

SCHEDULE "A"

SALE AND INVESTMENT SOLICITATION PROCESS

Background

1. Hakim Optical Laboratory Limited ("**HOLL**") and Lawrence Ophthalmic Lab Inc. ("**Lawrence Lab**") commenced proceedings pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended, by filing Notices of Intention to Make a Proposal dated April 16, 2025, and April 22, 2025, respectively (the "**NOI Proceedings**").
2. Prior to the NOI Proceedings, HOLL, Lawrence Lab, certain of their affiliates, and 1001112855 Ontario Inc. (the "**Lender**") entered into a senior secured bridge financing credit facility dated as of January 21, 2025, pursuant to which the Lender advanced funds to HOLL and Lawrence Lab from time to time.
3. Pursuant to an initial order issued by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on May 15, 2025 (as amended and restated on June 27, 2025, the "**Initial Order**"), the NOI Proceedings were continued under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("**CCAA**"), as amended. Hakim Optical Worldwide Lenses Inc. was added as an applicant in the CCAA proceedings (together with HOLL and Lawrence Lab, the "**Applicants**"), and KSV Restructuring Inc. was appointed as monitor (in such capacity, the "**Monitor**") of the Applicants. Among other things, the Initial Order granted a stay of proceedings in favour of the Applicants, approved a debtor-in-possession financing facility (the "**DIP Facility**") among, *inter alios*, HOLL, Lawrence Lab and the Lender, and granted a Court-order charge in favour of the Lender in respect of any amounts advanced to the Applicants under the DIP Facility from time to time.
4. On August 28, 2025, the Court granted an order (the "**SISP Approval Order**"), which, among other things, approved:
 - (a) the sale and investment solicitation procedures set forth herein (the "**SISP**");
 - (b) the Stalking Horse Specified Asset Purchase Agreement dated August 21, 2025 (the "**Stalking Horse Purchase Agreement**"), among the Applicants and Evelyn Aimis Holdings Inc. (collectively, the "**Vendors**"), and Chiaro Ottico Ltd. (the "**Stalking Horse Bidder**");
 - (c) the bid made by the Stalking Horse Bidder pursuant to the Stalking Horse Purchase Agreement as the stalking horse bid (the "**Stalking Horse Bid**"), solely for the purpose of the SISP; and
 - (d) the Bid Protections (as defined below) in favour of the Stalking Horse Bidder, and granted a corresponding charge to secure the obligations and amounts contemplated under the Stalking Horse Purchase Agreement.

5. The SISP Approval Order and the SISP exclusively govern the process for soliciting and selecting bids for the purchase and sale of all or substantially all of the Applicants' Assets (as defined below) and the assumption of certain liabilities, including retail store leases.
6. All dollar amounts expressed herein, unless otherwise noted, are in Canadian currency. Capitalized terms that are not otherwise defined herein have the meanings ascribed to them in the SISP, Stalking Horse Purchase Agreement, or the Initial Order, as applicable.

Opportunity

7. This SISP is intended to solicit interest in, and opportunities for, a sale of the Applicants' Assets and operations on a going-concern basis.
8. The Vendors have entered into the Stalking Horse Purchase Agreement, which constitutes a Qualified Bid (as defined below) for all purposes and at all times under the SISP. The purchase price under the Stalking Horse Purchase Agreement is \$22,000,000 an estimated amount comprised of the sum total of: (i) the Credit Bid Assigned Amount, plus (ii) the Priority Payables Amount, (the "**Purchase Price**"), all as set out in the Stalking Horse Purchase Agreement.
9. Notwithstanding the Stalking Horse Purchase Agreement, all interested parties are encouraged to submit Qualified Bids.
10. The SISP shall be conducted by the Monitor, in consultation with the Applicants. The Applicants are offering for sale, in whole or in part, all of their right, title and interest in and to their business enterprise, including all related assets, or all of their issued and outstanding shares, whether by way of an asset or share sale to be implemented through an approval and vesting order (collectively, the "**Applicants' Assets**").
11. The Monitor, in consultation with the Applicants, will consider (i) a bid for all of the Applicants' Assets (an "**En Bloc Bid**") or (ii) separate bids to acquire some but not all of the Applicants' Assets ("**Aggregate Bids**"), provided that the Monitor will only consider Aggregate Bids if a combination of one or more Aggregate Bids in the aggregate meets the requirements to be a Qualified Bid. The preferred transaction structure is an En Bloc Bid.

SISP Timeline

12. The Monitor and the Applicants will use reasonable efforts to complete the SISP in accordance with the milestones set out herein. Notwithstanding any other provision of the SISP, the Monitor shall be permitted to make such adjustments to the timelines set out herein that it determines are appropriate or reasonably necessary in the circumstances, provided the aggregate discretionary extension is limited to fourteen (14) days, unless agreed in advance and in writing by the Applicants and the Stalking Horse Bidder, or otherwise ordered by the Court.
13. The SISP will otherwise be conducted in accordance with the following milestones:

Milestone	Deadline
Granting of SISP Approval Order	August 28, 2025
Deadline to publish a notice of the SISP and set up the Data Room	September 3, 2025
Deadline to submit a Qualified Bid (" Qualified Bid Deadline ")	No later than 5:00 p.m. (Toronto time) on October 3, 2025
Auction (if necessary), to be held virtually	Commences at 10:00 a.m. (Toronto time) on October 8, 2025
Hearing – Court application for Approval Order(s)	If the Stalking Horse Bidder is the Successful Bidder, then by no later than October 15, 2025 Otherwise, no later than October 22, 2025, subject to Court availability
Closing of the Successful Bid(s)	If the Stalking Horse Bidder is the Successful Bidder, then by no later than October 31, 2025 Otherwise, no later than November 7, 2025, subject to Court availability
Outside Date for the Closing of the Stalking Horse Bid	October 31, 2025, or such other date as the Vendors (with the consent of the Monitor) and the Stalking Horse Bidder may agree to in writing

As Is, Where Is

14. The sale of the Applicants' Assets or any portion thereof shall be on an "as is, where is" and "with all faults" basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Monitor or the Applicants or their respective agents, representatives, partners or employees, or any of the other parties participating in the SISP, except as may otherwise be provided in a definitive purchase agreement with the Applicants or the Monitor (as applicable). By submitting a bid, each Qualified Bidder (as defined below) shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Applicants' Assets prior to making its bid, that it

has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Applicants' Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Applicants' Assets by the Applicants or the Monitor.

Free of any and all Claims and Interest

15. In the event that a Successful Bid (as defined below) is selected in accordance with this SISP, all of the rights, title and interest of the Applicants in and to the Applicants' Assets to be acquired under such Successful Bid, will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, interests thereon and there against (collectively, the "**Claims and Interests**") pursuant to one or more approval and vesting orders made by the Court (each, an "**Approval Order**"). All such Claims and Interests shall attach to the net proceeds of the sale of such property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder (as defined below).
16. If the Stalking Horse Bid is not the Successful Bid, then the Stalking Horse Bidder will be entitled to the payment of certain bid protections, which are comprised of: (i) a break fee in the amount of \$600,000 (the "**Break Fee**"), and (ii) an expense reimbursement for all actual documented out-of-pocket reasonable costs and expenses incurred in connection with negotiating, preparing and executing the Stalking Horse Purchase Agreement, up to the maximum amount of \$600,000 (the "**Expense Reimbursement**" and together with the Break Fee, the "**Bid Protections**").

Solicitation of Interest

17. As soon as reasonably practicable following the granting of the SISP Approval Order and, but, in any event, by no later than September 3, 2025, the Monitor shall:
 - (a) cause a notice of the SISP, and such other relevant information which the Monitor considers appropriate, to be published in applicable industry publications, websites and/or forums;
 - (b) prepare: (i) in consultation with the Applicants, marketing materials and a process letter outlining the SISP and opportunities thereunder; and (ii) a non-disclosure agreement in form and substance satisfactory to the Monitor, in consultation with the Applicants, which shall inure to the benefit of any purchaser of the Applicants' Assets or any part thereof (an "**NDA**"); and
 - (c) make available a virtual data room (the "**Data Room**") to interested parties that have signed an NDA.

Participation Requirements and Due Diligence

18. In order to participate in the SISP, an interested party must first be designated by the Monitor as a Qualified Bidder.
19. A "**Qualified Bidder**" means any interested party that:
 - (a) has actually delivered, to the addresses specified herein (including by email) an executed NDA; and
 - (b) has been determined by the Monitor, in its sole discretion and after consulting with the Applicants, to have the financial wherewithal to consummate a successful transaction pursuant to the SISP.
20. The Monitor shall provide any person it deems to be a Qualified Bidder with access to the Data Room and such reasonably required due diligence materials and information relating to the Applicants' Assets, as the Monitor deems appropriate.
21. Qualified Bidders will be able to conduct their due diligence using the information in the Data Room and must direct all related questions, on a without liability or representation basis, to the Monitor. All such information obtained by that Qualified Bidder shall be subject to the NDA.

Submission of Qualified Bids

22. A Qualified Bidder that desires to make a bid for all or substantially all of the Applicants' Asset must deliver to the Monitor by the Qualified Bid Deadline a Qualified Bid in the form of a fully executed purchase and sale agreement substantially in the form of the template agreement of purchase and sale located in the Data Room (the "**Template APS**").
23. Qualified Bids must be delivered in accordance with the notice requirements set out herein and must be actually received by the Monitor on or before the Qualified Bid Deadline.
24. The Qualified Bid Deadline may be extended by up to ten (10) Business Days at the sole discretion of the Monitor, unless otherwise agreed in writing by the Stalking Horse Bidder or with the approval of the Court.

Qualified Bid Requirements

25. A bid from a Qualified Bidder that includes all of the Qualified Bid Requirements and is received by the Qualified Bid Deadline is a "**Qualified Bid**".
26. To constitute a Qualified Bid or an Aggregate Bid, a bid must comply with the following conditions (each, a "**Qualified Bid Requirement**" and collectively, the "**Qualified Bid Requirements**"):
 - (a) it has been submitted by a Qualified Bidder by the Qualified Bid Deadline;

- (b) it provides for the payment in full in cash on closing an amount that is sufficient to pay in full all of:
 - (i) the Purchase Price;¹
 - (ii) the Expense Reimbursement;
 - (iii) the Break Fee; plus
 - (iv) a minimum bid increment of \$100,000;
- (c) it provides an allocation of the purchase price under such bid among the Applicants' Assets and any other assets to be acquired;
- (d) it provides detailed sources and uses schedules that identifies, with specificity, the amount of cash consideration (the "**Cash Consideration Value**") and any assumptions that could reduce the net consideration payable;
- (e) it provides details of any assumption of the Applicants' liabilities;
- (f) it is reasonably capable of being consummated within ten (10) Business Days after the issuance of an Approval Order or by no later than November 7, 2025, if selected as the Successful Bid;
- (g) it contains:
 - (i) duly executed purchase and sale agreement substantially in the form of the Template APS and a blackline of the executed purchase and sale agreement to the Template APS;
 - (ii) the required cash Deposit (defined below); and
 - (iii) such other information as may, in their discretion, be reasonably requested by the Applicants or the Monitor;
- (h) it includes a letter stating that the Qualified Bid is submitted in good faith, is binding and is irrevocable until the earlier of: (i) the completion of the sale to a Successful Bidder, or (ii) November 7, 2025;
- (i) it provides written evidence of the Qualified Bidder's ability to fully fund and consummate the transaction and satisfy its obligations in cash on closing under the reasonably anticipated transaction documents in keeping with transactions of this nature, including

¹ As indicated in the Stalking Horse Purchase Agreement the Purchase Price for the Specified Purchased Assets is the amount of \$22,000,000 which comprised of the sum total of: (i) the Credit Bid Assigned Amount, plus (ii) the Allocated Priority Payables Amount (each as defined therein).

binding equity/debt commitment letters and/or guarantees (i.e., bank guarantees) covering the full value of the Cash Consideration Value;

- (j) it does not include any request for or entitlement to any break fee, expense reimbursement, brokerage fees, finder's fees or commissions, or any similar type of payment;
- (k) it is not conditional upon:
 - (i) the outcome of unperformed due diligence by the Qualified Bidder; or
 - (ii) obtaining financing;
- (l) it includes full details of the Qualified Bidder's intended treatment of the Applicants' employees under the proposed bid;
- (m) it is accompanied by a cash deposit (the "**Deposit**") by wire transfer of immediately available funds equal to 15% of the Cash Consideration Value, which Deposit shall be retained by the Monitor in a non-interest bearing trust account in accordance with Section 40;
- (n) it includes a statement that the Qualified Bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis;
- (o) it includes an acknowledgement and representation that the Qualified Bidder:
 - (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its Qualified Bid;
 - (ii) understands that the transaction will proceed on an "as is, where is" basis, and did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, including by the Applicants, Monitor, or any of its advisors, except as expressly stated in the purchase and sale agreement submitted by it;
 - (iii) will accept the form of the draft Approval Order(s) on commercially reasonable terms and conditions;
 - (iv) is a sophisticated party that is capable of making its own assessments in respect of making its Qualified Bid; and

- (v) has had the benefit of independent legal advice in connection with its Qualified Bid; and
 - (p) it contains evidence of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body), if applicable, and identifies each entity or person and representatives thereof who are authorized to appear and act on behalf of the Qualified Bidder on a timely basis for all purposes regarding the transaction.
27. All Aggregate Bids must comply with each of the Qualified Bid Requirements (as may be modified in accordance with the SISP) in order to be a Qualified Bid.
28. The Monitor may, in its reasonable discretion, waive compliance with any one or more of the Qualified Bid Requirements specified herein, and deem such non-compliant bid to be a Qualified Bid in accordance with the SISP. If a bid received is not a Qualified Bid, the Monitor may provide the bidder with an opportunity to remedy any deficiencies and render such bid a Qualified Bid; *provided* that such defects are remedied on or before the Qualified Bid Deadline.

Modified SHB and the Excluded Assets Sale

29. The Applicants and the Stalking Horse Bidder, with the consent of the Monitor, shall be permitted to modify the Stalking Horse Bid, to exclude any asset for which an alternative bid (each, an "**Alternative Bid**", and the assets subject to such Alternative Bid, the "**Excluded SHB Assets**") is received if:
- (a) the Stalking Horse Bidder in its sole discretion, acting reasonably, consents to modify the Stalking Horse Bid in order to accommodate such proposed Alternative Bid;
 - (b) the Applicants and the Stalking Horse Bidder, with the consent of the Monitor, agree on the adjustment of the Purchase Price under the Stalking Horse Bid to account for the removal of the Excluded SHB Assets and the value of the Alternative Bid;
 - (c) the Monitor determines that the aggregate consideration to be offered by (i) the Stalking Horse Bid, as so modified (the "**Modified SHB**") and (ii) the proposed Alternative Bid for the Excluded SHB Assets, would exceed the value of the Stalking Horse Bid (the "**Excluded Assets Sale**");
 - (d) the Alternative Bid combined with the Modified SHB meets all of the requirements of a Qualified Bid;
 - (e) the Monitor determines that the Modified SHB and the Excluded Assets Sale, collectively, are a Qualified Bid; and
 - (f) the Stalking Horse Bidder agrees that the original Stalking Horse Bid shall remain open for acceptance notwithstanding the Modified SHB, such that the Stalking Horse Bid can be

completed if for any reason the Modified SHB and the Excluded Assets Sale are not completed.

30. For greater certainty, if the Modified SHB and the Excluded Assets Sale are each designated as a Successful Bid, then the Stalking Horse Bidder shall not be entitled to receive the Expense Reimbursement or the Break Fee as a result of the completion of such transaction. If the Modified SHB and the Excluded Asset Sale are not selected as a Successful Bid, then the Stalking Horse Bidder shall continue to be entitled to receive the Expense Reimbursement and Break Fee (in accordance with the Stalking Horse Purchase Agreement) upon completion of an Alternative Bid constituting a Successful Bid to which the Stalking Horse Bidder is not a party.

No Qualified Bids Received

31. If the Monitor does not receive any Qualified Bids, (other than the Stalking Horse Bid) by the Qualified Bid Deadline, the Stalking Horse Purchase Agreement will be deemed to be the Successful Bid and the Monitor shall take reasonable steps to perform Section 33 herein.

Assessment of Qualified Bids

32. The Monitor shall assess all Qualified Bids submitted on or before the Qualified Bid Deadline to determine whether the transactions contemplated therein are likely to be consummated. Such assessments will be made as promptly as practicable but in any event no later than ten (10) Business Days following the Qualified Bid Deadline.
33. If the Monitor determines that no Qualified Bids other than the Stalking Horse Purchase Agreement were received by the Qualified Bid Deadline, or that at least one additional Qualified Bid was received but it is unlikely that the transactions contemplated in any such Qualified Bids will be consummated, the Monitor shall:
 - (a) forthwith irrevocably terminate the SISP;
 - (b) notify each Qualified Bidder (if any) that the SISP has been terminated;
 - (c) notify the Stalking Horse Bidder that it is the Successful Bidder; and
 - (d) as soon as reasonably practicable after such termination, and in any event, no later than fifteen (15) days following the selection (or deemed selection) of the Successful Bid, file a motion with the Court seeking approval to implement the Stalking Horse Purchase Agreement.

The Sale and Auction Process

34. If one or more Qualified Bids (other than the Stalking Horse Bid) has been received by the Monitor on or before the Qualified Bid Deadline, the Monitor shall proceed with an auction to determine the successful bid(s) (the "**Auction**"), which Auction shall be administered in accordance with Exhibit "A" hereto, subject to such additional procedural rules as may be determined by the Monitor

to be necessary or desirable in the conduct of the Auction. The successful bid(s) selected within the Auction shall constitute the successful bid ("**Successful Bid**", with such bidder being the "**Successful Bidder**"). Forthwith upon determining to proceed with an Auction, the Monitor shall provide written notice to each party that submitted a Qualified Bid (including the Stalking Horse Bidder), along with copies of all Qualified Bids and a statement by the Monitor specifying which Qualified Bid is the leading bid.

35. If an Auction is conducted, the Qualified Party (as defined below) and/or Qualified Bidder with the next highest or otherwise best Qualified Bid at the Auction or, if such Qualified Bidder did not participate in the Auction, submitted in the SISP, as determined by the Monitor, may be designated as the backup bidder (the "**Backup Bidder**"). The Backup Bidder shall be required to keep its Qualified Bid (or if the Backup Bidder submitted one or more overbids at the Auction, the Backup Bidder's final overbid) (the "**Backup Bid**") open until the earlier of (i) two (2) Business Days after the date of closing of the transaction contemplated by the Successful Bid; or (ii) November 7, 2025.
36. If the Stalking Horse Bid is not selected as the Successful Bid, the Stalking Horse Bidder shall not be designated as a Backup Bidder, and the Stalking Horse Purchase Agreement shall not be a Backup Bid.
37. Following the selection of a Successful Bid, the parties shall negotiate and finalize any definitive documents, in accordance with the key milestones set out in herein. Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, as determined by the Monitor, the Applicants shall apply to the Court for an Approval Order (or orders), among other things, approving such Successful Bid and/or the mechanics to authorize the Applicants, with the assistance of the Monitor, to complete the transactions contemplated thereby, as applicable, and authorizing the Applicants to: (i) enter into any and all necessary agreements and related documentation with respect to the Successful Bid; (ii) undertake such other actions as may be necessary to give effect to such Successful Bid; and (iii) implement the transaction(s) contemplated in such Successful Bid.
38. If a selected Successful Bid is not completed within ten (10) Business Days following issuance of an Approval Order, the Approval Order is not granted, or the Monitor otherwise determines a selected Successful Bid will not be completed, the Monitor shall be permitted to designate one or more Backup Bids received prior to or during the Auction, and such alternative Successful Bid shall be deemed the Successful Bid for all purposes hereunder. The foregoing shall not limit the Monitor's right in the foregoing circumstances to terminate the SISP and pursue any alternative process and any alternative transactions determined by the Monitor to be appropriate, in consultation with the Applicants.

Miscellaneous

39. Except as otherwise provided in the SISP or the Stalking Horse Purchase Agreement, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Stalking Horse Purchase Agreement, the SISP Approval Order, and the SISP.

40. All Deposits shall be retained by the Monitor in a non-interest bearing trust account. If a Successful Bid is selected and an Approval Order authorizing the consummation of the transaction contemplated thereunder is granted, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. In the event that the Successful Bid is not completed due to a breach or default of the bidder's obligations thereunder, the Deposit shall be forfeited to the Applicants as damages and such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that the Applicants have in respect of such breach or default. Any Deposit delivered with a Qualified Bid that is not selected as a Successful Bid will be returned to the applicable bidder as soon as reasonably practicable (but not later than ten (10) Business Days) after the earliest of (i) completion of a Successful Bid; or (ii) the date of the Monitor's determination that such bid will not be pursued further.

Notice Requirements

41. Any communication, bids and all associated documentation to be given under this SISP by any person to the Monitor shall be in writing in substantially the form, if any, provided for in the SISP and will be sufficiently given only if delivered by prepaid ordinary mail, registered mail, courier, personal delivery, or email addressed to:

KSV Restructuring Inc.

220 Bay Street, 13th Floor

PO Box 20, Toronto Ontario, M5J 2W4

Attention: Mitch Vininsky / Jordan Wong

Email: mvininsky@ksvadvisory.com / Jwong@ksvadvisory.com

Tel: 416-932 6013 / 416- 932 6025

EXHIBIT "A"
AUCTION PROCEDURES

1. **Auction.** If the Monitor receives at least one Qualified Bid (other than the Stalking Horse Purchase Agreement) including any Aggregate Bid, the Monitor shall conduct and administer the Auction in accordance with the terms of the SISP. Instructions to participate in the Auction, which will take place via video conferencing, will be provided to Qualified Parties not less than 24 hours prior to the Auction.
2. **Participation.** Only Qualified Bidders that submit a Qualified Bid, including the Stalking Horse Bidder and the parties submitting any Aggregate Bid (each, a "**Qualified Party**", and collectively, the "**Qualified Parties**"), shall be eligible to participate in the Auction. No later than 5:00 p.m. (Toronto time) on the day prior to the Auction, each Qualified Party (other than the Stalking Horse Bidder) must inform the Monitor whether it intends to participate in the Auction. The Monitor will promptly thereafter inform in writing each Qualified Party who has expressed its intent to participate in the Auction of the identity of all other Qualified Parties that have indicated their intent to participate in the Auction. If no Qualified Party indicates such expression of intent, the Stalking Horse Bid shall be deemed the Successful Bid, and the Monitor shall as soon as practicable seek Court approval of the Stalking Horse Bid.
3. **Auction Procedures.**
 - (a) **Procedures.** The Auction shall be governed by the following procedures:
 - (i) **Attendance.** Only the Applicants, the Monitor, representatives of the Qualified Parties and each of their respective advisors, and any other person admitted with the consent of the Monitor will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any subsequent Overbids (as defined below) at the Auction;
 - (ii) **No Collusion.** Each Qualified Party participating at the Auction shall be required to confirm on the record at the Auction that: (i) it has not engaged in any collusion with respect to the Auction and the bid process (excluding, for greater certainty, any discussions among those parties who are bidders in an Aggregate Bid); and (ii) its bid is a good-faith *bona fide* offer and it intends to consummate the proposed transaction if selected as the Successful Bid;
 - (iii) **Minimum Overbid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by the Monitor (the "**Initial Bid**"), and any bid made at the Auction by a Qualified Party subsequent to the Monitor's announcement of the Initial Bid (each, an "**Overbid**"), must proceed in minimum additional cash increments as determined by the Monitor and announced to the Auction participants prior to each round of bidding (the "**Required Bid Increment**"). At the end of each

round of bidding, the Monitor will identify the highest or otherwise best Overbid as the leading bid for the subsequent round (the "**Lead Bid**");

(iv) **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party (including parties to an Aggregate Bid) has had the opportunity to submit an additional bid or refused to submit an additional bid with full knowledge and written confirmation of the then-existing Lead Bid for that round. If at the commencement of the Auction, no party submits a bid that both exceeds the Initial Bid by the Required Bid Increment, then the Initial Bid will be the Successful Bid. If in any round, a Qualified Party (other than the party who submitted the Lead Bid in such round) does not submit an Overbid satisfying the Required Bid Increment, then such Qualified Party (including the parties to any Aggregate Bid if no Aggregate Bid is submitted in a particular round) will no longer be permitted to participate in any subsequent round of the Auction; and

(v) **No Post-Auction Bids.** No bids will be considered for any purpose after the Auction has concluded.

(b) **Additional Procedures.** The Monitor may announce prior to or during the Auction additional procedural rules, including the process for submission and review of bids, that are reasonable under the circumstances for conducting the Auction; *provided* that those rules are not inconsistent in any material respects with the SISP Approval Order, SISP or the Stalking Horse Purchase Agreement.

4. **Selection of Successful Bid.** Before the conclusion of the Auction, the Monitor will: (a) review each Qualified Bid and Overbid, considering the Qualified Bid Requirements set out in the SISP and, among other things: (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same; (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in subparagraph (i) above; (iii) the likelihood of the Qualified Party's ability to close any proposed transaction by ten (10) Business Days after issuance of an Approval Order and the timing thereof (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental or other approvals); (iv) the likelihood of the Court's approval of such Overbid; (v) the net benefit to the estate of the Applicants of such Overbid; and (vi) any other factors the Monitor may, consistent with its duties, reasonably deem relevant; and (b) designate the highest or otherwise best bid received at the Auction the Successful Bid and the Qualified Party making such bid, the Successful Bidder.

5. **Acknowledgement.** The Successful Bidder shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and conditions upon which the Successful Bid was made within one (1) Business Day of the Successful Bid being selected as such, unless extended by the Monitor, subject to the milestones set forth herein.