
- United States Attorney General's Office for the District of Delaware;
- the Office of the Attorney General and the Secretary of State in each state in which the Debtors operate;
- the Antitrust Division of the United States Department of Justice;
- the Federal Trade Commission;
- the Information Officer appointed in the Recognition Proceedings;
- all of the parties entitled to notice pursuant to Bankruptcy Rule 2002; and
- all other parties as directed by the Court.

**C. Sale Notice**

Within two business days after the entry of the Bidding Procedures Order, the Debtors will file with the Court, serve on the Sale Notice Parties, and cause to be published on the Epiq Website a notice (the "Sale Notice") setting forth (A) a description of the Assets available for sale in accordance with these Bidding Procedures; (B) the date, time, and location of the Auction and Sale Hearing; (C) the Sale Objection Deadline (as defined in Section X.D below) and the procedures for filing such objections; and (D) if applicable, a summary of the material terms of any Stalking Horse Agreement, including the terms and conditions of any Bid Protections to be provided thereunder, as of the date of the Sale Notice.

**D. Sale Objections**

All objections to a sale of the Assets (each such objection, a "Sale Objection") shall, by no later than **October 12, 2026, at 4:00 p.m. (prevailing Eastern Time)** (the "Sale Objection Deadline"), be filed with the Court and served on the following parties (collectively, the "Objection Notice Parties"):

- Counsel for the Debtors: Cole Schotz P.C., 500 Delaware Avenue Suite 600 Wilmington, DE 19801, Attn: Justin R. Alberto (jalberto@coleschotz.com);
- 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), Michael E. Comerford (mcomerford@choate.com), and Alexandra M. 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);

- 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);

- 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);

- 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);

- if applicable, counsel for any Stalking Horse Bidder or relevant Successful Bidder; and

- if applicable, counsel for any relevant Backup Bidder(s).

### E. Notices Regarding Assumption and Assignment of Contracts

The Debtors will provide all notices regarding the proposed assumption and assignment of Contracts in accordance with the Assumption and Assignment Procedures set forth in the Bidding Procedures Order.

## XI. CONSULTATION BY THE DEBTORS

Throughout the Sale process, the Debtors and their advisors will consult with the following parties (collectively, the "Consultation Parties"), as provided in these Bidding Procedures, or as is otherwise necessary or appropriate, as determined in the Debtors' business judgment: (i) the DIP Agent (ii) the Prepetition Term Loan Secured Parties and (iii) the Creditors' Committee.

The Debtors shall consult with the Consultation Parties in good faith regarding the sale process, any diligence and other information requested by the Consultation Parties, and the Debtors will provide to the Consultation Parties reports concerning the sale process, including parties contacted, buyer feedback, copies of all letters of intent, drafts of definitive agreements and updates on proposals. For the avoidance of doubt, the Debtors shall consult with the Consultation Parties on the selection of the Baseline Bid, how the Auction is conducted, any additional Auction procedures, adjourning the Auction, and selecting the Successful Bidder and the Backup Bidder.

Notwithstanding the foregoing, the Debtors will not consult with or provide copies of any bids or other confidential information to any Consultation Party or any insider or affiliate of the

Debtors if such party is an active bidder or Prospective Bidder for the Assets, including a Credit Bid or a Stalking Horse Bid, unless and until such party unequivocally revokes its Bid in writing and waives its right to continue in the bidding process. Upon any Consultation Party's claims (as applicable) being indefeasibly paid in full in cash, such Consultation Party shall immediately no longer be a Consultation Party under these Bidding Procedures and the Bidding Procedures Order. If a member of an official committee appointed in these Chapter 11 Cases submits a Qualified Bid for the Assets, the applicable committee will maintain its consultation rights as a Consultation Party, *provided* that such committee excludes the bidding committee member from any discussions or deliberations regarding a transaction involving the relevant Assets, and shall not provide any confidential information regarding the Assets or otherwise involving the Sale process to such bidding committee member.

For the avoidance of doubt, any consultation rights afforded to the Consultation Parties by these Bidding Procedures or the Bidding Procedures Order shall not in any way limit the Debtors' discretion and shall not include the right to veto any decision made by the Debtors in the exercise of their reasonable business judgment, provided that the Debtors may not modify any terms or conditions of the Bidding Procedures that require the express consent of the DIP Agent without the DIP Agent's prior written consent; provided that the DIP Agent shall not have consent or consultation rights if it submits a Bid, including a Credit Bid, for the Assets, unless and until such party unequivocally revokes its Bid in writing and waives its right to continue in the bidding process .

**Exhibit 2**

**Sale Notice**

**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) |

**NOTICE OF SALE, BIDDING PROCEDURES, AUCTION, SALE HEARING AND OTHER DEADLINES RELATED THERETO**

**PLEASE TAKE NOTICE OF THE FOLLOWING:**

On August 18, 2026, the above-captioned debtors and debtors in possession (the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases") filed with the United States Bankruptcy Court for the District of Delaware (the "Court") a motion [Docket No. ●] (the "Motion") seeking entry of (a) an order (the "Bidding Procedures Order") (i) approving bidding procedures (the "Bidding Procedures")[2] to be used in connection with the sale (each, a "Sale") of all, substantially all, or a portion of the Debtors' assets (the "Assets"); (ii) authorizing the Debtors to designate a Stalking Horse Bidder and provide Bid Protections in accordance with the Stalking Horse Designation Procedures; (iii) scheduling (A) an auction of the Assets (the "Auction") on and (B) a final hearing to consider approval of the proposed Sale (the "Sale Hearing"); (iv) approving the form and manner of notice of the Bidding Procedures, the Auction and the Sale Hearing; (v) approving procedures for the assumption and assignment of executory contracts and unexpired leases (collectively, the "Contracts") in connection with the Sale; (vi) approving the form and manner of notice to each relevant non-debtor counterparty to a Contract of the Debtors' calculation of the amount necessary to cure any defaults under an applicable Contract and certain other information regarding the potential assumption and assignment of Contracts in connection with a Sale; and (vii) granting related relief; and (b) an order (the "Sale Order") (i) authorizing the

[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 respective meanings ascribed to such terms in the Motion or the Bidding Procedures, as applicable. Any summary of the Bidding Procedures or the Bidding Procedures Order (or any provision thereof) contained herein is qualified in its entirety by the actual terms and conditions thereof. To the extent that there is any inconsistency between any summary in this Sale Notice and the terms and conditions of either of the Bidding Procedures or the Bidding Procedures Order, the actual terms and conditions in those documents shall control.

sale of the Assets free and clear of all liens, claims, interests and encumbrances, except certain permitted encumbrances as determined by the Debtors and any Successful Bidder (as defined in Section VII.C.1 of the Bidding Procedures), with, subject to paragraph [●] (the challenge period) of the DIP Order, the DIP Liens, Adequate Protection Liens, Prepetition Liens and Permitted Prior Liens (if any) to attach to the proceeds of the Sale; (ii) authorizing the assumption and assignment of certain Contracts in connection with approved Sale; and (iii) granting related relief.

On [●], 2026, the Court entered the Bidding Procedures Order [Docket No. [●]].

On [●], 2026, the Ontario Superior Court of Justice (Commercial List), granted an order (the "Bidding Procedures Recognition Order") recognizing and enforcing the Bidding Procedures Order in Canada.

## ASSETS FOR SALE

The Debtors intend to sell all, substantially all, or a portion of their Assets.

A Prospective Bidder (as defined in Section III of the Bidding Procedures) may bid on the Assets, subject to the conditions set forth herein.

The ability to undertake and consummate a sale of the Assets shall be subject to competitive bidding, as set forth herein, and approval by the Court. In addition to any Stalking Horse Bid (as defined in the Motion), and as set forth herein, the Debtors will consider bids for the Assets from other parties.

Any party interested in submitting a bid for any of the Debtors' Assets should contact the Debtors' investment banker:

**SSG Advisors, LLC**
Neil Gupta (ngupta@ssgca.com)
Teresa C. Kohl (tkohl@ssgca.com)
J. Scott Victor (jsvictor@ssgca.com)

## KEY DATES AND DEADLINES

### A. Bid Deadline

Any Prospective Bidder that intends to participate in the Auction must submit in writing to the Bid Notice Parties a Qualified Bid (as defined in Section VI.A of the Bidding Procedures) **on or before October 2, 2026, at 4:00 p.m. (prevailing Eastern Time)** (the "Bid Deadline").

The Qualified Bid requirements are set forth in Sections VI.A of the Bidding Procedures.

### B. Auction

If the Debtors receive more than one Qualified Bid (including a combination of bids that, when considered together, constitute a Qualified Bid) for the Assets, the Debtors will conduct an Auction for the Assets. If any Stalking Horse Bid is the only Qualified Bid received in respect of

the Assets subject to such Stalking Horse Bid, the Debtors will not conduct an Auction for such applicable Assets and will seek approval of such Stalking Horse Bid at the Sale Hearing.

The Auction, if required, will be conducted on **October 6, 2026, at 10:00 a.m. (prevailing Eastern Time)**, either (i) at the offices of Cole Schotz P.C., 500 Delaware Avenue Suite 600 Wilmington, DE 19801, or (ii) virtually or at such other date, time or location as designated by the Debtors. If the Debtors conduct the Auction virtually, the Debtors will provide instructions setting forth how to attend the Auction to the participants and other attendees via electronic mail. The Debtors will provide notice (via electronic mail or otherwise) of any change in the date, time or location of the Auction to Qualified Bidders, and will cause publication of such change to occur on the website maintained by Epiq Corporate Restructuring, LLC, the Debtors' claims and noticing agent in these Chapter 11 Cases, located at https://dm.epiq11.com/BFGSupply (the "Epiq Website").

One day after the conclusion of the Auction, the Debtors will file with the Court, serve on parties in interest and cause to be published on the Epiq Website, a notice of the results of the Auction, which will, among other things, (A) identify the Successful Bidder and Backup Bidder(s); (B) either include a copy of the Successful Bid and the Backup Bid or a summary of the material terms of such bids, including any assumption and assignment of Contracts contemplated thereby, or provide instructions for accessing the Successful Bid and the Backup Bid free of charge from the Epiq Website; and (C) set forth the date, time, and location of the Sale Hearing and any other relevant dates or other information necessary to reasonably apprise the Sale Notice Parties of the outcome of the Auction.

If the Debtors determine not to hold an Auction for some or all of the Assets, the Debtors shall file with the Court, serve on parties in interest, and cause to be published on the Epiq Website within one day of making the determination, a notice containing the following information (as applicable): (a) a statement that the Auction for the relevant Assets has been canceled; (b) the identity of the Successful Bidder; (c) either include a copy of the Successful Bid or a summary of the material terms of such bid, including any assumption and assignment of Contracts contemplated thereby, or provide instructions for accessing the Successful Bid free of charge from the Epiq Website; and (d) the date, time, and location of the Sale Hearing.

### C. Objection Deadlines

1. Sale Objection Deadline. Except objections to the conduct of the Auction, the Successful Bidder or the Backup Bidder (other than the identity of any Stalking Horse Bidder), all objections to a sale of the Assets, including (a) any objection to a sale of the Assets free and clear of all liens, claims, interests and encumbrances pursuant to section 363(f) of the Bankruptcy Code and (b) entry of any Sale Order must be (i) in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof; and (ii) filed with the Court by **no later than October 12, 2026, at 4:00 p.m. (prevailing Eastern Time)** and served on the following parties (collectively, the "Objection Notice Parties").

- Counsel for the Debtors: Cole Schotz P.C., 500 Delaware Avenue, Suite 600, Wilmington, DE 19801, Attn: Justin R. Alberto (jalberto@coleschotz.com);

- 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), Michael E. Comerford (mcomerford@choate.com), and Alexandra M. 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);

- 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);

- counsel for 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);

- 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);

- if applicable, counsel for any Stalking Horse Bidder or relevant Successful Bidder; and

- if applicable, counsel for any relevant Backup Bidder(s).

**D. Sale Hearing**

The Sale Hearing shall take place on **October 14, 2026, at 9:30 a.m. (prevailing Eastern Time)** before The Honorable Craig T. Goldblatt, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, located at 824 N. Market Street, Wilmington, Delaware 19801.

**RESERVATION OF RIGHTS TO MODIFY BIDDING PROCEDURES**

The Debtors reserve the right to, in their reasonable business judgment and after consultation with the Consultation Parties in a manner consistent with their fiduciary duties and

applicable law, modify the Bidding Procedures, including to, among other things, extend or waive deadlines or other terms and conditions set forth therein; adopt new rules and procedures for conducting the bidding and Auction process so long as any such modifications are disclosed to all Prospective Bidders and Qualified Bidders, as applicable; or otherwise modify these Bidding Procedures to further promote competitive bidding for and maximizing the value of the Assets, in each case, to the extent not materially inconsistent with the Bidding Procedures or the Bidding Procedures Order.

## ADDITIONAL INFORMATION

Copies of the Motion, the Bidding Procedures Order and the Bidding Procedures may be obtained free of charge by visiting the Epiq Website located at https://dm.epiq11.com/BFGSupply.

**FAILURE TO ABIDE BY THE BIDDING PROCEDURES, THE BIDDING PROCEDURES ORDER OR ANY OTHER APPLICABLE ORDER OF THE COURT ENTERED IN THE CHAPTER 11 CASES MAY RESULT IN THE REJECTION OF YOUR BID AND YOUR DISQUALIFICATION FROM PARTICIPATING IN THE BIDDING FOR AND AUCTION OF ANY OF THE DEBTORS' ASSETS.**

**THE FAILURE OF ANY PERSON OR ENTITY TO FILE AND SERVE AN OBJECTION IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER, INCLUDING THE FAILURE TO FILE ANY SUCH OBJECTION BY THE APPLICABLE OBJECTION DEADLINE, SHALL FOREVER BAR SUCH PERSON OR ENTITY FROM ASSERTING, AT THE SALE HEARING OR THEREAFTER, ANY SUCH OBJECTION TO THE RELIEF REQUESTED IN THE MOTION, THE CONSUMMATION OF ANY APPLICABLE SALE, INCLUDING THE SALE OF ANY ASSETS TO A SUCCESSFUL BIDDER FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES PURSUANT TO SECTION 363(f) OF THE BANKRUPTCY CODE OR THE TERMS OF ANY STALKING HORSE AGREEMENT OR OTHER ASSET PURCHASE AGREEMENT EXECUTED BY THE DEBTORS.**

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Dated: [●], 2026
Wilmington, Delaware

**COLE SCHOTZ P.C.**

*/s/ DRAFT*

Justin R. Alberto (No. 5126)
Stacy L. Newman (No. 5044)
Carol E. Thompson (No. 6936)
500 Delaware Avenue, Suite 600
Wilmington, DE 19801
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snewman@coleschotz.com
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Seth Van Aalten (admitted *pro hac vice*)
Sarah A. Carnes (admitted *pro hac vice*)
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scarnes@coleschotz.com
msolimani@coleschotz.com

*Proposed Counsel for Debtors*
*and Debtors in Possession*

**Exhibit 3**

**Stalking Horse Notice**

**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) |

**NOTICE OF DESIGNATION OF STALKING HORSE BIDDER**

**PLEASE TAKE NOTICE OF THE FOLLOWING:**

On August 18, 2026, the United States Bankruptcy Court for the District of Delaware (the "Court") entered the *Order (I) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (II) Authorizing the Debtors to Designate a Stalking Horse Bidder and to Provide Bid Protections, (III) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (IV) Approving Assumption and Assignment Procedures, (V) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof, and (VI) Granting Related Relief* [Docket No. ●] (the "Bidding Procedures Order"),[2] by which which the Court approved procedures setting forth the process by which the Debtors are authorized to conduct a marketing and auction process for the sale or sales of the Debtors' Assets.

**PLEASE TAKE FURTHER NOTICE** that, the Bidding Procedures Order permitted to Debtors to offer one or more Bid Protections to any Stalking Horse Bidder, including break-up fees and/or reimbursement of expenses, if any, for documented, actual, and necessary expenses incurred by any Stalking Horse Bidder *provided*, that any break-up fee shall not exceed 3%.

**PLEASE TAKE FURTHER NOTICE** that, the Debtors hereby designate [●] to act as the Stalking Horse Bidder for the Assets, with a Stalking Horse Bid in the amount of [●], including [●] in cash consideration, substantially on the terms of and in accordance with the proposed Stalking Horse Agreement attached hereto as **Schedule 1**, subject to and in accordance with the Order.

---

[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 them in the Bidding Procedures Order, the Motion, or the Bidding Procedures, as applicable.

**PLEASE TAKE FURTHER NOTICE** that, consistent with the Bidding Procedures Order, the Stalking Horse Agreement provides for the following Bid Protections, including a break-up fee not to exceed 3%: [●].

**[PLEASE TAKE FURTHER NOTICE** that, the Debtors hereby disclose that the Stalking Horse Bidder has the following connections to the Debtors, other than those arising from the Stalking Horse Bid: [●].]

**PLEASE TAKE FURTHER NOTICE** that, any objection to the designation of the Stalking Horse Bidder or to the terms of the Bid Protections set forth herein and in the Stalking Horse Agreement shall be (i) filed **no later than five days after the filing of this Stalking Horse Notice** and (ii) (a) be in writing, (b) comply with the Bankruptcy Code, Bankruptcy Rules, and Local Rules, (c) state, with specificity, the legal and factual bases thereof and (d) be filed with the Court and served on the Objection Notice Parties. If a timely Stalking Horse Objection is filed, the Debtors are authorized to seek an expedited hearing with respect to the Stalking Horse Objection on not less than three calendar days' notice.

**PLEASE TAKE FURTHER NOTICE** that, absent a timely Stalking Horse Objection, the Court may enter an order approving the Bid Protections set forth in the Stalking Horse Notice and the designation of the Stalking Horse Bidder.

**PLEASE TAKE FURTHER NOTICE** that, the Debtors and the Stalking Horse Bidder reserve all of their rights to amend, modify, change, revise, or otherwise alter in any respect the Stalking Horse Agreement in accordance with the terms of the Stalking Horse Agreement and the Order.

**PLEASE TAKE FURTHER NOTICE** that, copies of all documents filed in these chapter 11 cases are available (i) free of charge at the website of Debtors' claims and noticing agent, Epiq Corporate Restructuring, LLC, https://dm.epiq11.com/bfgsupply or (ii) downloaded for a fee from the Court's website, www.deb.uscourts.gov. To access documents on the Court's website, you will need a PACER password and login which can be obtained at www.pacer.psc.uscourts.gov.

[*Remainder of Page Intentionally Left Blank*]

Dated: [●], 2026
Wilmington, Delaware

**COLE SCHOTZ P.C.**

*/s/ DRAFT*

Justin R. Alberto (No. 5126)
Stacy L. Newman (No. 5044)
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Seth Van Aalten (admitted *pro hac vice*)
Sarah A. Carnes (admitted *pro hac vice*)
Michael A. Solimani (admitted *pro hac vice*)
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scarnes@coleschotz.com
msolimani@coleschotz.com

*Proposed Counsel for Debtors*
*and Debtors in Possession*

# Schedule 1

## Stalking Horse Agreement

# Exhibit 4

## Assumption and Assignment Notice

**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) |

**NOTICE OF CURE COSTS AND POTENTIAL ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN CONNECTION WITH SALE OF SUBSTANTIALLY ALL ASSETS**

**PLEASE TAKE NOTICE OF THE FOLLOWING:**

On August 18, 2026, the above-captioned debtors and debtors in possession (the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases") filed with the United States Bankruptcy Court for the District of Delaware (the "Court") a motion [Docket No. ●] (the "Motion") seeking entry of (a) an order (the "Bidding Procedures Order") (i) approving bidding procedures (the "Bidding Procedures")[2] to be used in connection with a sale (the "Sale") of all, substantially all, or a portion of the Debtors' assets (the "Assets"); (ii) authorizing the Debtors to designate a Stalking Horse Bidder and provide Bid Protections in accordance with the Stalking Horse Designation Procedures; (iii) scheduling (A) an auction of the Assets (the "Auction"), and (B) a final hearing to consider approval of the proposed Sale (the "Sale Hearing"); (iv) approving the form and manner of notice of the Bidding Procedures, the Auction and the Sale Hearing; (v) approving procedures for the assumption and assignment of executory contracts and unexpired leases (collectively, the "Contracts") in connection with any Sale; (vi) approving the form and manner of notice to each relevant non-debtor counterparty to a Contract of the Debtors' calculation of the amount necessary to cure any defaults under an applicable Contract (the "Cure Cost") and certain other information regarding the potential assumption and assignment of Contracts in connection with the Sale; and (vii) granting related relief; and (b) an order (the "Sale Order")

[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 respective meanings ascribed to such terms in the Motion or the Bidding Procedures, as applicable. Any summary of the Bidding Procedures or the Bidding Procedures Order (or any provision thereof) contained herein is qualified in its entirety by the actual terms and conditions thereof. To the extent that there is any inconsistency between any summary in this Assumption and Assignment Notice and the terms and conditions of either of the Bidding Procedures or the Bidding Procedures Order, the actual terms and conditions in those documents shall control.

(i) authorizing the sale of the Assets free and clear of all liens, claims, interests and encumbrances, except certain permitted encumbrances as determined by the Debtors and any Successful Bidder (as defined in the Bidding Procedures), with, subject to paragraph [●] (the challenge period) of the DIP Order, the DIP Liens, Adequate Protection Liens, Prepetition Liens and Permitted Prior Liens (if any) to attach to the proceeds of the Sale; (ii) authorizing the assumption and assignment of certain Contracts in connection with the approved Sale; and (iii) granting related relief.

On [●], 2026, the Court entered the Bidding Procedures Order [Docket No. [●]].

On [●], 2026, the Ontario Superior Court of Justice (Commercial List), granted an order (the "Bidding Procedures Recognition Order") recognizing and enforcing the Bidding Procedures Order in Canada.

**You are receiving this Notice because you may be a Counterparty to a Contract of the Debtors that may be assumed and assigned to the Successful Bidder for the Debtors' Assets.**

## CURE COSTS

In accordance with the Assumption and Assignment Procedures and the Bidding Procedures Order, the Debtors may, in connection with the Sale with the Successful Bidder at the Auction, seek to assume and assign to the Successful Bidder certain of their Contracts. Each of the Contracts that potentially could be assumed and assigned in connection with the Sale, together with the Debtors' calculation of Cure Costs with respect to such Contracts, is set forth on **Schedule 1** hereto. The inclusion of any Contract on **Schedule 1** does not constitute an admission by the Debtors, any Stalking Horse Bidder, any Successful Bidder, or any other party that such Contract is an executory contract or an unexpired lease within the meaning of the Bankruptcy Code or require or guarantee that such Contract ultimately will be assumed or assigned. All rights of the Debtors with respect thereto are reserved.

In addition, to the extent that any of the Cure Costs set forth on **Schedule 1** do not reflect (i) postpetition payments that have been made by the Debtors in respect of applicable Cure Costs or (ii) any payments that are made by the Debtors in respect of such Cure Costs after the filing of this Notice, the respective amounts required to be paid to cure any existing defaults under the applicable Contracts shall be reduced by any such corresponding postpetition payments, and the Debtors reserve their right to update the Cure Costs set forth on **Schedule 1** accordingly, either by filing a supplemental notice with the Court or by written notice to the applicable Counterparty.

## CURE OBJECTIONS

### A. Cure Objection Deadline

Any Counterparty that wishes to object to the Debtors' proposed Cure Costs or to any Stalking Horse Bidder's proposed form of adequate assurance of future performance (each such objection, a "Cure Objection") must file with the Court by **no 4:00 p.m. (prevailing Eastern Time) on the date that is 14 days after service of this Assumption and Assignment Notice** and serve its Cure Objection, which must be in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof, on the following parties (collectively the "Objection Notice Parties"):

- Counsel for the Debtors: Cole Schotz P.C., 500 Delaware Avenue Suite 600 Wilmington, DE 19801, Attn: Justin R. Alberto (jalberto@coleschotz.com);

- 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), Michael E. Comerford (mcomerford@choate.com), and Alexandra M. 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);

- 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);

- counsel for 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);

- 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);

- if applicable, counsel for any Stalking Horse Bidder or relevant Successful Bidder; and

- if applicable, counsel for any relevant Backup Bidder(s).

**B. Resolution of Cure Objections**

Pursuant to the Bidding Procedures Order, the Debtors, any Stalking Horse Bidder or Successful Bidder (if applicable) and the objecting Counterparty must first confer in good faith to attempt to resolve the Cure Objection without Court intervention. If the parties are unable to consensually resolve the Cure Objection prior to the commencement of the Sale Hearing, the Court shall make all necessary determinations relating to the applicable Cure Costs and Cure Objection at a hearing scheduled pursuant to the following paragraph. If a Cure Objection is resolved in a manner that is not reasonably acceptable to the Debtors or the Successful Bidder, whether or not such resolution occurs prior to or after the closing of the Sale, the Debtors and the Successful Bidder may determine that any Contract subject to such resolved Cure Objection no longer will be assumed and assigned.

### C. Adjourned Cure Objections

If a timely filed Cure Objection cannot otherwise be resolved by the parties, the Cure Objection may be heard at the Sale Hearing, at the next regularly scheduled omnibus hearing in these Cases, or such later date as may be agreed upon by the parties or fixed by the Court (each such Cure Objection, an "Adjourned Cure Objection"). Upon resolution of an Adjourned Cure Objection and the payment of the applicable cure amount, if any, the applicable Contract that was the subject of such Adjourned Cure Objection shall, at the election of the Successful Bidder, and subject to the Debtors' rights set forth in the Bidding Procedures Order, be deemed assumed and assigned to the Successful Bidder as of the closing date of the Sale.

**IF A COUNTERPARTY FAILS TO FILE WITH THE COURT AND SERVE ON THE OBJECTION NOTICE PARTIES A TIMELY CURE OBJECTION, THE COUNTERPARTY FOREVER SHALL BE BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO THE COST TO CURE ANY DEFAULTS UNDER THE APPLICABLE CONTRACT, AND THE CURE COSTS SET FORTH ON SCHEDULE 1 HERETO SHALL BE CONTROLLING AND WILL BE THE ONLY AMOUNT NECESSARY TO CURE OUTSTANDING DEFAULTS UNDER THE CONTRACT AND SATISFY THE REQUIREMENTS OF SECTION 365(b) OF THE BANKRUPTCY CODE, AND THE COUNTERPARTY TO THE CONTRACT SHALL BE DEEMED BOUND BY AND TO HAVE CONSENTED TO THE CURE COSTS.**

## NOTICE OF AUCTION RESULTS

The Auction, if required, will be conducted **on October 6, 2026, at 10:00 a.m. (prevailing Eastern Time)**, either (i) at the offices of Cole Schotz P.C., 500 Delaware Avenue Suite 600 Wilmington, DE 19801 or (ii) virtually or at such other date, time or location as designated by the Debtors. If the Debtors conduct the Auction virtually, the Debtors will provide instructions setting forth how to attend the Auction to the participants and other attendees via electronic mail. The Debtors will provide notice (via electronic mail or otherwise) of any change in the date, time or location of the Auction to Qualified Bidders, and will cause publication of such change to occur on the Epiq Website.

One day after the conclusion of the Auction, the Debtors will file with the Court, serve on parties in interest and cause to be published on the website maintained by Epiq Corporate Restructuring, LLC, the Debtors' claims and noticing agent in these Chapter 11 Cases, located at https://dm.epiq11.com/BFGSupply (the "Epiq Website"), a notice of the results of the Auction, which will, among other things, (A) identify the Successful Bidder(s) and Backup Bidder(s); (B) either include a copy of each Successful Bid and each Backup Bid or a summary of the material terms of such bids, or provide instructions for accessing each Successful Bid and each Backup Bid free of charge from the Epiq Website; and (C) set forth the date, time, and location of the Sale Hearing and any other relevant dates or other information necessary to reasonably apprise the Sale Notice Parties of the outcome of the Auction.

## ADEQUATE ASSURANCE OBJECTIONS

### A. Adequate Assurance Objection Deadline

Any Counterparty to a Contract that wishes to object to the proposed assumption and assignment of a Contract, the subject of which objection is the Successful Bidder's (other than any Stalking Horse Bidder's) or any other relevant assignee's proposed form of adequate assurance of future performance with respect to the Contract (each such objection, an "Adequate Assurance Objection"), must file with the Court and serve on the Objection Notice Parties an Adequate Assurance Objection, which must state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof, by **October 12, 2026, at 4:00 p.m. (prevailing Eastern Time)**.

**B. Resolution of Adequate Assurance Objections**

Pursuant to the Bidding Procedures Order, the Debtors, the Successful Bidder and the objecting Counterparty must first confer in good faith to attempt to resolve the Adequate Assurance Objection without Court intervention. If the parties are unable to consensually resolve the Adequate Assurance Objection prior to the commencement of the Sale Hearing, the Adequate Assurance Objection and all issues of adequate assurance of future performance of the Successful Bidder (or any other relevant assignee) shall be determined by the Court at the Sale Hearing, at the next regularly scheduled omnibus hearing in these Cases, or such later date as may be agreed upon by the parties or fixed by the Court.

**IF A COUNTERPARTY FAILS TO FILE WITH THE COURT AND SERVE ON THE OBJECTION NOTICE PARTIES A TIMELY ADEQUATE ASSURANCE OBJECTION, THE COUNTERPARTY FOREVER SHALL BE BARRED FROM ASSERTING ANY OBJECTION TO THE ASSUMPTION AND/OR ASSIGNMENT OF THE APPLICABLE CONTRACT WITH REGARD TO ADEQUATE ASSURANCE OF FUTURE PERFORMANCE. THE APPLICABLE SUCCESSFUL BIDDER SHALL BE DEEMED TO HAVE PROVIDED ADEQUATE ASSURANCE OF FUTURE PERFORMANCE WITH RESPECT TO THE CONTRACT IN ACCORDANCE WITH BANKRUPTCY CODE SECTIONS 365(b)(1)(C), 365(f)(2)(B) AND, IF APPLICABLE, 365(b)(3), NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CONTRACT OR ANY OTHER DOCUMENT.**

## SALE HEARING

The Sale Hearing shall take place on **October 14, 2026, at 9:30 a.m.** (prevailing Eastern Time) before The Honorable Craig T. Goldblatt, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, located at 824 N. Market Street, Wilmington, Delaware 19801.

## ADDITIONAL INFORMATION

Copies of the Motion, the Bidding Procedures Order and the Bidding Procedures may be obtained free of charge by visiting the Epiq Website.

[*Remainder of Page Intentionally Left Blank*]

Dated: [●], 2026
Wilmington, Delaware

**COLE SCHOTZ P.C.**

*/s/ DRAFT*

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Stacy L. Newman (No. 5044)
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*Proposed Counsel for Debtors*
*and Debtors in Possession*

**Schedule 1**

**Schedule “J”**
**Sealing 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] | (Joint Administration Requested) |

**ORDER AUTHORIZING THE DEBTORS TO FILE**
**UNDER SEAL THE FEE LETTERS RELATED TO THE DIP FACILITY**

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for the entry of an order (this "Order"), (a) authorizing the Debtors to file the Fee Letters under seal; (b) directing that the Fee Letters shall remain under seal and not be made available to anyone, without the prior written consent of both the Debtors and the DIP Agent, except to (i) the Court, (ii) the U.S. Trustee, (iii) counsel to any official committee appointed in these cases, and (iv) any other party as may be ordered by the Court or agreed to by the Debtors and the DIP Agent, in each case under appropriate confidentiality agreements reasonably satisfactory to the Debtors and the DIP Agent that preserve the confidentiality of the Fee Letters (and any information derived therefrom); and (c) granting related relief; all as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the

[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 have the meanings ascribed to them in the Motion.

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 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 as set forth herein.

2. The Debtors are authorized to file under seal the Fee Letters. The Fee Letters shall remain under seal and shall not be made available to anyone, other than as provided in paragraph 3 of this Order, without the prior written consent of the Debtors and the DIP Agent or further order of the Court.

3. The Debtors are authorized to cause the unsealed version of the Fee Letters to be served on and made available, on a confidential basis, to: (a) the Court; (b) the U.S. Trustee; (c) counsel to any official committee appointed in these cases; and (d) any other party as may be ordered by the Court or agreed to by the Debtors and the DIP Agent in each case under appropriate

confidentiality agreements reasonably satisfactory to the Debtors and the DIP Agent that preserve the confidentiality of the Fee Letters (and any information derived therefrom).

4. The Debtors and any party authorized to receive the sealed Fee Letters pursuant to this Order are authorized to and shall, without further order of the Court: (a) redact specific references to the information set forth therein from pleadings filed on the public docket maintained in these chapter 11 cases; and (b) not use or refer to information contained in the Fee Letters in any hearing unless appropriate safeguards have been put in place to protect the confidentiality of the information.

5. Notice of the Motion as provided therein is good and sufficient notice that satisfies the applicable Bankruptcy Rules and Local Rules.

6. Any Bankruptcy Rule or Local Rule that might otherwise delay the effectiveness of this Order is hereby waived, and the terms and conditions of this Order shall be effective and enforceable immediately upon its entry.

7. This Order is without prejudice to the rights of any party in interest to seek to unseal and make public any portion of the material filed under seal.

8. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

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

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

# Schedule “K”
# Reflect Retention 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) |
| | **Re: Docket Nos. 78 and 82** |

**ORDER (I) APPROVING THE RETENTION AND EMPLOYMENT OF REFLECT ADVISORS, LLC TO PROVIDE THE DEBTORS WITH A CHIEF RESTRUCTURING OFFICER AND ADDITIONAL STAFF EFFECTIVE AS OF THE PETITION DATE; (II) DESIGNATING ADAM ZALEV AS THE CHIEF RESTRUCTURING OFFICER TO THE DEBTORS; AND (III) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order") authorizing the Debtors to retain and employ Reflect Advisors, LLC ("Reflect") to provide the Debtors with Adam Zalev as the Chief Restructuring Officer (the "CRO") and certain Additional Staff to assist the CRO, pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, effective as of the August 18, 2026 Petition Date, on the terms set forth in the Engagement Agreement, attached to the Zalev Declaration as **Exhibit 3**, all as more fully set forth in the Motion; and upon the Zalev Declaration; and the Court having jurisdiction to consider the Motion and grant the requested relief in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States*

[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.

*District Court for the District of Delaware*, dated February 29, 2012; and the Debtors having consented to entry of a final order; 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 interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on it were appropriate under the circumstances and that no other notice be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing, if any, 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 requested therein; 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 as set forth herein.

2. The terms of the Engagement Agreement, including without limitation, the compensation provisions and the indemnification provisions, as modified by this Order, are reasonable terms and conditions of employment and are hereby approved.

3. Pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, the Debtors are hereby authorized to retain and employ Reflect to provide the Debtors with Mr. Zalev as the CRO and certain Additional Staff to assist the CRO, effective as of the Petition Date, on the terms set forth in the Engagement Agreement, subject to the following provisions, which shall apply notwithstanding anything in the Motion or Engagement Agreement to the contrary:

   i. Mr. Zalev, Reflect, and their affiliates shall not act in any other capacity (for example, without limitation, as financial advisor, claims agent/claims

administrator, or investor/acquirer) in connection with the above-captioned cases.

ii. In the event the Debtors seek to have Mr. Zalev or Reflect personnel assume executive officer positions that are different than the positions disclosed in the Motion, or to materially change the terms of the engagement by either (i) modifying the functions of Reflect; (ii) adding new executive officers; or (iii) altering or expanding the scope of the engagement, a motion to modify Mr. Zalev's and Reflect's retention shall be filed.

iii. Mr. Zalev and Reflect shall file with the Court, with copies to the Notice Parties, a report of staffing on the engagement no later than the 14th of each month for the previous month. Reflect shall file its first Staffing Report no later than two business days after entry of this Order for the period covering the Petition Date through and including August 31, 2026. Such report shall include (i) the hourly fees of Mr. Zalev as the CRO, (ii) the names, hours worked, and requested compensation of the Additional Staff assisting the CRO and the Debtors in these Chapter 11 Cases for the relevant period, and (iii) a summary of reimbursable expenses incurred by the CRO and Reflect personnel for the relevant period. The time records shall (i) be appended to such reports; (ii) contain detailed time entries describing the task(s) performed; and (iii) be organized by project category (but may be redacted to protect any attorney-client privilege or other applicable privilege). Where personnel are providing services at an hourly rate, the time entries shall identify the time spent completing each task in tenth hour (0.1) increments and the corresponding charge (time multiplied by hourly rate) for each task. The Notice Parties shall have 14 days after the date each Staffing Report is served on the Notice Parties to object to such Staffing Report. All staffing and compensation shall be subject to review by the Court in the event an objection is filed. No payments shall be made to Reflect on account of the objected portion of such staffing report until such objection is resolved.

iv. Notwithstanding anything to the contrary contained in the Motion, Engagement Agreement, or any exhibits related thereto, during the course of the Chapter 11 Cases, Reflect will only seek reimbursement of actual and necessary expenses itemized in the monthly Staffing Report.

v. Subject to the Notice Parties' rights to object as set forth in paragraph (iii) above, the Debtors are authorized, but not directed, to pay, in the ordinary course of business, all amounts invoiced by Mr. Zalev and Reflect for fees and expenses incurred in connection with their retention.

vi. No principal, employee, or independent contractor of Mr. Zalev or Reflect and their affiliates shall serve as a director of the Debtors during the pendency of the above-captioned cases.

vii. For a period of three years after the conclusion of the engagement, neither Mr. Zalev, Reflect, nor any of its affiliates shall make any investments in the Debtors

or reorganized Debtors.

viii. Mr. Zalev and Reflect shall disclose any and all facts that may have a bearing on whether Mr. Zalev, Reflect, their affiliates, and/or any individuals working on the engagement have any interest adverse to the Debtors, their creditors, or other parties in interest. The obligation to disclose as set forth in this paragraph shall be a continuing obligation.

ix. The Debtors are permitted to indemnify those persons serving as executive officers, including Mr. Zalev, on the same terms as provided to the Debtors' other officers and directors under the corporate bylaws and applicable state law, along with insurance coverage under the Debtors' directors and officers liability insurance policies and all other relevant active insurance policies carried by the Debtors.

x. There shall be no other indemnification of Reflect or its affiliates.

xi. Success fees, transaction fees, or other back-end fees shall by approved by the Court at the conclusion of the case on a reasonableness standard and are not being pre-approved by entry of this Order. No success fee, transaction fee, or back-end fee shall be sought upon conversion of the case, dismissal of the case for cause, or appointment of a trustee.

4. Section 7.2 (limitation of liability) of the standard terms and conditions contained in the Engagement Agreement are of no force or effect during the above-captioned cases.

5. To the extent there is inconsistency between the terms of the Engagement Agreement, the Motion, and this Order, the terms of this Order shall govern.

6. Notwithstanding any Bankruptcy Rule to the contrary, this Order shall be effective and enforceable immediately upon entry hereof.

7. The Debtors, Reflect, and Mr. Zalev are authorized and empowered to take all steps necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

8. Notwithstanding any term in the Engagement Agreement to the contrary, this Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

**Dated: September 14th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

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)**

**CASSELS BROCK & BLACKWELL LLP**
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*Lawyers for the Foreign Representative*

# Appendix “B”

**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** |

**FINAL ORDER UNDER BANKRUPTCY CODE SECTIONS 105, 361, 362, 363, 364, 503, 506, 507, AND 552, AND BANKRUPTCY RULES 2002, 4001, 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, AND (IV) 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 final order (this "***Final Order***"), among other things:

a. authorizing the Debtors, on a final basis, 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 Interim Orders, subject to the terms and conditions set forth in the DIP Credit Agreement, the other DIP Loan Documents (as defined herein), and the Interim Orders, the DIP Commitments were available to the Borrower to draw upon pursuant to a "creeping roll-up" whereby all Cash Collateral (as defined herein) was used to pay down the Prepetition Revolving Loans (as defined herein) and gave 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 this Final Order, 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 Interim Orders 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 this Final Order.

b. authorizing the Debtors, on a final basis, 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 Interim Orders and 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, on a final basis, 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), on a final basis, 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, on a final basis, 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, on a final basis, 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 Final 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, on a final basis, 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, on a final basis, provide adequate protection to the Prepetition Secured Creditors (as defined herein) solely to the extent of any proven Diminution in Value (as defined herein) on the terms set forth herein;

i. approving, on a final basis, 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 Final 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 Final Order; and

l. granting related relief.

This Court having considered the 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 final hearing held on October 14, 2026 (the "Final Hearing" and together with the Interim Hearing, the "Hearings");

and the Court having entered on August 20, 2026, and September 28, 2026, respectively, *the First and 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* [Docket Nos. 65 and 223] (the "***First Interim Order***" and "***Second Interim Order***", collectively, the ***"Interim Orders***", and, together with this Final Order, the "***Orders***"); and the Hearings to consider the relief requested in the Motion having been held and concluded; and all objections to the relief requested in the Motion having been withdrawn, resolved, or overruled by this Court; and it appearing to this Court that granting the relief requested 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 HEARINGS 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

[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.

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 Final Order are 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 an official committee of unsecured creditors in the Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code (the "***Committee***").

E. *Notice*. The Final 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), (i) counsel to the Committee, and (j) 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 on a final basis 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 on a final basis 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 on a final basis 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 Interim Orders, 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 Interim Orders and the DIP Loan Documents. On August 20, 2026, the Court entered the First Interim Order, and on September 28, 2026, the Court entered the Second 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 Interim Orders.

(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 Final Order with respect to, in connection with, related to, or arising from

this Final 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 Final 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, 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

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

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 Final 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, or act as a release of any claims or causes of action not referenced in this paragraph F(x) (collectively, the "***Non-Released Claims***"), including but not limited to estate claims and causes of actions against the Debtors' current and former directors and officers, equity holders, or Insiders.

G. *Findings Regarding the Postpetition Financing*.

(i) *Request for Postpetition Financing*. The Debtors seek authority on a final 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 Final Order, including, without limitation, the exchange and conversion on a cashless basis of any 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 Final Order.

(iii) *Need for Postpetition Financing and Use of Cash Collateral*. The Debtors' 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 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, 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 this Final Order without any further action by the Debtors or any other party, 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 this Final Order including any amounts not previously paid pursuant to the Interim Orders shall be paid in cash by the Loan Parties to the Administrative Agent on the date of entry of this 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 Interim Orders, and (b) the Full Roll-Up, upon entry of this Final Order. 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 Final 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 Final 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 Final 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 Final 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 Final Order resulting from, among other things: (i) provisions of the Orders granting the DIP Liens; (ii) the use of the Cash Collateral; (iii) the use, sale, lease, or depreciation or other proven 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

[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 Final 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 Final 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 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 Final 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 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 a final basis, the entry by this Court of this 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 Final 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, on a final basis, 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 Final Order in the event that this Final 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 Final 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. 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 Final 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 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 Final 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; Financing Approved. The Motion is granted on a final basis, the DIP Loans are authorized on a final basis, and the use of Cash Collateral on a final basis is authorized, solely to the extent of the terms and conditions set forth in this Final Order.

2. Objections Overruled. All objections, reservations of rights, or other statements with respect to the DIP Loans and/or entry of this Final Order to the extent not withdrawn or resolved are hereby overruled on the merits.

**DIP Facility Authorization**

3. Authorization of the DIP Financing and DIP Loan Documents. The Debtors are expressly and immediately authorized and empowered to, on a final basis: (a) execute and deliver the DIP Loan Documents; (b) incur and to perform the DIP Obligations (including the Full Roll-Up) in accordance with, and subject to, the terms of this Final 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 Final 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 Final 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 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 Final Order, and in order to prevent irreparable harm to the Debtors' estates, the Debtors are hereby authorized 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 and this Final 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 this Final Order, the DIP Obligations shall, on a final basis, include all loans (for the avoidance of doubt, including the DIP Roll-Up Loan), 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 Final 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 Final 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;[6]

(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;

(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;

[6] 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.

(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) 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) 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 Final 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 terms and conditions of the Interim Orders, this Final Order, the other DIP Loan Documents, or otherwise, the DIP Agent (for the benefit of itself and the other DIP Lenders) is hereby granted, on a final basis, 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 Final 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), 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 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 Final 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 Final 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 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 subject 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 Final 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 Interim Orders, this Final 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 Final 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 proven 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, on a final basis, 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, on a final basis, 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), 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; *provided*, *however*, that nothing in this Final Order shall constitute a determination that the Prepetition Term Loan Secured Parties are entitled to postpetition interest, fees, costs, or charges under section 506(b) of the Bankruptcy Code or otherwise, and the rights of all parties in interest, including the Committee, to object to the allowance of any such amounts are expressly preserved.

(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, on a final basis, 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), 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 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 Final 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 Final 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 Final 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 Final 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 Final 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 final basis; (b) the Debtors to incur all liabilities and obligations to the DIP Agent on a final 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 Final Order and the DIP Loan Documents.

16. Perfection of DIP Liens and Adequate Protection Liens.

(a) This Final 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 Interim Orders or this Final 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 Interim Orders or this Final 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, on a final basis, by virtue of the entry of this Final 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 Final 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 Final 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 Final 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 Collateral. Notwithstanding anything herein to the contrary, all proceeds of (i) Prepetition Term Loan Priority Collateral and (ii) Prepetition ABL Priority Collateral shall be deposited promptly, and in no event later than two (2) business days following receipt by the Debtors, into a segregated account maintained by the Debtors (the "***Term***

***Loan Reserve***"); *provided*, that with respect to proceeds of Prepetition ABL Priority Collateral, no such proceeds shall be deposited into the Term Loan Reserve until (1) all DIP Obligations and Prepetition ABL Obligations shall have been paid in full in cash and (2) the DIP Agent shall have notified the Debtors and the Prepetition Term Loan Agent in writing (which may be by email) that all DIP Obligations and Prepetition ABL Obligations have been paid in full in cash (the "***Payoff Notice***"); *provided further* that the DIP Agent shall send the Payoff Notice to the Debtors and the Prepetition Term Loan Agent promptly, and in no event later than two (2) business days, after the DIP Obligations and Prepetition ABL Obligations have been paid in full in cash. 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 Collateral, and the Debtors shall not use the proceeds in the Term Loan Reserve 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, prior to the payment in full in cash of the DIP Obligations and Prepetition ABL Obligations as set forth in the above proviso, the DIP Agent and the Prepetition ABL Agent. The Debtors shall provide the Prepetition Secured Creditors with a written accounting of each deposit made into the Term Loan Reserve within one (1) business day of such deposit (the "***Reserve Funding Notice***"). To the extent any of the Prepetition Secured Creditors disputes the amount funded into the Term Loan Reserve, such party shall file a written objection with the Court within twenty-one (21) days of receiving the Reserve Funding Notice, and the Court may order such relief as it deems just and proper. 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, (x) nothing in this Final Order shall (i) be deemed or interpreted as the consent of the Prepetition Secured Creditors to the use of proceeds in the Term Loan Reserve or (ii) authorize the use of Cash Collateral after the DIP Obligations and Prepetition ABL Obligations have been paid in full in cash, (y) 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 any 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), and (z) subject to the prohibitions and waivers set forth in paragraph 35 hereof, to the extent the Debtors or any other party seeks to surcharge the

Prepetition Collateral or the Term Loan Reserve pursuant to section 506(c) of the Bankruptcy Code or otherwise, the Prepetition Term Loan Secured Parties' right to contest any such surcharge is expressly reserved and nothing herein shall be deemed a consent to any such surcharge.

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 Interim Orders 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final Order, for purposes of this Final 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 Final 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 Final 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 Final 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 Final 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 Final Order shall

be governed in all respects by the original provisions of this Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final Order or otherwise) or (ii) modify, alter or otherwise affect any of the liens and security interests of such parties (whether granted under this Final 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 Final 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 this 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 $100,000.

33. No Third Party Rights. Except as explicitly provided for herein, this Final 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 this Final Order, each of the Released Parties is released by the Debtors on a final basis as provided in paragraph F(x) hereof.

35. Section 506(c) Claims. 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. None of the DIP Credit Parties or the Prepetition ABL Secured Parties 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. 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 ABL Secured Parties 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final 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 Final Order. Subject to any timely commenced Challenge (as defined herein), the stipulations, admissions, waivers, and releases contained in this Final Order (including the Debtors' Stipulations), 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[7] (other than the Debtors, as to which any Challenge is hereby

[7] "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.

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 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 Final 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 Final 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.

47. No Modification of Final 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 Final 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 this Final Order, allowing use of Cash Collateral resulting from DIP Collateral; and (c) except as set forth herein, 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 Final Order (including, without limitation, with respect to the Carve Out), the DIP Loan Documents, and/or the Prepetition ABL Documents shall be terminated.

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

50. Survival. The provisions of this Final 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. The terms and provisions of this Final 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 Final 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 Final 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. Interim Orders. Except as specifically amended or otherwise modified hereby, all of the provisions of the Interim Orders and any actions taken by the Debtors, the DIP Credit Parties or the Prepetition Secured Creditors in accordance therewith shall remain in effect and are hereby ratified by this Final Order.

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

53. Texas Taxing Authority. Notwithstanding any other provisions in this Final 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 Authority[8] (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 Authority are fully preserved. Furthermore, as adequate protection for the asserted secured tax claims of the Texas Taxing Authority 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 Authority 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 Authority may be entitled to receive. The funds from the Tax Reserve may be distributed only upon agreement between the Texas Taxing Authority and the Debtors, and consent by the DIP Agent or by subsequent order of the Court, duly noticed to the Texas Taxing Authority. 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 Authority 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 Authority 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

[8] "***Texas Taxing Authority***" is defined as Denton County, the ad valorem taxing jurisdiction represented by the firm of McCreary Veselka Bragg & Allen P.C.

constitute DIP Collateral and shall be subject to the DIP Liens, the Adequate Protection Liens and the Lien Priority Annex as provided in this Final Order.

54. Effectiveness. This Final 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 Final Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Final Order.

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

**Exhibit 1**

**Lien Priority Annex[9]**

| 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<br>DIP Superpriority Claim | Adequate Protection Liens (for Prepetition Term Loan Secured Parties)<br>Adequate Protection Superpriority Claims (for Prepetition Term Loan Secured Parties) |
| Adequate Protection Liens (for Prepetition ABL Secured Parties)<br>Adequate Protection Superpriority Claims (for Prepetition ABL Secured Parties) | Prepetition Term Loan Liens<br>Prepetition Term Loan Obligations |
| Prepetition ABL Liens<br>Prepetition ABL Obligations | DIP Liens<br>DIP Superpriority Claim |
| Adequate Protection Liens (for Prepetition Term Loan Secured Parties)<br>Adequate Protection Superpriority Claims (for Prepetition Term Loan Secured Parties) | Adequate Protection Liens (for Prepetition ABL Secured Parties)<br>Adequate Protection Superpriority Claims (for Prepetition ABL Secured Parties) |

[9] 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<br>Prepetition Term Loan Obligations | Prepetition ABL Liens<br>Prepetition ABL Obligations |

**Exhibit 2**

**Approved Budget**

# Updated DIP Budget ($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:* | 9-Oct | 16-Oct | 23-Oct | 30-Oct | 6-Nov | 13-Nov | 20-Nov | 27-Nov | 4-Dec | 11-Dec | 18-Dec | 25-Dec | 1-Jan | Total |
| **Receipts** | | | | | | | | | | | | | | |
| BFG collections | 2,435 | 3,435 | 3,299 | 3,397 | 2,221 | 1,286 | 1,258 | 1,759 | - | - | - | - | - | 19,090 |
| Subsidiary collections | 631 | 837 | 481 | 231 | 265 | 327 | 386 | 818 | - | - | - | - | - | 3,975 |
| Other | - | - | 18,324 | - | - | - | - | - | - | - | - | - | - | 18,324 |
| **Total Receipts** | **3,066** | **4,272** | **22,104** | **3,627** | **2,486** | **1,613** | **1,644** | **2,576** | **-** | **-** | **-** | **-** | **-** | **41,389** |
| **Disbursements** | | | | | | | | | | | | | | |
| Employee compensation and benefits | 1,399 | 123 | 2,128 | 140 | 1,067 | 233 | 935 | 880 | - | - | - | - | - | 6,904 |
| Rent, warehouse, and utilities | 103 | 66 | 142 | 62 | 556 | 73 | 70 | 78 | - | - | - | - | - | 1,151 |
| Insurance | - | 111 | - | - | - | - | - | - | - | - | - | - | - | 111 |
| Taxes | 4 | 11 | 4 | 4 | 4 | 11 | 4 | 6 | - | - | - | - | - | 46 |
| Technology and communications | 50 | 2 | 28 | - | 11 | 50 | 26 | 89 | - | - | - | - | - | 256 |
| Freight and transportation | 300 | 268 | 255 | 118 | 124 | 120 | 119 | 114 | - | - | - | - | - | 1,418 |
| Repair and maintenance | 131 | - | 86 | - | 9 | 46 | - | 119 | - | - | - | - | - | 391 |
| Other | 32 | 40 | 12 | 27 | 112 | 32 | 49 | 32 | - | - | - | - | - | 335 |
| Subsidiary payments | 75 | 75 | 75 | 171 | 102 | 166 | 166 | 466 | - | - | - | - | - | 1,296 |
| Liquidator fees and expenses | 777 | 314 | 825 | 205 | 160 | 126 | 126 | 139 | - | - | - | - | - | 2,672 |
| Administrative Claims | - | - | - | - | - | - | - | - | - | 896 | - | - | - | 896 |
| **Total Disbursements** | **2,872** | **1,010** | **3,556** | **725** | **2,144** | **858** | **1,493** | **1,923** | **-** | **896** | **-** | **-** | **-** | **15,477** |
| **Net Operating Cash Flow** | **194** | **3,262** | **18,549** | **2,902** | **342** | **755** | **151** | **654** | **-** | **(896)** | **-** | **-** | **-** | **25,912** |
| **Non-operating disbursements** | | | | | | | | | | | | | | |
| Board fees | - | - | - | - | 35 | - | - | - | - | - | - | - | - | 35 |
| DIP interest and fees | - | - | - | 788 | - | - | - | - | - | - | - | - | - | 788 |
| Professional fees | 1,986 | 869 | 1,530 | 967 | 567 | 529 | 472 | 638 | - | - | - | - | - | 7,558 |
| Contingency | 78 | 78 | 78 | 78 | 78 | 78 | 78 | 78 | 250 | 250 | 125 | 125 | 125 | 1,500 |
| **Total Non-op. Disbursements** | **2,065** | **947** | **1,608** | **1,832** | **680** | **608** | **550** | **716** | **250** | **250** | **125** | **125** | **125** | **9,881** |
| **Net Cash Flow** | **(1,871)** | **2,315** | **16,940** | **1,070** | **(338)** | **147** | **(399)** | **(62)** | **(250)** | **(1,146)** | **(125)** | **(125)** | **(125)** | **16,031** |
| **Beginning Cash** | **1,363** | **-** | **-** | **995** | **2,064** | **1,726** | **1,873** | **1,474** | **1,412** | **1,162** | **16** | **(109)** | **(234)** | **1,363** |
| Net Cash Flow | (1,871) | 2,315 | 16,940 | 1,070 | (338) | 147 | (399) | (62) | (250) | (1,146) | (125) | (125) | (125) | 16,031 |
| Revolver Draws/Repayment | 508 | (2,315) | (15,946) | - | - | - | - | - | - | - | - | - | - | (17,753) |
| **Ending Cash** | **-** | **-** | **995** | **2,064** | **1,726** | **1,873** | **1,474** | **1,412** | **1,162** | **16** | **(109)** | **(234)** | **(359)** | **(359)** |
| **Revolver Beginning Balance** | **4,250** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **4,250** |
| Repayments | (4,250) | - | - | - | - | - | - | - | - | - | - | - | - | (4,250) |
| Revolver Roll to DIP | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Revolver Ending Balance** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **DIP Beginning Balance** | **15,503** | **18,261** | **15,946** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **15,503** |
| Draws | 3,574 | 1,957 | 5,164 | - | - | - | - | - | - | - | - | - | - | 10,694 |
| Repayments | (816) | (4,272) | (21,110) | - | - | - | - | - | - | - | - | - | - | (26,197) |
| Final DIP Rollup | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **DIP Ending Balance** | **18,261** | **15,946** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total Ending Revolver & DIP Balance** | **18,261** | **15,946** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |

# Exhibit 3

## 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.

# Appendix “C”

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

| | |
|---|---|
| In re:<br><br>BFG Supply Co., LLC, *et al.*,<br><br>Debtors.[1] | Chapter 11<br><br>Case No. 26-11284 (CTG)<br><br>(Jointly Administered)<br><br>**Re: Docket Nos. 13 & 64** |

**THIRD 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 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 third interim order (this "Third Interim 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 Third Interim Order to come into

[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, or 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], as applicable.

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 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 an interim 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 Third Interim 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 DIP Agent and Prepetition ABL Agent, the Prepetition Term Loan Secured Parties, the U.S. Trustee, and counsel to the Official Committee of Unsecured Creditors (the "Committee") appointed in these 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 Third Interim 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. For Banks at which the Debtors hold accounts that are not party to a Uniform Depository Agreement with the U.S. Trustee for the District of Delaware, the Debtors shall use their good-faith efforts to cause the Banks to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee within thirty (30) days of entry of this Third Interim Order. The U.S. Trustee's rights to seek further relief from this Court on notice in the event that the aforementioned Banks are unwilling to execute a Uniform Depository Agreement in a form prescribed by the U.S. Trustee are fully reserved.

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 Third Interim 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 Third Interim 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 Third Interim 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 Third Interim 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 Third Interim 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 Third Interim Order and any other applicable interim and/or final orders of this Court.

12. The Debtors shall serve a copy of this Third Interim Order on the Banks within forty-eight (48) hours of the entry of this Third Interim 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 detailed, 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 the Committee upon request. For the avoidance of doubt, the Debtors are not authorized to make any Intercompany Transactions outside the ordinary course of business pursuant to this Third Interim Order. For the avoidance of doubt, this Third Interim 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. Nothing in this paragraph shall prejudice, or constitute a waiver of, the rights of any party in interest to investigate, and if appropriate, object to, contest, or seek recharacterization or subordination of, any Intercompany Claim or Intercompany Transactions.

16. Subject to the terms of this Third Interim 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 Third Interim 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 Third Interim Order, the Debtors, in consultation with the prepetition and DIP lenders and the Prepetition Term Loan Agent and the Prepetition Term Loan Lenders, the Banks, and the Committee 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 Third Interim Order.

20. The Debtors shall give notice within 10 days of closing any bank accounts to the U.S. Trustee and the Committee.

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, the prior written consent of the Prepetition Term Loan Secured Parties, and consultation with the Committee.

22. Nothing in the Motion or this Third Interim 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 Third Interim 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 Third Interim 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. Notwithstanding Bankruptcy Rule 6004(h), this Third Interim Order shall be effective and enforceable immediately upon entry hereof.

25. The Debtors are authorized to take all actions necessary to implement the relief granted in this Third Interim Order.

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

27. Notwithstanding the relief granted in this Third Interim 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 Third Interim 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.



**Dated: October 12th, 2026**
**Wilmington, Delaware**

**CRAIG T. GOLDBLATT**
**UNITED STATES BANKRUPTCY JUDGE**

# Appendix “D”

AlixPartners

**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**

# PRE-FILING REPORT OF ALIXPARTNERS RESTRUCTURING, INC. AS PROPOSED INFORMATION OFFICER

**August 26, 2026**

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# 1.0 Introduction

1. On August 18, 2026 (the "**Petition Date**"), BFG Supply Co., LLC ("**BFG Supply**") and sixteen of its affiliates, including De Cloet Greenhouse Mfg. Ltd. ("**De Cloet**" or the "**Canadian Subsidiary**", and collectively with BFG Supply and such affiliates, the "**Debtors**"[1] or the "**Company**"), commenced proceedings (the "**Chapter 11 Cases**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**") by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "**U.S. Bankruptcy Code**").

2. On or shortly following the Petition Date, the Debtors filed thirteen first day motions (collectively, the "**First Day Motions**") seeking relief intended to stabilize their operations, provide access to interim financing and facilitate the sale and monetization processes described below. Among the First Day Motions was a motion for an order (the "**Foreign Representative Order**") authorizing De Cloet to act as foreign representative in respect of the Chapter 11 Cases. The First Day Motions were heard by the U.S. Bankruptcy Court on August 20, 2026 (the "**First Day Hearing**").

3. On August 19, 2026, and in advance of its appointment as foreign representative, De Cloet, in its capacity as proposed foreign representative for the Debtors, applied to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") for, and obtained, an order (the "**Interim Stay Order**") under 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, as amended (the "**CJA**"). Among other things, the Interim Stay Order stayed proceedings and the exercise of rights and remedies against De Cloet, its business and its property in Canada and its directors and officers, restrained counterparties from terminating or interfering with agreements with De Cloet, and prohibited De Cloet from disposing of its property outside the ordinary course of business. A copy of the Interim Stay Order and the accompanying endorsement of the Honourable Justice Dunphy are attached as Appendix "**A**" and Appendix "**B**", respectively.

[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.

4. The Interim Stay Order was sought as a temporary measure to give effect in Canada to the stay of proceedings that arose automatically upon the filing of the voluntary petitions with the U.S. Bankruptcy Court, pending the granting of the Foreign Representative Order and the return of De Cloet's application for recognition relief.

5. The purpose of the Chapter 11 Cases and of these recognition proceedings (the "**Recognition Proceedings**") is to preserve stability and value while the Debtors pursue three concurrent workstreams (collectively, the "**Sales Processes**"), consisting of:

   i. a court-supervised marketing and sale process for some or all of the Debtors' businesses and assets on a going-concern basis;

   ii. an orderly monetization of inventory, accounts receivable, machinery, equipment and other personal property; and

   iii. a real estate disposition program in respect of the Debtors' owned properties and non-residential leasehold interests.

6. The Debtors intend to continue to operate De Cloet's business in the ordinary course while they assess whether a going-concern transaction in respect of the Canadian business is achievable, and no sale of De Cloet's property outside the ordinary course is to be commenced until the applicable orders in respect of the Sales Processes (the "**Sales Process Orders**") have been recognized by this Court.

7. Following the First Day Hearing, the U.S. Bankruptcy Court granted the following orders, among others (collectively, the "**First Day Orders**"):

   a) *Foreign Representative Order*;

   b) *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**");

   c) *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**");

d) *Order (I) Directing Joint Administration of the Debtors' Chapter 11 Cases and (II) Granting Related Relief* (the "**Joint Administration Order**");

e) *Interim Order (I) Authorizing the Debtors to Pay Prepetition Claims of Certain Critical Vendors and (II) Granting Related Relief* (the "**Interim Critical Vendors Order**");

f) *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**");

g) *Interim Order (I) Authorizing the Payment of Certain Taxes and Fees and (II) Granting Related Relief* (the "**Interim Taxes Order**");

h) *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**");

i) *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**");

j) *Interim Order (I) Authorizing Continued (A) 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**"); and

k) *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**").

8. De Cloet, in its capacity as foreign representative appointed pursuant to the Foreign Representative Order (in such capacity, the "**Foreign Representative**"), now seeks, among other things, the Court's recognition of its Chapter 11 Case as a "foreign main proceeding", recognition of De Cloet as the "foreign representative", recognition of the above-noted First Day Orders, the appointment of AlixPartners Restructuring, Inc. ("**AlixPartners**") as information officer in these Recognition Proceedings (if appointed in such capacity, the "**Information Officer**"), and the granting of certain court-ordered charges. The relief is to be sought at a hearing scheduled for August 28, 2026 (the "**Comeback Hearing**").

9. As part of the Chapter 11 Cases, the Debtors also obtained orders regarding their claims and noticing agent and redaction and service motions, in respect of which recognition is not currently being sought.

10. This pre-filing report (this "**Report**") has been prepared by AlixPartners in its capacity as the proposed information officer in these Recognition Proceedings (in such capacity, the "**Proposed Information Officer**").

## 1.1 Purposes of this Report

1. The purposes of this Report are to provide:

   a) the qualifications of AlixPartners to act as the Information Officer in these Recognition Proceedings;

   b) background information concerning De Cloet, the other Debtors, the Chapter 11 Cases and these Recognition Proceedings;

   c) the Proposed Information Officer's views regarding the Foreign Representative's application for an order (the "**Initial Recognition Order**"), among other things:

      i. declaring that De Cloet is the "foreign representative", as defined in section 45 of the CCAA, in respect of the Chapter 11 Cases;

      ii. declaring that De Cloet's centre of main interests is the United States and recognizing its Chapter 11 Case as a "foreign main proceeding", as such terms are defined in section 45 of the CCAA; and

      iii. declaring that the Interim Stay Order shall be of no further force or effect upon the Initial Recognition Order becoming effective;

d) the Proposed Information Officer's views regarding the Foreign Representative's application for an order (the "**Supplemental Order**"), among other things:

   i. appointing AlixPartners as the Information Officer;

   ii. recognizing the First Day Orders;

   iii. granting a stay of proceedings in favour of De Cloet and its Business and Property (each as defined in the proposed Supplemental Order), as well as De Cloet's directors and officers;

   iv. granting a charge on the Property in favour of Canadian counsel to De Cloet, the Information Officer and counsel to the Information Officer, up to a maximum amount of US$450,000, as security for their professional fees and disbursements incurred in respect of these Recognition Proceedings (the "**Administration Charge**");

   v. granting a charge on the Property in favour of De Cloet's directors and officers, up to a maximum amount of C$210,000, as security for De Cloet's indemnification obligations under the proposed Supplemental Order (the "**D&O Charge**"); and

   vi. granting a charge on the Property in favour of the DIP Agent, on behalf of itself and the other DIP Credit Parties (each as defined in the Interim DIP Order), up to the maximum amount set out in the Interim DIP Order, as security for De Cloet's obligations in respect of the DIP Facility (defined below) (the "**DIP Lender's Charge**", and collectively with the Administration Charge and the D&O Charge, the "**Charges**"); and

e) the Proposed Information Officer's recommendation that the Court grant the relief sought by the Foreign Representative.

## 1.2 Scope and Terms of Reference

1. In preparing this Report, the Proposed Information Officer has relied upon unaudited financial information prepared by the Debtors' representatives, the Debtors' books and records, the affidavits of Adam Zalev, the Debtors' chief restructuring officer (in such capacity, the "**CRO**"), sworn August 19, 2026, (the "**First Zalev Affidavit**") and August 21, 2026 (the "**Second Zalev Affidavit**", together with the First Zalev Affidavit, the "**Zalev Affidavits**"), the declaration of Adam Zalev dated August 19, 2026 filed in the Chapter 11 Cases (the "**First Day Declaration**"), the First Day Motions (and other declarations made in support thereof), the First Day Orders, and discussions with, and other information and documents provided by,

the CRO, the Debtors' management, Canadian counsel to the Foreign Representative, and other parties (the "**Information**").

2. The Proposed Information Officer has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook (the "**Handbook**") and, accordingly, the Proposed Information Officer expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Additionally, the Proposed Information Officer has not examined or reviewed any forecasts or projections referred to in this Report in a manner that would comply with the procedures described in the Handbook.

3. Future oriented financial information relied upon in this Report is based on the Debtors' assumptions regarding future events; actual results achieved may vary from this information and those variations may be material.

4. Additional details regarding the Debtors, their business, corporate structure, prepetition capital structure and the circumstances leading to the Chapter 11 Cases are provided in the Zalev Affidavits and the First Day Declaration. The First Day Motions, the First Day Orders and other information regarding the Chapter 11 Cases are available on the case website maintained by Epiq Corporate Restructuring, LLC, the Debtors' claims and noticing agent, at https://dm.epiq11.com/case/bfz/info (the "**U.S. Docket**"). If AlixPartners is appointed as the Information Officer, it intends to establish a case website at https://cdncases.alixpartners.com/experience/case/DeCloet-Greenhouse, to make available copies of the orders granted in the Recognition Proceedings as well as tother relevant materials, reports and information.

## 1.3 Currency

1. Unless otherwise stated, all currency references in this Report are to U.S. dollars. Certain obligations of De Cloet, including its payroll and accrued vacation pay obligations, are denominated in Canadian dollars and are identified as such.

# 2.0 AlixPartners' Qualifications to Act as Information Officer

1. AlixPartners is a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"). AlixPartners has consented to act as the Information Officer if the Court grants the Initial Recognition Order and the Supplemental Order sought by the Foreign Representative. A copy of AlixPartners' consent to act as Information Officer, dated August 18, 2026, is attached as Appendix "**C**".

2. AlixPartners[2] has extensive experience in domestic and cross-border restructuring proceedings under the CCAA, including as the Court-appointed information officer in the recognition proceedings commenced by Eddie Bauer LLC, Revlon Inc., RGN-National Business Centers, Paladin Labs Inc. and KidKraft Inc. While not directly applicable to proceedings under Part IV of the CCAA, AlixPartners is not subject to any of the restrictions set out in Section 11.7(2) of the CCAA and is not aware of any other conflict of interest that would prevent it from acting as the Information Officer if so appointed.

# 3.0 Background

## 3.1 The Debtors and their Business

1. The Debtors operate a wholesale distribution platform serving the professional green industry throughout the United States and Canada. The business was established in 1972 in Burton, Ohio and has expanded through organic growth and acquisitions into a diversified distributor of lawn and garden products, greenhouse supplies, nursery products, controlled-environment agriculture products, greenhouse structures and related horticultural equipment.

2. Distribution is conducted through both warehouse fulfillment operations and vendor-direct arrangements. The Debtors also operate complementary business lines, including greenhouse manufacturing through De Cloet, greenhouse construction and installation services, and the Greenhouse Megastore eCommerce platform.

[2] KSV Restructuring Inc. was acquired by AlixPartners on June 1, 2026. The appointments referred to above were held by KSV Restructuring Inc. at the time of the applicable proceedings, and the personnel who carried out those mandates form part of the AlixPartners restructuring practice in Canada.

3. The Debtors have expanded their operations through a series of acquisitions, including the acquisition of a portion of the wholesale distribution business of Central Garden & Pet Company in July 2023 and the acquisition of the distribution business of V-G Supply Co. in 2024.

4. The Debtors operate 19 distribution, manufacturing and service facilities across the United States and Canada and maintain their principal offices in Burton, Ohio. The Debtors own three facilities located in Danville, Illinois, Kalamazoo, Michigan, and Simcoe, Ontario, with the remaining facilities leased in the United States. As of the Petition Date, the Debtors employed approximately 461 employees, including approximately 30 employees employed by De Cloet in Canada.

5. BFG Supply is the principal operating entity for substantially all of the Debtors' wholesale distribution activities and, directly or indirectly, owns the Debtors' operating subsidiaries. The Debtors are held indirectly by BFG Supply Investment Holdings, LP, whose principal equity investor is Pamplona Equity Partners, L.P., together with certain rollover investors. The Debtors' Canadian operations are held through BFG Supply Canada Holdings, Inc., a Delaware corporation, which owns all of the issued and outstanding shares of De Cloet.

## 3.2 De Cloet's Business

1. De Cloet is an Ontario corporation formed by amalgamation on July 1, 2022 under the *Business Corporations Act* (Ontario) (the "**OBCA**"), being the amalgamation of its predecessor of the same name and BFG Supply Canada Corp. De Cloet was acquired by the Debtors in 2021. Its registered office is located at 1805 Charlotteville West Quarterline, Simcoe, Ontario (the "**Canadian Facility**"), which, together with the adjoining property municipally known as 1809 Charlotteville West Quarterline, Simcoe, Ontario, is owned by De Cloet (collectively, the "**Simcoe Property**").

2. De Cloet designs and manufactures made-to-order commercial greenhouse structures and systems. It manufactures exclusively from the Canadian Facility and serves customers in Canada and the United States.

3. De Cloet employs approximately 30 employees (the "**Canadian Employees**"), all of whom are employed on a full-time basis at the Canadian Facility and none of whom are unionized. Fifteen of the Canadian Employees are remunerated on an hourly basis and fifteen are salaried, and the group includes a three-person sales team and a limited management team that provides day-to-day operational oversight subject to the direction of the Debtors' leadership team in the United States. De Cloet also engages independent contractors on an as-needed, project specific basis.

4. The majority of De Cloet's sales are generated by BFG Supply's sales representatives marketing De Cloet's products to customers of the U.S. Debtors, with customers located in the United States historically comprising more than two-thirds of De Cloet's customers. Sales into the United States were historically fulfilled through BFG Supply or the Greenhouse Megastore platform, with a mark-up commission payable to the U.S. Debtors. In August 2024, the Debtors modified that structure so that orders originating with the U.S. Debtors' sales representatives were priced and documented in conjunction with the local De Cloet team, with a commission payable by De Cloet to the U.S. entity employing the originating representative. In both the original and revised commission and pricing structures, the majority of sales of De Cloet were sold and invoiced to third party customers through the U.S. Debtors.

5. De Cloet relies on the other Debtors for certain services necessary to operate and manage its Canadian business, including financial planning, strategic decision-making, management of its online commerce platform, insurance, information technology and procurement of sales of its products and services.

## 3.3 Financial Position

1. The Debtors' revenues are reported on a consolidated basis. Revenue for the fiscal years ended June 30, 2026, 2025 and 2024, and De Cloet's contribution thereto, is summarized below:

| Fiscal year ended June 30 | Consolidated revenue | De Cloet revenue | De Cloet % of consolidated revenue |
|---|---|---|---|
| 2026 | $536.5 million | $12.2 million | 2.3% |
| 2025 | $581.5 million | $10.3 million | 1.8% |
| 2024 | $573.7 million | $9.1 million | 1.6% |

2. The First Day Declaration reports that the Debtors' last-twelve-months ("**LTM**") revenue peaked at approximately $514 million in November 2024 and declined in nearly every subsequent month, reaching approximately $439 million as of May 2026, a reduction of approximately $75 million, or nearly 15%, over approximately eighteen months.

3. As of the Petition Date, the Debtors had approximately $1.96 million of cash on hand, of which C$376,000 and $340,000 was held by De Cloet.

4. As discussed in Section 3.4 below, De Cloet is a borrower and/or guarantor, as applicable, of the Debtors' funded debt obligations owing to its senior secured lenders.

5. The Proposed Information Officer has reviewed the results of a certified personal property security search ("**PPSA Search**") conducted against De Cloet in Ontario with a currency date of August 16, 2026, which discloses registrations in favour of:

   a) ACF FinCo I LP, as administrative agent under the Revolving Credit Facility (as defined below), being two registrations (one in respect of a predecessor) filed on March 24, 2022 in respect of collateral classified as inventory, equipment, accounts, other personal property and motor vehicles;

   b) Ares Capital Corporation, as administrative agent under the Term Loan Facility (as defined below) (the "**Prepetition Term Loan Agent**"), being two registrations (one in respect of a predecessor) filed on April 27, 2022 in respect of collateral classified as inventory, equipment, accounts, other personal property and motor vehicles;

   c) Royal Bank of Canada ("**RBC**"), being four registrations, two of which were filed on August 7, 2024 and two of which were filed on November 14, 2025, which the Proposed Information Officer understands relate to cash collateral pledged by De Cloet in support of letters of credit issued by RBC in connection with tariff and duty obligations arising from De Cloet's sales to customers in the United States; and

   d) Toyota Industries Commercial Finance Canada, Inc. ("**Toyota Canada**"), being one registration filed on July 19, 2022 relating to a commercial truck leased by De Cloet.

   A copy of the PPSA Search is attached as Exhibit "E" to the First Zalev Affidavit.

6. The Proposed Information Officer has also reviewed parcel searches prepared on August 11, 2026, in respect of PINs 50194-0356 (LT) and 50194-0357 (LT), which represent the Simcoe Property. The search results disclose a charge registered as instrument NK188478 in favour of the Prepetition Term Loan Agent in the principal amount of C$250 million (the "**Term Loan Charge**"). Copies of the parcel searches are attached as Exhibit "F" to the First Zalev Affidavit. A copy of instrument NK188478 is attached as Appendix **"D"** to this Report.

7. De Cloet is not a named party to any litigation commenced in the United States. It is a party to a proceeding before the Ontario Superior Court of Justice at Hamilton, Ontario relating to a warranty claim.

8. The Debtors' unsecured obligations consist principally of trade payables owing to vendors and suppliers, obligations under real property leases and employee-related obligations. As of the Petition Date, the Debtors owed approximately $50.9 million on account of general unsecured claims, of which De Cloet owed approximately C$1.4 million to third parties.

9. De Cloet has historically been owed intercompany receivables arising from sales to customers in the United States fulfilled through BFG Supply, which balances are reviewed at each fiscal year end to clear amounts aged more than 365 days. As of the Petition Date, approximately $7.6 million was due from BFG Supply and approximately $116,000 was due from International Greenhouse Contractors to De Cloet. De Cloet also has historical accounts payable owing to BFG Supply in connection with its acquisition in 2021 in the approximate amount of C$18 million.

10. De Cloet is current on all sales taxes, source deductions and other employee-related remittances, other than amounts that have accrued but are not yet due.

## 3.4 Capital Structure

1. As of the Petition Date, the Debtors' funded indebtedness consisted principally of obligations under two secured financing arrangements, being a senior secured revolving credit facility governed by an ABL Credit Agreement dated as of November 5, 2021, as amended (the "**Revolving Credit Facility**") and a senior secured term loan facility governed by a Credit Agreement dated as of November 5, 2021, as amended (the "**Term Loan Facility**" and, together with the Revolving Credit Facility, the "**Prepetition Credit Facilities**"), each of which may be summarized as follows:

| Facility | Administrative and collateral agent | Maturity | Commitment | Approximate amount outstanding |
|---|---|---|---|---|
| Revolving Credit Facility | ACF FinCo I LP | December 31, 2028 | $120 million | $43.1 million |
| Term Loan Facility | Ares Capital Corporation | December 31, 2029 | $210 million (original) | $299.5 million, inclusive of PIK interest |

2. The Revolving Credit Facility provided the Debtors' principal source of seasonal working capital financing, reflecting the Debtors' need to build inventory in advance of the spring selling season.

3. De Cloet is a borrower under, and a guarantor of the obligations under, the Revolving Credit Facility and a guarantor of the obligations under the Term Loan Facility, pursuant to joinder agreements and related amendments entered into in April and May 2022, respectively. De Cloet has granted security over substantially all of its property and assets in respect of both facilities, provided that the security granted in respect of the Revolving Credit Facility does not include the Canadian Facility and the lands on which it is located, whereas the security granted in respect of the Term Loan Facility includes the Canadian Facility and such lands (as reflected in the Term Loan Charge).

4. In November 2025, in light of the Debtors' developing liquidity challenges, each of the Prepetition Credit Facilities was amended (collectively, the "**November 2025 Amendments**"). In the case of the Revolving Credit Facility, the November 2025 Amendments waived events of default then subsisting in respect of an overadvance and the failure to deliver audited financial statements for fiscal 2025 and a financial plan for fiscal 2026. Among other things, the November 2025 Amendments in respect of the Term Loan Facility provided 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 extended the maturity dates of the existing facilities. Accrued but unpaid interest was added to the principal amount of the term loans. Interest on the Term Loan Facility is now paid in kind ("**PIK**") unless the Debtors elect to pay cash interest, with an additional premium of 3.00% per annum applying when interest is paid in kind. As set out above, the aggregate amount outstanding under the Term Loan Facility as at the Petition Date was approximately $299.5 million, inclusive of accrued PIK interest.

5. On June 24, 2026, the agent under the Revolving Credit Facility issued a notice of event of default in respect of certain payments alleged not to have been made under that facility and reserved its rights and remedies. On August 12, 2026, the agent issued a further notice implementing the default rate of interest.

6. Further details regarding the Debtors' credit facilities, the security registrations and the defaults thereunder are discussed in the First Zalev Affidavit and First Day Declaration, and, accordingly, are not repeated herein.

## 3.5 Cash Management

1. The Debtors operate a centralized cash management system. All operating disbursements of the Debtors are funded from a single main operating account maintained in the name of BFG Supply, and intercompany transactions flow through that system. Cash management is one of the corporate services provided to De Cloet by the Debtors' management team in the United States, together with financial planning, strategic decision-making and the management of De Cloet's online commerce platform.

2. The Proposed Information Officer understands that the U.S. Debtors have historically collected the majority of the receivables arising from sales of De Cloet's products, that those receipts have been applied within the Debtors' cash management arrangements, and that funding has been provided to De Cloet by the U.S. Debtors on an as-needed basis, subject to reconciliation at each fiscal year end.

3. De Cloet maintains its own bank accounts in Canada, denominated in both Canadian and U.S. dollars. As at the Petition Date, De Cloet held approximately C$376,000 and US$340,000, representing a substantial proportion of the Debtors' aggregate cash on hand of approximately US$1.96 million. Payroll for the Canadian Employees is processed weekly through ADP. De Cloet filed HST returns on a monthly basis and is typically in a refundable position as most of its sales are to customers in the United States. In respect of income taxes, De Cloet is presently current on its income tax installments due for its June 2026 year end.

4. In addition to the receivables collected by the U.S. Debtors, De Cloet contracts directly with certain customers in the United States and collects those receivables itself. The Debtors also apply a transfer pricing strategy, developed with the assistance of external accountants, to allocate the costs of shared services across the enterprise, which affects the amounts recorded as between De Cloet and the U.S. Debtors.

5. De Cloet has pledged cash collateral to RBC in support of letters of credit issued by RBC on its behalf in connection with tariff and duty obligations arising from its sales to customers in the United States. As noted above, four of the registrations disclosed in the PPSA Search relate to that arrangement.

6. Among the First Day Motions, the Debtors sought authority to continue to use their existing cash management system, bank accounts and business forms, to pay related prepetition obligations, and to continue to perform intercompany transactions in the ordinary course of business, together with a limited waiver of the deposit and investment requirements of section 345(b) of the U.S. Bankruptcy Code, which was approved pursuant to the Interim Cash Management Order.

7. The Proposed Information Officer intends to monitor the funding provided to, and the intercompany transfers made by, De Cloet under the cash management system during these Recognition Proceedings and to report to this Court in respect of those matters.

## 3.6 Centre of Main Interests

1. As described in the Zalev Affidavits, De Cloet is an integrated member of the Debtors' enterprise and is centrally managed from a strategic and financial perspective by the Debtors' management team in the United States. In this regard, the Proposed Information Officer understands that:

    a) De Cloet is an indirect wholly-owned subsidiary of BFG Purchaser Parent, Inc., a Delaware corporation, through its direct parent, BFG Supply Canada Holdings, Inc., also a Delaware corporation;

    b) the members of the Debtors' senior leadership team, all of whom are located in the United States, exercise primary strategic management and control over De Cloet, and the CRO has been granted authority over De Cloet's day-to-day operations and management in connection with the Chapter 11 Cases and these Recognition Proceedings;

    c) De Cloet relies on the other Debtors to market its products and services to customers in the United States, who have historically accounted for more than two-thirds of De Cloet's customer base, and BFG Supply and the other U.S. Debtors are the principal source of orders for De Cloet's products;

    d) De Cloet relies on the other Debtors for the management of its online commerce platform, insurance program, and information technology services and support;

    e) the U.S. Debtors have historically collected the majority of receivables arising from sales of De Cloet's products and provide funding to De Cloet on an as-needed basis;

    f) De Cloet's financial affairs are managed on a consolidated basis by the Debtors' management team in the United States, and the results of De Cloet are included in the Debtors' consolidated financial reporting; and

    g) De Cloet is a borrower and/or guarantor, jointly and severally with the other Debtors party thereto, under each of the Prepetition Credit Facilities, which are governed by U.S. laws, and has granted security over its assets in support of its obligations thereunder.

2. The Foreign Representative has confirmed to the Proposed Information Officer that, other than the Chapter 11 Cases, no other foreign proceeding in respect of the Debtors has been commenced.

3. Based on the information contained in the Zalev Affidavits and the First Day Declaration and the other Information provided to the Proposed Information Officer, the Proposed Information Officer agrees with the Foreign Representative that De Cloet's centre of main interests is the United States and that it is appropriate in the circumstances to recognize its Chapter 11 Case as a "foreign main proceeding" within the meaning of the CCAA.

# 4.0 Events Preceding the Chapter 11 Cases

1. The Proposed Information Officer understands that the commencement of the Chapter 11 Cases was not precipitated by an isolated event, but instead followed more than two years of progressively worsening operational, financial and liquidity challenges that compounded over time. Certain of those challenges are described below.

## 4.1 Customer Attrition and Declining Revenue

1. During fiscal 2025 and fiscal 2026, the Debtors experienced significant customer attrition arising principally from turnover within their sales organization. The departure of a number of experienced sales representatives resulted in the loss of customer relationships that had historically been managed by those individuals. Although the Debtors recruited replacement personnel and continued to invest in their commercial organization, new representatives required time to establish relationships and rebuild the lost business.

2. The Proposed Information Officer notes that the customer attrition described above did not affect De Cloet's business in the same manner. As set out in Section 3.3 of this Report, De Cloet's revenue increased over the same period, from approximately $9.1 million in fiscal 2024 to approximately $10.3 million in fiscal 2025 and approximately $12.2 million in fiscal 2026. De Cloet's products are made to order. They are sold principally through the U.S. Debtors' sales organization and the Greenhouse Megastore platform, and its order book is therefore affected by the Debtors' commercial organization notwithstanding that its revenue has continued to grow.

3. The commercial impact of that attrition was substantial. As noted in Section 3.3 of this Report, the Debtors' LTM revenue declined by approximately $75 million, or nearly 15%, between November 2024 and May 2026.

## 4.2 Tightening Credit and the Liquidity Spiral

1. Because the Revolving Credit Facility is an asset-based facility, availability is tied to a borrowing base calculated principally on eligible accounts receivable and eligible inventory. Lower sales generated fewer receivables, which reduced the amount available to be drawn and, in turn, constrained the cash available to fund payroll, vendor obligations and other operating expenses.

2. As liquidity tightened, the Debtors became increasingly dependent on vendor credit to maintain inventory. Certain suppliers responded to the Debtors' deteriorating liquidity position by reducing available credit, shortening payment terms or otherwise limiting inventory availability, which impaired the Debtors' ability to purchase the products required to satisfy customer orders.

3. De Cloet was affected by these developments principally through its dependence on the U.S. Debtors. As the majority of the receivables arising from sales of De Cloet's products are collected by the U.S. Debtors and applied within the centralized cash management system, and because funding is provided to De Cloet on an as-needed basis, a contraction in availability at the enterprise level directly constrained the funding available to De Cloet, irrespective of the performance of the Canadian business.

4. The Proposed Information Officer understands that customer demand remained relatively healthy during portions of this period, and that the principal constraint became the Debtors' ability to obtain inventory rather than their ability to generate orders. Reduced inventory availability led to lower sales volumes, which further reduced operating cash flow, prompted additional vendor concern and further contracted the borrowing base under the Revolving Credit Facility. This self-reinforcing cycle became increasingly difficult to reverse outside of a comprehensive restructuring and also compressed gross margins during much of fiscal 2025 and fiscal 2026.

## 4.3 Cost Structure and Macroeconomic Conditions

1. The Debtors' challenges were compounded by an operating cost structure that remained elevated relative to their declining revenue base, notwithstanding significant cost reduction efforts. The Proposed Information Officer understands that this was principally the result of the incomplete integration of services and operations following the acquisitions completed between 2021 and 2024, which left duplicative costs in place and constrained the Debtors' ability to service the indebtedness incurred to fund them.

2. 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 affecting portions of the lawn and garden market, and increased product costs across a range of product categories.

## 4.4 Prepetition Restructuring Efforts

1. The Proposed Information Officer understands that, in the period preceding the Petition Date, the Debtors, together with their board and their advisors, undertook extensive efforts to address their operational, financial and liquidity challenges outside of an insolvency proceeding. Those efforts included workforce reductions, facility rationalization and other cost reduction initiatives intended to align the cost structure with reduced revenue levels, the implementation of liquidity management procedures, and engagement with lenders, suppliers and other business partners with a view to stabilizing the Debtors' access to vendor trade credit.

2. In parallel, the Debtors and their advisors explored financing and strategic alternatives, including amendments to the Prepetition Credit Facilities, additional sources of capital, potential strategic transactions and other out-of-court alternatives. While management's operational improvement initiatives began producing measurable results in the latter part of fiscal 2026, including improved gross margins, the Debtors were unable to obtain the liquidity or consensual financing necessary to support their working capital requirements, as their liquidity forecasts did not support such financing in the circumstances.

3. In July 2026, the Debtors engaged Reflect Advisors LLC ("**Reflect**") to provide interim management services and Adam Zalev of Reflect was appointed as CRO on July 22, 2026. The Debtors will seek U.S. Bankruptcy Court approval of Reflect's engagement at a future hearing in the Chapter 11 Cases.

4. On August 6, 2026, the Debtors engaged SSG Advisors, LLC ("**SSG**") as their investment banker. Since that engagement, SSG has received several inbound indications of interest and commenced a broader outreach program to gauge interest in a going-concern transaction of the Debtors' business. The Proposed Information Officer further understands based on the information submitted in the Chapter 11 Cases by SSG, that, aside from the lenders under the Revolving Credit Facility, no other party was prepared to provide post-petition financing, and that such lenders indicated they would provide additional financing only through a debtor-in-possession facility.

5. On the basis of the foregoing, the Debtors concluded that commencing the Chapter 11 Cases was the only practical means of preserving and maximizing the value of their estates, whether through a going-concern sale, an orderly liquidation, or a combination of the two.

## 4.5 The Sales Processes

1. The Debtors intend to pursue the three Sales Processes described below concurrently rather than sequentially, with each led by professionals experienced in the relevant asset class:

    a) *Going-concern sale process:* SSG has been retained to conduct a court-supervised marketing and sale process for some or all of the Debtors' businesses and assets on a going-concern basis. The process is expected to be conducted on an expedited basis and is targeted for completion within approximately 60 days, with bidding procedures to be approved by the U.S. Bankruptcy Court.

    b) *Liquidation program:* SB360 Capital Partners, LLC and Tiger Capital Group, LLC, acting through a joint venture, have been engaged to assist with an orderly monetization of certain inventory, accounts receivable, machinery, equipment, fixtures and other assets. The consulting agreement governing that engagement may be terminated to facilitate a going-concern transaction.

    c) *Real estate monetization:* A&G Realty Partners, LLC has been retained as real estate advisor to assist with marketing and selling the Debtors' owned real property, including the Canadian Facility, and their interests in leases of the leased facilities in the United States.

2. The Proposed Information Officer understands that, notwithstanding that recognition of the Interim Liquidation Procedures Order is being sought by the Foreign Representative, the liquidation program is not anticipated to commence in Canada until after a determination has been made as to whether or not a going concern transaction is viable given the nature of the Canadian Debtor's business and the ongoing efforts to identify a going concern transaction.

3. If the Debtors identify a going-concern transaction that includes assets otherwise subject to the liquidation program or real property subject to the real estate monetization process, those assets will be removed from the applicable process.

4. The hearing before the U.S. Bankruptcy Court seeking approval of the going-concern sale process and related bidding procedures is currently scheduled for September 16, 2026.

# 5.0 The DIP Facility

## 5.1 The Search for Postpetition Financing

1. As noted in Section 4.4 of this Report, the Debtors retained SSG on August 6, 2026. The Proposed Information Officer understands that SSG's mandate included assisting the Debtors in identifying, evaluating and negotiating a debtor-in-possession financing facility, in addition to its mandate in respect of the going-concern sale process.

2. SSG, in consultation with the Debtors and their advisors, developed a list of potential financing sources and, at the Debtors' direction, approached fourteen third-party institutions that routinely provide debtor-in-possession financing. As substantially all of the Debtors' assets, including their cash on hand as at the Petition Date, were already subject to perfected first-priority security, each institution was asked whether it would be prepared to provide financing on an unsecured basis, a junior-priority basis, or on a basis that would prime the existing secured lenders.

3. Each of the institutions approached confirmed that it was not prepared to provide financing on any of those bases. No party contacted, other than the lenders under the Revolving Credit Facility, was prepared to provide postpetition financing. Based on the outreach undertaken and the responses received, there was no alternative source of financing reasonably available to the Debtors on terms better than the DIP Facility (defined below).

4. Following that canvass, the Debtors negotiated the terms of the DIP Facility with the administrative agent under the Revolving Credit Facility on an arm's-length basis. The Proposed Information Officer observes that the DIP Facility was therefore not the product of a formalized, competitive financing process, but rather followed a market canvass by an experienced investment banking firm that indicated that no alternative source of financing was reasonably available to the Debtors. In the Proposed Information Officer's experience, this is a common outcome where a debtor's assets are fully encumbered and the existing lender group is prepared to provide additional financing.

## 5.2 Terms of the DIP Facility

1. The material terms of the debtor-in-possession financing facility ("**DIP Facility**"), and as set out in the debtor-in-possession credit agreement appended to the Interim DIP Order (the "**DIP Credit Agreement**"), are summarized below.

| Term | Summary[3] |
|---|---|
| **Borrower and guarantors** | · Bamboo Purchaser, Inc. as borrower; De Cloet as Canadian Borrower. BFG Purchaser Parent, Inc. and each of its subsidiaries other than the borrowers, as joint and several guarantors. |
| **Agent and lenders** | · ACF FinCo I LP as agent ("**DIP Agent**"); the lenders under the Revolving Credit Facility, pro rata to their commitments as at the Petition Date. |
| **Amount** | · Revolving facility of up to US$55 million, subject to a borrowing base. US$22 million is available upon entry of the Interim DIP Order, with the remaining commitments becoming available upon entry of the final DIP Facility approval order, at which time the remaining prepetition revolving loans also roll into the DIP Facility. Of the US$22 million to be made available, approximately US$8 million represents new money to be advanced. |
| **Purpose** | · Funding operations, the Sales Processes, and the administration of the Chapter 11 Cases and these Recognition Proceedings, in accordance with the approved budget. |
| **Maturity** | · The earliest of: (i) 180 days after the Petition Date; (ii) 14 days after an order confirming a plan; (iii) closing of a sale of substantially all working capital assets; and (iv) acceleration following an event of default. |
| **Interest** | · Base rate, or Canadian prime for Canadian dollar loans, plus 4.75% per annum, increasing by a further 2.00% while an event of default continues. |
| **Fees** | · 0.75% per annum on unused commitments, payable monthly in arrears, plus fees under separate fee letters (the "**Fee Letters**"). |
| **Roll-up** | · On an interim basis, cash and proceeds of DIP collateral, other than Term Loan Facility priority collateral, are applied against the prepetition revolving loans, creating corresponding availability under the DIP Facility.<br>· Upon entry of the final DIP Facility approval order, the remaining revolving loans convert to DIP obligations on a cashless basis, with accrued interest and fees paid in cash.[4] |
| **Collateral** | · Substantially all present and after-acquired property of the borrower and guarantors, including real property and assets not previously encumbered. |

[3] The summaries and descriptions of the terms and conditions of the DIP Facility are intended solely for informational purposes to provide the Court and parties-in-interest with an overview of the significant terms thereof. The summaries and descriptions are qualified in their entirety by the DIP Credit Agreement and the Interim DIP Order.

[4] The Proposed Information Officer understands that the roll-up was a condition of the DIP lenders providing the DIP Facility.

| | |
|---|---|
| **Priority** | · First on the collateral over which the Revolving Credit Facility ranked first.<br>· Junior to the Term Loan Facility on its priority collateral, which includes the Simcoe Property.<br>· Behind the permitted RBC and Toyota Canada encumbrances in Canada<br>· Superpriority claims are subject to a carve out.[5] |
| **Budget** | · Initial four-week budget, updated on a rolling thirteen-week basis. Use of the facility and of cash collateral is limited to it, subject to permitted variances. |
| **Conditions to the initial advance** | · Execution of the loan documents and approval of the initial budget; entry and continued effectiveness of the Interim DIP Order and Interim Cash Management Order; no default or material adverse effect; delivery of the borrowing base certificate, advisor engagement letters and consulting agreement; and payment of closing fees and expenses. |

2. De Cloet is the "Canadian Borrower" under the DIP Facility for the purposes of the DIP Credit Agreement. De Cloet is jointly and severally liable for the DIP obligations pursuant to the DIP Credit Agreement. Its property in Canada accordingly forms part of the collateral securing the DIP obligations, subject to the priorities described below and to the Charges.

3. The Fee Letters contemplate certain upfront, exit, and collateral management fees payable to the DIP Agent, for its own account or the account of the lenders under the DIP Facility, as applicable, and are subject to a request for a sealing order in the Chapter 11 Cases, which is scheduled to be heard on September 16, 2026. The Proposed Information Officer understands that the Foreign Representative is similarly seeking a sealing order with respect to the Fee Letters in these Recognition Proceedings. Accordingly, attached as Appendix **"E"** and Confidential Appendix **"A"** to this Report are redacted and unredacted copies of the Fee Letters, respectively.

## 5.3 Independent Review of the Prepetition Security

1. Due to the roll-up nature of the DIP Facility and the requested charge over the Canadian Facility and Simcoe Property (which is secured in favour of the Term Loan Facility but not the Revolving Credit Facility), the Proposed Information Officer requested that Osler, Hoskin & Harcourt LLP ("**Osler**"), as independent legal counsel, conduct a review of the security granted by De Cloet in respect of the Revolving Credit Facility and the Term Loan Facility. Osler has confirmed verbally to the Proposed Information Officer, that, based on the Information

[5] Pursuant to the proposed Supplemental Order, the Administration Charge and D&O Charge would have priority over the DIP Facility on the property of the Canadian Debtor located in Canada.

and subject to standard limitations, assumptions[6] and qualifications, pursuant to the applicable security documentation, such security constitutes valid and enforceable security in Ontario. The Proposed Information Officer expects to receive a written opinion from counsel in respect of the above verbal confirmation in the near term.

## 5.4 The Proposed Information Officer's recommendation on the DIP Facility

1. Based on the Information, the Proposed Information Officer is supportive of recognition of the Interim DIP Order, having regard to, among other things, the following:

    a) the DIP Facility is consistent with the remedial objectives of the CCAA. It provides the liquidity required for De Cloet and the other Debtors to continue operating while the Sales Processes are pursued, thereby preserving the prospect of a going-concern outcome for the Canadian business and its approximately 30 employees, together with value for De Cloet's stakeholders generally;

    b) the Debtors require the DIP Facility to fund their operations. As at the Petition Date, the Debtors held approximately US$1.96 million in cash across the enterprise, including approximately C$376,000 and US$340,000 held by De Cloet. This is insufficient to fund the Debtors' obligations as they come due, and De Cloet is dependent on the Debtors' cash management system for its funding. Without access to the DIP Facility, the Debtors would be unable to meet payroll, procure goods and services, pursue the Sales Processes or administer the Chapter 11 Cases;

    c) the terms of the DIP Facility are reasonable in the circumstances and were reached through arm's length negotiations following a market canvass process by an experienced investment banking firm in which no alternative financing was identified. In the Proposed Information Officer's view, the pricing, fees, budget covenants, milestones and reporting requirements are consistent with terms commonly seen in cross-border proceedings involving fully encumbered assets;

    d) the roll-up does not, based on the Proposed Information Officer's current understanding, alter the relative priority of the relevant secured interests in De Cloet's property. The loans proposed to be rolled up already rank immediately junior to the DIP obligations, and, while the DIP obligation would be secured by Prepetition Term

[6] Osler's verbal confirmation assumes that credit documents governed by foreign law, including the ABL Credit Agreement dated as of November 5, 2021, as amended, and the Credit Agreement dated as of November 5, 2021, as amended, are enforceable according to applicable foreign law.

Loan Priority Collateral (as defined in the Interim DIP Order), including Canadian Facility and Simcoe Property (whereas the Revolving Loan Facility obligations were not), the rolled-up DIP obligations to such collateral would rank subordinate to the Term Loan Facility obligations, which vastly exceed the estimated value of the Prepetition Term Loan Priority Collateral in Canada [7], and would rank subordinate to the permitted encumbrances in favour of RBC and Toyota Canada;

e) the proposed DIP Lender's Charge and protections are appropriate;

f) recognition of the Interim DIP Order is required by the DIP Credit Agreement. Failure to obtain recognition would constitute a default under the DIP Facility, which would be detrimental to the Debtors' restructuring; and

g) at the First Day Hearing, there were no objections to the Interim DIP Order, including from the Prepetition Term Loan Agent or any secured lenders under the Term Loan Facility.

# 6.0 First Day Orders

1. Pursuant to the proposed Supplemental Order, the Foreign Representative seeks recognition of each of the First Day Orders listed in Section 1.0.7 of this Report. Copies of those orders were served by the Foreign Representative as part of its Supplemental Application Record dated August 21, 2026, and are to be attached as schedules to the proposed Supplemental Order.

2. Recognition is not sought at this time in respect of the orders granted on the Debtors' claims and noticing agent, and redaction and service motions.

3. The Proposed Information Officer understands that each of the First Day Orders proposed to be recognized, other than the Foreign Representative Order and the Joint Administration Order, was granted on an interim basis. The hearing to enter the First Day Orders on a final basis and to approve the going-concern sale and marketing process bidding procedures, among other relief, is currently scheduled before the U.S. Bankruptcy Court for September 16, 2026.

[7] The Proposed Information Officer understands that much of the Simcoe Property is woodland (with a creek running through it) and protected under the Natural Heritage System policy, which may limit the development potential of the lands.

4. The First Day Orders proposed to be recognized, including the respective rationale and impact on De Cloet, are summarized as follows:

   a) **Foreign Representative Order**: the Foreign Representative Order authorizes De Cloet to act as foreign representative in respect of the Chapter 11 Cases, including to commence and prosecute these Recognition Proceedings and to seek recognition of the orders of the U.S. Bankruptcy Court in Canada;

   b) **Interim DIP Order**: the Interim DIP Order authorizes, on an interim basis, post petition financing in the form of a senior secured super-priority revolving DIP Facility in an aggregate principal amount of up to US$22 million in the interim (increasing to US$55 million upon entry of a final order) provided by ACF FinCo I LP, as DIP Agent, and the DIP lenders, with Bamboo Purchaser, Inc. as borrower, De Cloet as Canadian Borrowwer and the subsidiaries of Bamboo Purchaser, Inc. as guarantors. The process by which the DIP Facility was obtained, its material terms and the Proposed Information Officer's views in respect of it are described in Section 5.0 of this Report. Among other things, the Interim DIP Order:

      i. authorizes borrowings and the use of cash collateral in accordance with an approved budget, subject to permitted variances;

      ii. provides for a "creeping roll-up", whereby cash collateral is applied to repay the prepetition revolving loans and gives rise to corresponding availability under the DIP Facility, and for the remaining prepetition revolving loans to be rolled into the DIP Facility upon entry of the final order. The Proposed Information Officer understands that, as stated by the CRO at paragraph 38 of the Second Zalev Affidavit, the funds in De Cloet's accounts will also be applied in the same manner, with the exception that a minimum of approximately C$500,000 is expected to remain in De Cloet's accounts as a buffer for it to manage its day-to-day operations;

      iii. grants the DIP Agent and DIP lenders liens on substantially all of the Debtors' assets and super priority administrative expense claims, in each case subject to a carve out for U.S. professional fees and statutory fees and otherwise according to the priorities set forth in the Interim DIP Order;

      iv. grants adequate protection to the prepetition secured parties, including replacement liens, super priority claims and payment of certain fees and expenses;

v. requires the Debtors to comply with the case milestones summarized below; and

vi. preserves the ability of a committee or other party in interest to challenge the prepetition obligations and liens within the applicable challenge period;

c) **Interim Liquidation Procedures Order**: the Interim Liquidation Procedures Order authorizes the Debtors to assume the consulting agreement with the liquidation consultants referred to in Section 4.5 of this Report and approves sales of assets free and clear of liens, claims and encumbrances. Sales out of the ordinary course are not expected to begin with respect to De Cloet's business until a going concern determination is made. However, the Foreign Representative is seeking recognition of the Interim Liquidation Procedures Order in case such a determination is made and there is no going concern alternative;

d) **Joint Administration Order**: the Joint Administration Order directs the joint administration of the Chapter 11 Cases for procedural purposes only, which provides significant administrative convenience within these cross-border proceedings;

e) **Interim Critical Vendors Order**: the Interim Critical Vendors Order authorizes, but does not direct, the Debtors to pay prepetition claims of certain critical vendors in the ordinary course of business. The Debtors, including De Cloet, rely on certain critical vendors to provide business-critical services, the disruption of which could have a significant detrimental effect on the going-concern value of their business. The Proposed Information Officer will work with De Cloet and the CRO to review any critical vendor designations, which are still in progress;

f) **Interim Utilities Order**: the Interim Utilities Order approves the Debtors' proposed form of adequate assurance of payment for future utility services, prohibits utility providers from altering, refusing or discontinuing service, and establishes procedures for resolving objections by utility providers. As De Cloet is a debtor in the Chapter 11 cases, its utility providers, including phone, trade, and hydro, are also entitled to the benefit of adequate assurance;

g) **Interim Taxes Order**: the Interim Taxes Order authorizes the Debtors to pay certain taxes and fees payable or becoming payable during the Chapter 11 Cases, without regard to whether the underlying obligations accrued before or after the Petition Date. The Proposed Information Officer understands that De Cloet is current on GST/HST remittance through July 2026, and that the Interim Taxes Order authorizes De Cloet to pay income tax installments (estimated at C$85,000/month) but the Debtors continue to evaluate whether such payments are required at this time;

h) **Interim Insurance Order**: the Interim Insurance Order authorizes the Debtors to maintain their insurance and surety coverage and a letter of credit entered into prepetition, to satisfy related prepetition obligations, to renew, amend, supplement, extend or purchase insurance policies, surety bonds and letters of credit, and to continue paying broker fees;

i) **Interim Wages Order**: the Interim Wages Order authorizes, but does not direct, the Debtors to pay prepetition wages, compensation, employee benefits and other employee obligations, to continue certain employee benefit programs in the ordinary course, and authorizes banks to honour related prepetition cheques. The Proposed Information Officer understands that De Cloet is current on its payroll obligations to its approximately 30 employees, which are paid one week in arrears. The total amount anticipated to be paid pursuant to the Interim Wages Order related to Canadian Employees is C$149,000 (inclusive of wages, commissions, paid time off, holiday pay, health insurance benefits, workers compensation program amounts, and RRSP amounts);

j) **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 intercompany transactions in the ordinary course of business, and (iv) obtain a limited waiver of the deposit and investment requirements under section 345(b) of the U.S. Bankruptcy Code. As described in the First Zalev Affidavit and First Day Declaration, the Debtors operate a cash management system to collect, transfer, and disburse funds generated by their operations, and the Canadian Debtor maintains two Royal Bank of Canada accounts as part of this system. Continued, uninterrupted access to the cash management system is critical to meeting De Cloet's immediate obligations and preserving the going-concern value of its business for the benefit of its stakeholders; and

k) **Interim Customer Programs Order:** the Interim Customer Programs Order authorizes the Debtors to, among other things, (i) honour and fulfil obligations arising under their customer programs and related business practices (the "**Customer Programs**"), and (ii) maintain, administer, continue, renew, replace, modify, or terminate such Customer Programs in the ordinary course of business. De Cloet accepts customer deposits in the ordinary course of business in connection with greenhouse orders, and the recognition of the Interim Customer Programs Order will allow De Cloet the authority but not the obligation to continue to honour any such prepetition deposits and to continue to collect postpetition deposits in the ordinary course, subject to its business judgement.

Given that each contract is unique, De Cloet has advised that it will consult with the Information Officer and the CRO before entering into new contracts to determine: (i) whether a customer deposit is required; and (ii) how any such deposit should be handled, including whether to deposit funds with the Information Officer or accept credit card payments to preserve the customer's chargeback protections. De Cloet will also inform all new customers of these restructuring proceedings and advise them that customer deposits will not be held in trust unless specific arrangements have been made.

5. The Interim DIP Order requires the Debtors to comply with the following upcoming case milestones, each of which may be extended by the DIP Agent in its sole discretion, subject to the limit on the duration of any such extension set out in the Interim DIP Order.

| Date | Milestone |
|---|---|
| On or before September 17, 2026 | Entry of an order approving the bidding procedures and authorizing assumption of the specified sales agreement on a final basis |
| On or before September 22, 2026 | Entry of a final order approving the DIP Facility |
| On or before October 15, 2026 | Entry of one or more orders approving a sale |
| On or before October 22, 2026 | Consummation of the approved sale or sales |

6. The Proposed Information Officer has reviewed the First Day Orders proposed to be recognized pursuant to the Supplemental Order and discussed the rationale for such orders with Osler and Canadian counsel to the Debtors. The Proposed Information Officer is supportive of the Foreign Representative's request for recognition, given, among other things, that:

   a) in the Proposed Information Officer's view, much of the relief contained in the First Day Orders is common in chapter 11 cases, is, subject to certain exceptions, procedural or administrative in nature, and is frequently recognized by Canadian courts in cross-border insolvency proceedings;

   b) the granting of the proposed Supplemental Order and recognition of the First Day Orders would be consistent with the principles of comity and would facilitate the efficient and coordinated administration of the Chapter 11 Cases and these Recognition Proceedings;

   c) Canadian and U.S. stakeholders appear to be treated in the same manner under each of the First Day Orders proposed to be recognized;

   d) the DIP Facility is required to fund the Debtors' operations, the Sales Processes and the administration of the Chapter 11 Cases and these Recognition Proceedings, and the Proposed Information Officer understands that no alternative financing was available to the Debtors on an unsecured, junior lien or priming basis;

   e) the Interim Customer Programs Order allows the Debtors, including De Cloet, the flexibility to continue to administer Customer Programs in the ordinary course, while providing additional safeguards in respect of dealings with De Cloet's stakeholders by way of consultations with the Information Officer and requiring disclosure of these proceedings; and

   f) notwithstanding the recognition of the Interim Liquidation Procedures, sales of De Cloet's property outside the ordinary course of business are not anticipated to be commenced in Canada until a going-concern determination is complete. The service list in these proceedings includes all parties who have PPSA registrations in respect of De Cloet and the Interim Liquidation Procedures Order provides for the transfer of any applicable liens to the proceeds of such sales, consistent with a vesting order in Canada.

7. The Proposed Information Officer is not aware of any objection having been filed in the Chapter 11 Cases by any stakeholder, including any Canadian stakeholder, in respect of the First Day Orders for which recognition is sought.

# 7.0 Proposed Charges

1. Pursuant to the proposed Supplemental Order, the Foreign Representative seeks the granting of the Charges over De Cloet's Property in Canada. The priorities of the Charges are proposed to be as follows:

| Priority | Charge | Maximum amount |
|---|---|---|
| First | Administration Charge | US$450,000 |
| Second | D&O Charge | C$210,000 |
| Third | DIP Lender's Charge | As set out in the Interim DIP Order |

2. The Charges are proposed to rank ahead of all other encumbrances in favour of any person, other than: (i) the encumbrances granted by De Cloet prior to the date of the Supplemental Order in favour of RBC and Toyota Canada, limited to the collateral described in section 6.02(mm) of the DIP Credit Agreement, and (ii) in respect of the DIP Lender's Charge, the relative priorities set out in the Interim DIP Order and the Lien Priority Annex (Exhibit 1 to the Interim DIP Order).

3. The Proposed Information Officer understands that the lenders under the Prepetition Credit Facilities have been advised of the proposed Charges and that the lenders do not oppose any of the Charges.

4. The Proposed Information Officer's views on each of the Charges are set out below.

## 7.1 Administration Charge

1. The proposed Supplemental Order provides for the Administration Charge in the amount of US$450,000 in favour of Cassels Brock & Blackwell LLP ("**Cassels**"), as Canadian counsel to De Cloet, the Information Officer and counsel to the Information Officer, as security for their professional fees and disbursements incurred in respect of these Recognition Proceedings, both before and after the granting of the Supplemental Order.

2. The proposed Supplemental Order also provides for the approval of retainers previously paid to the Cassels, the Information Officer and its counsel in the amounts of US$97,000, C$100,000 and C$150,000, respectively, and directs that their accounts be paid by De Cloet on a bi-weekly basis.

3. The Proposed Information Officer is of the view that the quantum of the proposed Administration Charge, which was calculated in accordance with the budget for professional fees of the Canadian proceedings under the DIP Facility, is reasonable and commensurate with the nature, scope and complexity of these Recognition Proceedings. Each of the beneficiaries of the Administration Charge is expected to have a distinct role in these Recognition Proceedings, and the Proposed Information Officer is of the view that a charge of this nature is customary and necessary to ensure that De Cloet has the benefit of the professional advice and expertise required for these Recognition Proceedings.

## 7.2 D&O Charge

1. The proposed Supplemental Order requires De Cloet to indemnify its directors and officers against obligations and liabilities that they may incur in that capacity after the commencement of these Recognition Proceedings, including in respect of wages, vacation pay and termination or severance pay owing to employees, except to the extent that the obligation or liability was incurred as a result of gross negligence or wilful misconduct. As security for that indemnity, the proposed Supplemental Order grants the D&O Charge over the Property.

2. The material obligations in respect of which De Cloet's directors and officers may face personal liability used to calculate the quantum of the proposed D&O Charge, and which the proposed D&O Charge is intended to secure, are summarized below:

| **Component** | **Amount ($C)** |
|---|---|
| Payroll, including employer tax contributions (2-week period) | $125,000 |
| Accrued vacation pay | $85,000 |
| Total | $210,000 |

3. The Proposed Information Officer notes that, under the proposed Supplemental Order, De Cloet's directors and officers are entitled to the benefit of the D&O Charge only to the extent that they do not have coverage under any directors' and officers' liability insurance policy available to them, or such coverage is insufficient, and no insurer is entitled to be subrogated to or claim the benefit of the D&O Charge.

4. Considering the potential liabilities facing De Cloet's directors and officers in these Recognition Proceedings, the scope of the existing directors' and officers' insurance, and the customary limitations on the De Cloet's directors' and officers' recourse to the proposed D&O Charge, the Proposed Information Officer is of the view that the D&O Charge is reasonable in the circumstances.

### 7.3 DIP Lender's Charge

1. The proposed Supplemental Order provides for the DIP Lender's Charge over the Property as security for De Cloet's obligations in respect of the DIP Facility. The DIP Lender's Charge is to be consistent with the liens and charges created by the Interim DIP Order, is subordinate to the Administration Charge and the D&O Charge and certain pre-petition permitted encumbrances, and may not be enforced except with leave of the Court. The Interim DIP Order provides that the priority of liens against De Cloet's assets in Canada is to be as set out in the Supplemental Order.

2. While the DIP Charge securing rolled-up DIP obligations would attach to the Canadian Facility and Simcoe Property (whereas the Revolving Loan Facility obligations did not), the DIP Charge would rank subordinate to the Term Loan Facility obligations secured by the same real property, which vastly exceed the estimated value of the property.

3. The Proposed Information Officer is of the view that the DIP Lender's Charge is appropriate in the circumstances, given that De Cloet is dependent on the Debtors for funding and that access to the DIP Facility is required for the Canadian business to continue to operate while the Sales Processes are pursued.

## 8.0 Activities of the Proposed Information Officer

1. The activities of the Proposed Information Officer to date have included, among others:

    a) reviewing and providing comments on the materials filed in connection with De Cloet's application seeking the Interim Stay Order, including the Notice of Application, the First Zalev Affidavit and the draft Interim Stay Order;

    b) preparing for and attending the application for the Interim Stay Order;

    c) reviewing the First Day Declaration, First Day Motions, the First Day Orders, including the Interim DIP Order, in respect of which recognition is sought pursuant to the proposed Supplemental Order, and other materials filed in the Chapter 11 Cases;

    d) monitoring the U.S. Docket;

    e) attending the First Day Hearing;

    f) reviewing the Ontario corporate profile report for De Cloet, the results of the PPSA Search conducted against De Cloet in Ontario and the parcel registers for the Simcoe Property;

g) reviewing and providing comments on the materials filed in connection with the Comeback Motion, including the Second Zalev Affidavit, draft Initial Recognition Order, and the draft Supplemental Order;

h) corresponding with the CRO, Cassels and with the Proposed Information Officer's independent legal counsel regarding the Chapter 11 Cases and these Recognition Proceedings;

i) reviewing the credit documents in respect of the Prepetition Credit Facilities;

j) attending at De Cloet's offices and meeting with its management ("**Management**") regarding its business, operations and financial position;

k) meeting with Management to discuss and assist in preparation of De Cloet's cash flow forecast; and

l) preparing this Report.

2. If granted, the proposed Supplemental Order will require the Information Officer to, among other things:

a) post on its website all orders of this Court made in these Recognition Proceedings, all of its reports filed with the Court and such other materials as the Court may order;

b) report to the Court at such times and intervals as the Information Officer considers appropriate with respect to the status of these Recognition Proceedings and the Chapter 11 Cases;

c) provide creditors of De Cloet with information provided by De Cloet in response to reasonable written requests for information, other than information that is privileged or confidential; and

d) provide such assistance to De Cloet in the performance of its duties as the Foreign Representative that it may reasonably request.

3. The proposed Supplemental Order also provides that the Information Officer shall have full and complete access to De Cloet's property, premises, books and records to the extent necessary to perform its duties, shall be at liberty to engage independent legal counsel, and shall not take possession of the Property or take any part in the management or supervision of the management of De Cloet's business.

4. Additionally, if granted, the proposed Initial Recognition Order requires the Information Officer to assist the Foreign Representative in publishing a notice in a national newspaper substantially in the form

included as Schedule "A" to the proposed Initial Recognition Order, advising of the Recognition Proceedings.

## 9.0 Conclusion and Recommendation

1. Based on the foregoing, the Proposed Information Officer recommends that this Court grant the relief sought by the Foreign Representative pursuant to the proposed Initial Recognition Order and the Supplemental Order.

* * *

DATED at Toronto, Ontario, this 26th day of August, 2026.

*AlixPartners Restructuring, Inc.*

**ALIXPARTNERS RESTRUCTURING, INC.**
**IN ITS CAPACITY AS PROPOSED INFORMATION OFFICER OF**
**DE CLOET GREENHOUSE MFG. LTD.**
**AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**

# Appendix “E”

AlixPartners

**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**

# FIRST REPORT OF ALIXPARTNERS RESTRUCTURING, INC. AS INFORMATION OFFICER

**September 16, 2026**

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# 1.0 Introduction

1. On August 18, 2026 (the "**Petition Date**"), BFG Supply Co., LLC ("**BFG Supply**") and sixteen of its affiliates, including De Cloet Greenhouse Mfg. Ltd. ("**De Cloet**" or the "**Canadian Subsidiary**", and collectively with BFG Supply and such affiliates, the "**Debtors**"[1] or the "**Company**"), commenced proceedings (the "**Chapter 11 Cases**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**") by filing voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "**U.S. Bankruptcy Code**").

2. On August 19, 2026, and in advance of its appointment as foreign representative, De Cloet applied to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") in its capacity as proposed foreign representative for, and obtained, an order (the "**Interim Stay Order**") under 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, as amended (the "**CJA**"). Among other things, the Interim Stay Order stayed proceedings and the exercise of rights and remedies against De Cloet, its business and its property in Canada and against its directors and officers, restrained counterparties from terminating or interfering with agreements with De Cloet, and prohibited De Cloet from disposing of its property outside the ordinary course of business.

3. On or shortly following the Petition Date, the Debtors filed thirteen first day motions (collectively, the "**First Day Motions**") seeking relief intended to stabilize their operations, provide access to interim financing and facilitate the sale and monetization processes described below. Among the First Day Motions was a motion for an order (the "**Foreign Representative Order**") authorizing De Cloet to act as foreign representative in respect of the Chapter 11 Cases (in such capacity, the "**Foreign Representative**"). The First Day Motions were heard by the U.S. Bankruptcy Court on August 20, 2026 (the "**First Day Hearing**"), and the U.S. Bankruptcy Court granted various orders on the same date (collectively, the "**First Day Orders**").

4. At a hearing scheduled for August 28, 2026 (the "**Comeback Hearing**"), the Court granted two orders, being the "**Initial Recognition Order**" and the "**Supplemental Order**". The Supplemental Order, among other things, recognized and gave effect in Canada to eleven of the First Day Orders, granted certain priority

[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.

charges over De Cloet's Property (as defined in the Supplemental Order) in Canada, and appointed AlixPartners Restructuring, Inc. ("**AlixPartners**") as Information Officer in these proceedings (the "**CCAA Recognition Proceedings**"). Copies of the Initial Recognition Order and Supplemental Order are attached as **Appendices "A"** and **"B"**, respectively.

5. On September 1, 2026, the Office of the United States Trustee ("**U.S. Trustee**") appointed an official committee of unsecured creditors in the Chapter 11 Cases (the "**UCC**"). The UCC is an estate fiduciary owing duties to all unsecured creditors of the Debtors, including those of De Cloet.

6. A hearing was originally scheduled for September 16, 2026, in the Chapter 11 Cases concerning the Debtors' request for final orders in respect of those First Day Orders granted on an interim basis and certain additional orders that had not been sought at the First Day Hearing.

7. On September 11, 2026, the Foreign Representative filed its motion returnable September 18, 2026 (the "**Second Recognition Hearing**") for an order (the "**Second Recognition Order**"), among other things, recognizing and giving effect in Canada to such orders, to the extent such orders would be formally entered by the U.S. Bankruptcy Court.

8. On September 14, 2026, in advance of the hearing scheduled for September 16, 2026, in the Chapter 11 Cases, the Debtors filed a certificate of no objection or certification of counsel in respect of, and the U.S. Bankruptcy Court entered without a hearing, the eleven orders described below (the "**September 14 Foreign Orders**"), which are relevant to the Foreign Representative's motion before this Court:

   (I) the following final orders in respect of First Day Orders entered on an interim basis, which were previously recognized by this Court (collectively, the "**Final First Day Orders**"):

   a) *Final 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 "**Final Liquidation Procedures Order**");

   b) *Final Order (I) Authorizing the Debtors to Pay Prepetition Claims of Certain Critical Vendors and (II) Granting Related Relief* (the "**Final Critical Vendors Order**");

   c) *Final 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 "**Final Utilities Order**");

d) *Final Order (I) Authorizing the Payment of Certain Taxes and Fees and (II) Granting Related Relief* (the "**Final Taxes Order**");

e) *Final 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 "**Final Insurance Order**");

f) *Final 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 "**Final Wages Order**"); and

g) *Final Order (I) Authorizing the Debtors to Honor, Maintain, and Administer the Customer Programs and Related Prepetition Business Practices, and (II) Granting Related Relief* (the "**Final Customer Programs Order**").

(II) the following orders, which had not been sought on an interim basis at the First Day Hearing (collectively, the "**Second Day Orders**"):

a) *Order (I) Approving Bidding Procedures For the Sale of Substantially All of the Debtors' Assets, (II) Authorizing The Debtors to Designate a Stalking Horse Bidder and to Provide Bid Protections, (III) Scheduling An Auction and Approving the Form and Manner of Notice Thereof, (IV) Approving Assumption and Assignment Procedures, (V) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof, and (VI) Granting Related Relief* (the "**Bidding Procedures Order**");

b) *Order Authorizing the Debtors to File Under Seal the Fee Letters Related to the DIP Facility* (the "**Sealing Order**"); and

c) *Order (I) Approving the Retention and Employment of Reflect Advisors, LLC ("**Reflect**") to Provide the Debtors with a Chief Restructuring Officer and Additional Staff Effective as of the Petition Date; (II) Designating Adam Zalev as the Chief Restructuring Officer to the Debtors (in such capacity, "**CRO**"); and (III) Granting Related Relief* (the "**Reflect Retention Order**").

(III) the following further interim order (the "**Second Interim Cash Management Order**"):

a) *Second 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 A Limited Waiver of Section 345(B) Deposit and Investment Requirements, and (III) Granting Related Relief*.

2. Certain related relief sought in the Chapter 11 Cases was adjourned, including the motions to seek entry of the Final DIP Order and the Final Cash Management Order, which is currently scheduled to be heard on September 29, 2026 at 1:00 p.m. ET. As a result, the Foreign Representative is no longer seeking recognition of those orders at this hearing.

3. The September 14 Foreign Orders and their effect on De Cloet are described in Section 3.0, below.

## 1.1 Purposes of this First Report

1. The purposes of this report (the "**First Report**") are to provide:

a) background information concerning De Cloet, the other Debtors, the Chapter 11 Cases and these CCAA Recognition Proceedings;

b) information regarding the Chapter 11 Cases, including certain Orders entered therein;

c) the Information Officer's views regarding the Foreign Representative's motion for the Second Recognition Order, among other things, recognizing the September 14 Foreign Orders and granting certain protections to Reflect and the CRO in Canada; and

d) the Information Officer's recommendation that the Court grant the relief sought by the Foreign Representative.

## 1.2 Scope and Terms of Reference

1. In preparing this First Report, the Information Officer has relied upon unaudited financial information prepared by the Debtors' representatives, the Debtors' books and records, the affidavits of Adam Zalev sworn August 19, 2026 (the "**First Zalev Affidavit**"), August 21, 2026 (the "**Second Zalev Affidavit**"), and September 11, 2026 (the "**Third Zalev Affidavit**" and, collectively, the "**Zalev Affidavits**") and of Joshua Gordon sworn September 15, 2026 in these CCAA Recognition Proceedings, the declaration of Adam Zalev dated August 19, 2026, filed in the Chapter 11 Cases (the "**First Day**

**Declaration**"), the First Day Motions (and other declarations made in support thereof), the First Day Orders, the September 14 Foreign Orders (and motion materials and declarations filed in respect thereof), additional documents and information filed on the U.S. Docket (as defined below), and discussions with, and other information and documents provided by, the CRO, the Debtors' management, Canadian counsel to the Foreign Representative, and other parties.

2. The Information Officer has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this First Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook (the "**Handbook**") and, accordingly, the Information Officer expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Additionally, the Information Officer has not examined or reviewed any forecasts or projections referred to in this First Report in a manner that would comply with the procedures described in the Handbook.

3. Future oriented financial information relied upon in this First Report is based on the Debtors' assumptions regarding future events; actual results achieved may vary from this information and those variations may be material.

4. Additional detail regarding the Debtors, their business, corporate structure, prepetition capital structure and the circumstances leading to the Chapter 11 Cases is provided in the Zalev Affidavits, the First Day Declaration, and the Pre-Filing Report (as defined below).

5. The First Day Declaration, First Day Motions, First Day Orders and other information regarding the Chapter 11 Cases are available on the case website maintained by Epiq Corporate Restructuring, LLC, the Debtors' claims and noticing agent, at https://dm.epiq11.com/case/bfz/info (the "**U.S. Docket**").

6. AlixPartners, in its capacity as proposed Information Officer, filed with the Court a report dated August 26, 2026 (the "**Pre-Filing Report**") to provide the Court with, among other things, certain background information with respect to De Cloet and the Chapter 11 Cases. A copy of the Pre-Filing Report (without Appendices) is attached as **Appendix "C"** and, together with other Court-filed documents in the CCAA Recognition Proceedings, is available on the Information Officer's case website at: https://cdncases.alixpartners.com/experience/case/DeCloet-Greenhouse (the "**Case Website**").

### 1.3 Currency

1. Unless otherwise stated, all currency references in this First Report are to U.S. dollars.

### 1.4 Defined Terms

1. Except as otherwise set out herein, capitalized terms used and not otherwise defined in this First Report have the respective meanings ascribed to them in the Zalev Affidavits and the Pre-Filing Report.

## 2.0 Background

### 2.1 The Debtors and their Business

1. The Debtors operate a wholesale distribution platform serving the professional green industry throughout the United States and Canada. The business was established in 1972 in Burton, Ohio and has expanded through organic growth and acquisitions into a diversified distributor of lawn and garden products, greenhouse supplies, nursery products, controlled-environment agriculture products, greenhouse structures and related horticultural equipment.

2. Distribution is conducted through both warehouse fulfillment operations and vendor-direct arrangements. The Debtors also operate complementary business lines, including greenhouse manufacturing through De Cloet, greenhouse construction and installation services, and the Greenhouse Megastore eCommerce platform.

3. The Debtors have expanded their operations through a series of acquisitions, including the acquisition of a portion of the wholesale distribution business of Central Garden & Pet Company in July 2023 and the acquisition of the distribution business of V-G Supply Co. in 2024.

4. The Debtors operate 19 distribution, manufacturing and service facilities across the United States and Canada and maintain their principal offices in Burton, Ohio. The Debtors own three facilities located in Danville, Illinois, Kalamazoo, Michigan, and Simcoe, Ontario, with the remaining facilities leased in the United States. As of the Petition Date, the Debtors employed approximately 461 employees, including approximately 30 employees employed by De Cloet in Canada.

5. BFG Supply is the principal operating entity for substantially all of the Debtors' wholesale distribution activities and, directly or indirectly, owns the Debtors' operating subsidiaries. The Debtors are held indirectly by BFG Supply Investment Holdings, LP, whose principal equity investor is Pamplona Equity Partners, L.P., together with certain rollover investors. The Debtors' Canadian operations are held

through BFG Supply Canada Holdings, Inc., a Delaware corporation, which owns all of the issued and outstanding shares of De Cloet.

## 2.2 De Cloet's Business

1. De Cloet is an Ontario corporation formed by amalgamation on July 1, 2022 under the *Business Corporations Act* (Ontario), being the amalgamation of its predecessor of the same name and BFG Supply Canada Corp. De Cloet was acquired by the Debtors in 2021. Its registered office is located at 1805 Charlotteville West Quarterline, Simcoe, Ontario (the "**Canadian Facility**"), which, together with the adjoining property municipally known as 1809 Charlotteville West Quarterline, Simcoe, Ontario, is owned by De Cloet.

2. De Cloet designs and manufactures made-to-order commercial greenhouse structures and systems. It manufactures exclusively from the Canadian Facility and serves customers in Canada and the United States.

3. De Cloet employs approximately 30 employees (the "**Canadian Employees**"), all of whom are employed on a full-time basis at the Canadian Facility and none of whom are unionized. Fifteen of the Canadian Employees are remunerated on an hourly basis and fifteen are salaried, and the group includes a three-person sales team and a limited management team that provides day-to-day operational oversight subject to the direction of the Debtors' leadership team in the United States. De Cloet also engages independent contractors on an as-needed, project-specific basis.

4. The majority of De Cloet's sales are generated by BFG Supply's sales representatives marketing De Cloet's products to customers of the U.S. Debtors, with customers located in the United States historically comprising more than two-thirds of De Cloet's customers. Sales into the United States were historically fulfilled through BFG Supply or the Greenhouse Megastore platform, with a mark-up commission payable to the U.S. Debtors. In August 2024, the Debtors modified that structure so that orders originating with the U.S. Debtors' sales representatives were priced and documented in conjunction with the local De Cloet team, with a commission payable by De Cloet to the U.S. entity employing the originating representative. In both the original and revised commission and pricing structures, the majority of sales of De Cloet were sold and invoiced to third party customers through the U.S. Debtors.

5. De Cloet relies on the other Debtors for certain services necessary to operate and manage its Business, including financial planning, strategic decision-making, management of its online commerce platform, insurance, information technology and procurement of sales of its products and services.

6. De Cloet contributed revenue of approximately $12.2 million in fiscal 2026, being 2.3% of the Debtors' consolidated revenue of approximately $536.5 million, having increased from approximately $9.1 million in fiscal 2024.

7. As at the Petition Date, the Debtors were subject to approximately $342.6 million of secured indebtedness, in respect of which De Cloet is a borrower or guarantor, as applicable, and in support of which it has granted security over its assets.

8. The Information Officer understands that De Cloet has continued to carry on its business in the ordinary course at the Canadian Facility since the Petition Date. The Information Officer has not been advised of any termination of Canadian Employees or of any material disruption to De Cloet's operations, supply arrangements or customer relationships. Further, the Information Officer is not aware of any sales outside of the ordinary course with respect to De Cloet's Canadian Property and understands that no liquidations have been commenced in Canada.

# 3.0 The September 14 Foreign Orders[2]

## 3.1 The Final First Day Orders

1. Each Final First Day Order is a final order in respect of an interim order made in the Chapter 11 Cases that this Court has already recognized. The rationale for each interim order, and its effect on De Cloet, is set out in detail at Section 6 of the Pre-Filing Report.

2. The Information Officer has reviewed the Final First Day Orders and compared their terms to the applicable First Day Orders. The material differences noted by the Information Officer are summarized below.[3]

    a) **Final Liquidation Procedures Order:**

        i. granted on a final basis;

        ii. the DIP Agent, Prepetition Term Loan Agent and counsel to the UCC will receive notice if the Consultant Payment Obligations are not timely paid;

[2] Capitalized terms not otherwise defined in this Section have the meaning ascribed to them in the applicable order.

[3] The following summaries are intended solely for informational purposes to provide the Court and parties-in-interest with an overview of certain incremental modifications since the entering of the First Day Orders, as reflected in the applicable Final First Day Orders. The summaries are qualified in their entirety by the actual terms of the Final First Day Orders, and stakeholders are encouraged to review their terms in their entirety.

iii. the DIP Agent, Prepetition Term Loan Agent and counsel to the UCC will receive notice before the Consultant suspends any services as a result of non-payment and such parties are permitted to seek emergency relief from the U.S. Bankruptcy Court;

iv. the Debtors, in reporting to counsel for the DIP Agent, Prepetition ABL Agent, Prepetition Term Loan Secured Parties, and the UCC, shall advise the aggregate Consultant Payment Obligations paid or withheld from Gross Proceeds; and

v. the UCC will have consultation rights with respect to certain decisions or compromises set out in the order.

b) **Final Critical Vendors Order:**

i. granted on a final basis;

ii. the Debtors must consult counsel to the DIP Agent, Prepetition ABL Agent, Prepetition Term Loan Secured Parties, and the UCC with respect to decisions made in respect of parties who accept payment for prepetition obligations and then fail to comply with Customary Trade Terms; and

iii. the Debtors shall advise the advisors of the DIP Agent and Prepetition ABL Agent, Prepetition Term Loan Secured Parties, and the UCC the identity of and amounts paid to critical vendors on a bi-weekly basis.

c) **Final Utilities Order:**

i. granted on a final basis; and

ii. the final form of order reflects UCC counsel's mailing information, which was added for the purposes of enabling Utility Companies to serve an Additional Assurance Request.

d) **Final Taxes Order:**

i. granted on a final basis;

ii. the $500,000 aggregate limit on payments of prepetition Taxes and Fees no longer applies; and

iii. if the Debtors are negotiating any material tax liabilities, the Debtors shall consult with the DIP Agent, Prepetition ABL Agent, Prepetition Term Loan Secured Parties and the UCC and provide at least 3 days' notice before posting any unencumbered collateral or letter of credit.

e) **Final Insurance Order:**

i. granted on a final basis;

ii. the $200,000 aggregate limit on payments in respect of the Insurance Policies, surety bonds and letters of credit no longer applies; and

iii. the Debtors are required to provide notice to counsel for the DIP Agent, Prepetition ABL Agent, Prepetition Term Loan Secured Parties and the UCC with notice within five days of any renewal, amendment, supplement, extension or purchase of insurance coverage, surety bond, or letter of credit that results in an increase in premium, coverage limit or collateral obligation.

f) **Final Wages Order:**

i. granted on a final basis;

ii. the aggregate limit on prepetition Employee Obligations increased from $1,064,951.62 to $1,937,715.74; and

iii. the restriction on cash-out payments in respect of Paid Time Off no longer applies.

g) **Final Customer Programs Order:**

i. granted on a final basis; and

ii. the Debtors are required to give notice to counsel for the DIP Agent and Prepetition ABL Agent, the Prepetition Term Loan Secured Parties, and the UCC of any material changes to any Customer Program, including the termination of a Customer Program.

3. As previously mentioned above, the motion seeking approval of the Final DIP Order has been adjourned to September 29, 2026.

4. In addition to its general recommendation made at Section 3.6, below, the Information Officer supports the recognition of such Final First Day Orders by this Court for the following reasons:

a) the Final First Day Orders are, for the most part, common in Chapter 11 proceedings, substantially consistent with the interim orders previously recognized by this Court pursuant to the Supplemental Order, and, in many cases, procedural or administrative in nature; and

b) the Final First Day Orders introduce no substantive relief that has not already been recognized by this Court, and the amendments effected by them, which are summarized in Section 3.1, principally remove limits that were provisional in character pending a final hearing or require additional engagement with key stakeholders.

### 3.2 The Second Interim Cash Management Order

1. The Debtors had originally contemplated seeking a Final Cash Management Order at the hearing scheduled for September 16, 2026.

2. The Information Officer understands that the Debtors have agreed to extend the deadline for the U.S. Trustee, the DIP Agent, Prepetition ABL Agent, Prepetition Term Loan Agent, Prepetition Term Loan Lenders and the UCC to comment on the Final Cash Management Order until September 22, 2026. Additionally, and as mentioned above, the motion seeking approval of the Final Cash Management Order has been adjourned to September 29, 2026. Accordingly, the U.S. Bankruptcy Court entered the Second Interim Cash Management Order.

3. In addition to its general recommendation made at Section 3.6, below, the Information Officer supports the recognition of the Second Interim Cash Management Order as it effectively preserves the status quo pending the September 29, 2026 hearing before the U.S. Bankruptcy Court in respect of the Final Cash Management Order.

### 3.3 The Bidding Procedures Order

1. The Bidding Procedures Order, which was entered on September 14, 2026:

   a) approves the Bidding Procedures governing the sale of all, substantially all or one or more portions of the Debtors' assets;

   b) authorizes the Debtors to designate one or more Stalking Horse Bidders and to provide Bid Protections;

   c) schedules an Auction if one is required;

   d) approves the form and notice of designating a Stalking Horse Bidder;

   e) approves procedures governing the assumption and assignment of Contracts; and

   f) approves the form and manner of notice to counterparties and other stakeholders.

2. The Debtors attribute the expedited timetable to the prepetition marketing already conducted and the limited liquidity available to support a protracted process. The Information Officer considers the timetable consistent with the sizing of the DIP Facility and the case milestones to which the Debtors are subject. The principal dates are as follows:

| **Deadline** | **Event** |
|---|---|
| Two business days after the entry of the Bidding Procedures Order | Deadline for Debtors to file and serve Sale Notice |
| Two business days after the entry of the Bidding Procedures Order | Deadline for Debtors to file and serve Assumption and Assignment Notice |
| 4:00 p.m. (prevailing Eastern Time) on the date that is 14 days after service of the Assumption and Assignment Notice | Cure Objection Deadline |
| September 28, 2026, at 4:00 p.m. (prevailing Eastern Time) | Deadline for Debtors to designate a Stalki Horse Bidder |
| October 2, 2026, at 4:00 p.m. (prevailing Eastern Time) | Bid Deadline |
| Five days after the Stalking Horse Notice is filed | Stalking Horse Objection Deadline |
| October 6, 2026, at 10:00 a.m. (prevailing Eastern Time) | Auction |
| One day after the conclusion of the Auction | Deadline for Debtors to file and serve Notice of Auction Results |
| October 12, 2026, at 4:00 p.m. (prevailing Eastern Time) | Sale Objection Deadline and Adequate Assurance Objection Deadline |
| October 13, 2026, at 4:00 p.m. (prevailing Eastern Time) | Debtors' Deadline to Reply to Sale Objections |
| October 14, 2026, at 9:30 a.m. (prevailir Eastern Time) | Sale Hearing |
| October 21, 2026 | Deadline for entry of a recognition order in the CCAA Recognition Proceedings, if required |
| October 22, 2026 | Deadline to complete an approved Sale |

3. The Bidding Procedures describe the procedures in connection with a sale or disposition of all, substantially all or a portion of the Debtors' assets. The Bidding Procedures allow for De Cloet's business to be bid on separately from the other Debtors' assets.

4. The Bidding Procedures Order also addresses certain procedures regarding the assumption and assignment of De Cloet's Contracts, including the process for determining Cure Costs, if any.

5. The Bidding Procedures permit the Debtors, in consultation with the Consultation Parties and subject to the consent of the DIP Agent, to designate one or more Stalking Horse Bidders that submits a Qualified Bid. Upon filing of the Stalking Horse Notice, any Stalking Horse Agreement executed by the Debtors and the transactions contemplated thereby will be deemed a Qualified Bid for all purposes. No potential

bidder is currently designated as a Stalking Horse Bidder. However, the Information Officer intends to provide further updates to the Court if any bidder is designated as a Stalking Horse Bidder.

6. The Bidding Procedures specifically contemplate a recognition order in respect of any sale of De Cloet's assets. The timeline set out above provides for 7 days after the entry of the Sale Order for the Foreign Representative to return to Court to seek such an order.

7. The Bidding Procedures apply the same qualification requirements, deadlines, notice provisions and objection rights to all parties in interest. The Information Officer has identified no provision that distinguishes between Canadian and United States stakeholders or operates to the disadvantage of a Canadian creditor, counterparty or bidder. The requirement for a further order of this Court before any transaction involving De Cloet or Canadian assets preserves the Court's supervision of the disposition of Canadian Property.

8. In the event that a going-concern outcome for the Canadian business is not achieved, the alternative is the liquidation program authorized pursuant to the Final Liquidation Procedures Order, which has been deferred in respect of De Cloet pending the outcome of the marketing process.

9. The Foreign Representative is seeking recognition by this Court of the Bidding Procedures Order. The Information Officer considered the following in assessing the reasonableness of the Bidding Procedures Order:

    a) in the Information Officer's view, the contemplated sale process and the Bidding Procedures are commercially reasonable, consistent with procedures approved by this Court in both Canadian-only and cross-border insolvency proceedings, and have been designed to maximize value through a competitive sale process;

    b) the deadlines, while relatively short, provide sufficient time for potential bidders to perform diligence and prepare and submit their bids;

    c) the Bidding Procedures encompass the assets of De Cloet, and the Information Officer will be kept apprised of bids relating to De Cloet and Canadian assets; and

    d) the Information Officer does not believe the creditors of De Cloet would be materially prejudiced by the Bidding Procedures.

10. Based on the foregoing and in addition to its general recommendation made at Section 3.6, below, the Information Officer believes the Bidding Procedures Order is fair and reasonable and recommends that this Court recognize the Bidding Procedures Order.

### 3.4 The Sealing Order

1. The Sealing Order authorizes the Debtors to file under seal unredacted copies of the fee letters between the Debtors and the DIP Agent (the "**Fee Letters**"), which contain certain fees payable in connection with the DIP Facility. Redacted copies have been filed publicly, the redactions being confined to those fees. Unredacted copies are to be made available to the U.S. Bankruptcy Court, the U.S. Trustee, counsel to the UCC and such further parties in interest as may reasonably request them subject to appropriate confidentiality provisions.

2. The order has no operational effect on De Cloet, its Business or its Property, and does not materially affect any Canadian stakeholder, beyond the general interest in open courts. Having regard to the narrow scope of the relief, the confinement of the redactions to the fee terms, the availability of the balance of the DIP Facility documentation on the public record and the preservation of access for parties in interest, the Information Officer considers the request for recognition of the Sealing Order to be reasonable having regard to the principles of comity.

### 3.5 The Reflect Retention Order

1. The Reflect Retention Order authorizes the Debtors to retain Reflect Advisors, LLC to engage a chief restructuring officer and additional personnel effective as of the Petition Date, designating Adam Zalev as CRO.

2. De Cloet is managed from a strategic and financial perspective by the Debtors' management team in the United States, and the CRO has been afforded authority over its day-to-day operations in connection with the Chapter 11 Cases and the CCAA Recognition Proceedings. The services provided by Reflect are accordingly provided to De Cloet as part of an enterprise-wide mandate rather than pursuant to a separate Canadian engagement.

3. Pursuant to the Second Recognition Order, the Foreign Representative also seeks limited relief in favour of Reflect and the CRO (the "**CRO Protections**"), including:

    a) a declaration that neither is nor is deemed to be a director, *de facto* director, employee or trustee of De Cloet;

    b) the protections afforded to a monitor under section 11.8(3) of the CCAA in the event either is found to be in possession of Property for environmental purposes, without relief from any reporting obligation under section 11.8(4);

    c) a stay of proceedings in Canada in respect of the performance of their duties; and

d) a limitation of liability in Canada in respect of the CRO's performance of its duties and obligations relating to De Cloet.

4. In addition to its general recommendation made at Section 3.6, below, the Information Officer is supportive of the CRO Protections for the following reasons:

   a) the relief sought is of a kind customarily granted to a chief restructuring officer in a plenary proceeding under the CCAA;

   b) each element of the CRO Protections has been limited in scope to De Cloet and to conduct and proceedings in Canada; and

   c) the proposed protections, including the stay, will encourage parties to take any disputes to the U.S. Bankruptcy Court in the first instance where they can be addressed in the full context of the Chapter 11 Cases.

### 3.6 The Information Officer's General Recommendation

1. The Information Officer has reviewed the proposed September 14 Foreign Orders and discussed the rationale for such orders with its independent counsel and Canadian counsel to the Debtors. In the Information Officer's view, recognition of the September 14 Foreign Orders pursuant to the proposed Second Recognition Order would be consistent with the principles of comity and would facilitate the efficient and coordinated administration of the Chapter 11 Cases and these CCAA Recognition Proceedings. Further, (i) Canadian and U.S. stakeholders appear to be treated in the same manner under the September 14 Foreign Orders for which recognition is sought, and (ii) the September 14 Foreign Orders were granted following the Debtors filing either certificates of no objection or certifications of counsel in respect of the September 14 Foreign Orders.

2. The Information Officer is supportive of the Foreign Representative's request for the Second Recognition Order for the reasons provided herein.

## 4.0 Activities of the Information Officer

1. The activities of the Information Officer since the date of the Pre-Filing Report have included:

   a) attending the Comeback Hearing and posting the Initial Recognition Order, the Supplemental Order and the related endorsement of the Honourable Justice Dunphy to its Case Website;

b) assisting the Foreign Representative with publication of the notice required by the Initial Recognition Order in the Globe and Mail (National Edition);

c) monitoring the U.S. Docket and reviewing the materials filed in the Chapter 11 Cases;

d) reviewing the September 14 Foreign Orders as entered, together with the related motion materials, and considering their effect on De Cloet, its Business, its Property and its Canadian stakeholders;

e) reviewing and commenting upon the materials filed in support of the motion returnable at the Second Recognition Hearing;

f) receiving updates regarding De Cloet's business from its management and the CRO;

g) conferring with De Cloet and Reflect regarding the entry into new contracts, including the treatment of deposits;

h) receiving updates from SSG Advisors, LLC, in respect of the marketing of the Debtors' business, including De Cloet;

i) responding to enquiries from creditors and other stakeholders of De Cloet;

j) corresponding with the CRO, Canadian counsel to the Foreign Representative and its independent counsel in respect of the Chapter 11 Cases and the CCAA Recognition Proceedings; and

k) preparing this First Report.

# 5.0 Conclusion and Recommendation

1. For the reasons set out in this First Report, the Information Officer respectfully recommends that this Court grant the Second Recognition Order sought by the Foreign Representative.

*  *  *

DATED at Toronto, Ontario, this 16th day of September, 2026.

*AlixPartners Restructuring, Inc.*

**ALIXPARTNERS RESTRUCTURING, INC.**
**IN ITS CAPACITY AS INFORMATION OFFICER OF**
**DE CLOET GREENHOUSE MFG. LTD.**
**AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**