Court File No.: CV-24-00720567-00CL

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 RED LOBSTER MANAGEMENT LLC, RED LOBSTER HOSPITALITY LLC and RED LOBSTER CANADA, INC.

APPLICATION OF RED LOBSTER MANAGEMENT LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

MOTION RECORD
(Second Supplemental Order)
Returnable June 18, 2024

June 11, 2024

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Court File No.: CV-24-00720567-00CL

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

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APPLICATION OF RED LOBSTER MANAGEMENT LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

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Court File No.: CV-24-00720567-00CL

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 RED LOBSTER MANAGEMENT LLC, RED LOBSTER HOSPITALITY LLC and RED LOBSTER CANADA, INC.

APPLICATION OF RED LOBSTER MANAGEMENT LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

MOTION RECORD

I N D E X

TAB 1

Court File No.: CV-24-00720567-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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APPLICATION OF RED LOBSTER MANAGEMENT LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

NOTICE OF MOTION
(Returnable June 18, 2024)

Red Lobster Management LLC ("**RL Management**"), in its capacity as the Foreign Representative (in such capacity, the "**Foreign Representative**") of itself, Red Lobster Hospitality LLC ("**RL Hospitality**") and Red Lobster Canada, Inc. ("**RL Canada**"), will make a motion to be heard by a judge of the Ontario Superior Court (Commercial List) (the "**Court**") on June 18, 2024 at 10:00 a.m., or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard:

☐ In writing under subrule 37.12.1(1)
☐ In writing as an opposed motion under subrule 37.12.1(4);
☐ In person at 330 University Avenue, Toronto, Ontario;
☐ By telephone conference;
☒ By video conference.

at the following location:

Zoom Link: https://ca01web.zoom.us/j/65400327305?pwd=WC91RjNENjNnZ1Q2NHpvbDlzaUNldz09%20%27
Meeting ID: 654 0032 7305
Passcode: 082269

THIS MOTION IS FOR:

1. An Order, substantially in the form appended to the Motion Record of the Foreign Representative (the "**Second Supplemental Order**"), among other things, recognizing and enforcing the following orders anticipated to be granted by the United States Bankruptcy Court for the Middle District of Florida, Orlando Division (the "**US Court**"):

   a. Order (I) Approving Postpetition Financing, (II) Authorizing the Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief (the "**Final DIP Order**");

   b. Order Authorizing Debtors to (I) Pay Prepetition Wages, Salaries, Employee Benefits, and Other Employee Obligations, (II) Maintain Employee Benefit Programs and (III) For Related Relief (the "**Final Wages and Benefits Order**");

   c. Order (A) Authorizing the Debtors to (I) Continue to Use Existing Cash Management System, (II) Maintain Bank Accounts and Continue Use of Existing Business Forms and Checks, (III) Honor Certain Related Prepetition and Postpetition Obligations, and (IV) Perform Intercompany Transactions, (B) Granting a Waiver of Certain Investment and Deposit Guidelines and (C) Granting Related Relief (the "**Final Cash Management Order**");

   d. Order Authorizing Debtors to Pay Prepetition Sales, Use, Trust Fund, Property, Foreign and Other Taxes and Similar Obligations (the "**Final Tax Order**", together with the Final DIP Order, Final Wages and Benefits Order, and Final Cash Management Order, the "**Second Day Orders**"); and

e. Order (I)(A) Approving Bidding Procedures for Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Enter into Stalking Horse Agreement and to Provide Bidding Protections Thereunder, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, and (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof; (II)(A) Approving the Sale of the Debtors' Assets Free and Clear of Liens, Claims, Interests, and Encumbrances and (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III) Granting Related Relief ("**Sale Procedures Order**").

2. Such further and other relief as counsel may request and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

1. Capitalized terms not otherwise defined herein have the meanings given to them in the Affidavit of John Tibus sworn June 11, 2024.

The Chapter 11 Cases

2. On May 19, 2024, (the "**Petition Date**"), RL Management and its subsidiaries, RL Canada, RL Hospitality, Red Lobster Restaurants LLC, RLSV, Inc., RL Kansas LLC, Red Lobster Sourcing LLC, Red Lobster Supply LLC, RL Columbia LLC, RL of Frederick, Inc., Red Lobster of Texas, Inc., RL Maryland, Inc., Red Lobster of Bel Air, Inc., RL Salisbury LLC and Red Lobster International Holdings LLC (collectively, the "**Debtors**") filed voluntary petitions (the "**Petitions**") for relief under Chapter 11 of the U.S. Bankruptcy Code with the US Court.

3. The Debtors filed certain "First Day Motions" in the US Proceedings seeking various relief from the US Court, including an order authorizing RL Management to act as the Foreign Representative in respect of the Chapter 11 Cases (the "**Foreign Representative Order**") and

orders contemplating the relief granted in the Final DIP Order, Final Wages and Benefits Order, Final Cash Management Order and Final Taxes Order on an interim basis. The First Day Orders were granted by the US Court on May 21, 2021.

Recognition Proceedings

4. On May 21, 2024, RL Management, in its capacity as the proposed foreign representative in the US Proceedings, brought an application before this Court for an order (the "**Interim Stay Order**"). The Interim Stay Order was granted by Justice Penny on May 21, 2024.

5. On May 28, 2024, the Court granted an Initial Recognition and Supplemental Order, among other things, (i) declaring that RL Management is a "foreign representative" as defined in the CCAA, (ii) recognizing the Chapter 11 Cases as foreign main proceedings in respect of the Canadian Debtors, (iii) recognizing certain orders of the US Court, (iv) granting a stay of proceedings in respect of the Canadian Debtors and their respective directors and officers in Canada, and (v) granting certain court-ordered charges, including a DIP Charge, on the Canadian Debtors' collateral in favour of the DIP Lenders.

Second Day Orders

6. On June 14, 2024, the US Court will conduct a second day hearing (the "**Second Day Hearing**"). At the Second Day Hearing, the US Court will hear a number of retention motions and a motion for entry of an order, among other things, the Sale Procedures Order.

7. It is also anticipated that the US Court may enter the Final DIP Order, Final Wages and Benefits Order, Final Cash Management Order and Final Tax Order.

8. In anticipation of their entry, the Foreign Representative is bringing a motion seeking recognition of the Second Day Orders from the Canadian Court.

9. The Sale Procedures Order, if entered, will approve a marketing and sale process (the "**Sale Procedures**") for the Debtors' business and assets, including its business and assets in Canada. The Sale Procedures are underpinned by a stalking horse bid from RL Purchaser LLC, a newly formed entity created by the Prepetition Term Loan Lenders for the purpose of acquiring the Debtors' assets pursuant to a sale.

10. Pursuant to the Sale Procedures, the Debtors will solicit any higher or otherwise better proposals, as compared to the Stalking Horse APA, according to the following proposed schedule:

Event	Date
Sale Objection Deadline	July 12, 2024
Bid Deadline	July 18, 2024
Auction	July 23, 2024
Post-Auction Objection Deadline	July 26, 2024
Sale Hearing	July 29, 2024

11. The foregoing timeline is consistent with the milestone requirements of the DIP Credit Agreement and is, therefore, necessary to maintain access to postpetition financing. The Debtors believe that this timeline provides them with an opportunity to conduct a thorough marketing process for their assets and is in the best interests of the Debtors' estates.

12. The Sale Procedures are designed to encourage all prospective bidders to put forward their highest and best bid, bring finality to the Debtors' sale process, and create a path toward approval of a sale order approving the highest and best bid for the Debtors' assets.

13. The Sale Procedures Order, and recognition thereof, is a material step in furtherance of a sale transaction. If consummated, a sale transaction will preserve the value of the Canadian

Business as a going concern, including the employment of employees of the Canadian Business, and will maximize the value of the Canadian Business.

14. The remaining Second Day Orders similarly provide relief to the Canadian Debtors that will allow the Canadian Business to operate seamlessly while a going-concern sale is pursued in the Chapter 11 Cases.

ADDITIONAL GROUNDS

15. The provisions of the CCAA, including Part IV thereof, and the inherent and equitable jurisdiction of this Honourable Court;

16. Rules 1.04, 2.03, 3.02, 16, and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg 194; and

17. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion.

1. The Affidavit of John Tibus sworn June 11, 2024.

2. The First Report of the Information Officer, to be filed.

3. Such further and other evidence as counsel may advise and this Honourable Court may permit.

June 11, 2024

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Lawyers for the Foreign Representative

TO: THE SERVICE LIST

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

NOTICE OF MOTION
(Second Supplemental Order)
Returnable June 18, 2024

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TAB 2

Court File No. CV-24-00720567-00CL

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

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AFFIDAVIT OF JONATHAN TIBUS

(Sworn June 11, 2024)

I, **Jonathan Tibus**, of the City of Atlanta, in the State of Georgia, **MAKE OATH AND SAY** as follows:

I. INTRODUCTION

1. I am the Chief Executive Officer ("**CEO**") of Red Lobster Management LLC ("**RL Management**") and certain of its direct and indirect subsidiaries (the "**Red Lobster**" or the "**RL Group**"), including Red Lobster Canada, Inc. ("**RL Canada**") and Red Lobster Hospitality LLC ("**RL Hospitality**", together with RL Canada and RL Management the "**Canadian Debtors**"), a corporation organized under the laws of the State of Delaware. I am also a Managing Director at Alvarez & Marsal North America, LLC.

2. I am familiar with the day-to-day operations, business and financial affairs and books and records of RL Management and its subsidiaries (the "**Debtors**"). As such, I have personal knowledge of the matters deposed to in this affidavit, or where I do not possess such personal

knowledge, I have stated the source of my information, and in all such cases I believe that both the information and the resulting statement to be true.

3. Capitalized terms not otherwise defined herein have the meanings ascribed to them in my supplemental affidavit sworn May 24, 2024 (the "**First Tibus Affidavit**"). Unless otherwise indicated, dollar amounts referenced herein are referenced in United States Dollars.

4. Since commencement of these recognition proceedings, all Canadian restaurants have continued to operate in the ordinary course. The Debtors, either directly or through counsel, have continued to engage with Canadian stakeholders, including suppliers, landlords and litigation claimants, with the assistance of the Information Officer. The Debtors have also continued their discussions with landlords regarding go-forward rental arrangements.

5. This affidavit is sworn in support of an application by RL Management in its capacity as the Foreign Representative (defined below) of the Canadian Debtors for an order (the "**Second Supplemental Order**"), among other things, recognizing certain orders (as set out below) of the US Court in the Chapter 11 Cases including the Sale Procedures Order (as such terms are defined below) pursuant to Part IV of the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**").

6. The Sale Procedures Order, if entered, will approve a marketing and sale process (the "**Sale Procedures**") for the Debtors' business and assets, including its business and assets in Canada (the "**Canadian Business**"). The Sale Procedures are underpinned by a stalking horse bid (the "**Stalking Horse Bid**") from RL Purchaser LLC (the "**Stalking Horse Bidder**"), a newly formed entity created by the Prepetition Term Loan Lenders for the purpose of acquiring the Debtors' assets pursuant to a sale transaction.

7. Through the Sale Procedures, the Stalking Horse Bid will be market-tested to ensure that the Debtors obtain the highest or otherwise best offer, or combination of offers, for the Red Lobster

business, or some or all of the Debtors' assets. If consummated, a sale transaction will preserve the value of the Canadian Business as a going concern and will maximize the value of the Canadian Business.

II. BACKGROUND

a. The Debtors

8. Red Lobster was founded in 1968 in the United States. In 1983 Red Lobster expanded north into Canada. Today, Red Lobster is an iconic seafood restaurant chain with approximately 550 locations in operation in 44 states, and 27 locations in Canada across 4 provinces: Ontario, Manitoba, Saskatchewan and Alberta.

9. Red Lobster's Canadian restaurants are all operated by RL Canada, a Delaware corporation that, like certain of the other Debtors, is a wholly-owned subsidiary of RL Management. RL Canada has approximately 2,000 employees in Canada.

b. The Chapter 11 Cases

10. On May 19, 2024, (the "**Petition Date**"), the Debtors filed voluntary petitions for relief (collectively, the "**Petitions**" and each a "**Petition**") with the United States Bankruptcy Court for the Middle District of Florida, Orlando Division (the "**US Court**"), thereby commencing cases (the "**Chapter 11 Cases**") pursuant to chapter 11 or title 11 of the United States Code (the "**Bankruptcy Code**"). The Honourable Grace E. Robson is presiding over the Chapter 11 Cases.

11. The Debtors commenced the Chapter 11 Cases to provide a protective platform for a comprehensive operational restructuring and value maximizing going-concern sale of the business as a whole, including the Canadian Business.

12. On May 21, 2024, following a hearing in respect of certain "First Day Pleadings" in the Chapter 11 Cases that sought various relief, the US Court entered a number of orders (the "**First**

Day Orders") including an order (the "**Foreign Representative Order**") authorizing RL Management to act as foreign representative in respect of the Debtors and the Chapter 11 Cases (in such capacity, the "**Foreign Representative**").

c. The Recognition Proceeding

13. On May 21, 2024, RL Management, in its capacity as the proposed foreign representative of the Debtors, brought an application before the Ontario Superior Court of Justice (Commercial List) (the "**Court**") for an order (the "**Interim Stay Order**") granting an interim stay of proceedings in respect of the Canadian Debtors as well as their respective directors and officers in Canada. The Interim Stay Order was necessary to give effect in Canada to the automatic stay of proceedings arising under the Bankruptcy Code upon filing of the Petitions.

14. On May 28, 2024, the Court granted an Initial Recognition and Supplemental Order, among other things, (i) declaring that RL Management is a "foreign representative" as defined in the CCAA, (ii) recognizing the Chapter 11 Cases as foreign main proceedings in respect of the Canadian Debtors, (iii) recognizing certain orders of the US Court, (iv) granting a stay of proceedings in respect of the Canadian Debtors and their respective directors and officers in Canada, and (v) granting certain court-ordered charges, including a DIP Charge, on the Canadian Debtors' collateral in favour of the DIP Lenders.

d. The Second Day Hearing

15. On June 14, 2024, the US Court will conduct a second day hearing (the "**Second Day Hearing**"). At the Second Day Hearing, the US Court will hear, among other things, a motion for entry of an order (a) (i) approving the Bidding Procedures for substantially all of the Debtors' assets, (ii) authorizing the Debtors to enter into a stalking horse agreement and to provide bidding protections thereunder, (iii) scheduling an auction and approving the form and manner of notice

thereof, (iv) approving assumption and assignment procedures, and (v) scheduling a sale hearing and approving the form and manner of notice thereof, and (b) (i) approving the sale of the Debtors' assets free and clear of liens, claims, interests and encumbrances and (ii) approving the assumption and assignment of executory contracts and unexpired leases (the "**Sale Procedures Order**"). Attached hereto as **Exhibit "A"** is a copy of the Sale Procedures Order that is being sought from the US Court.

16. It is also anticipated that the US Court may enter a number of First Day Orders on a final basis following the Second Day Hearing, including:

(a) Order (I) Approving Postpetition Financing, (II) Authorizing the Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief (the "**Final DIP Order**");

(b) Order Authorizing Debtors to (I) Pay Prepetition Wages, Salaries, Employee Benefits, and Other Employee Obligations, (II) Maintain Employee Benefit Programs and (III) For Related Relief (the "**Final Wages and Benefits Order**");

(c) Order (A) Authorizing the Debtors to (I) Continue to Use Existing Cash Management System, (II) Maintain Bank Accounts and Continue Use of Existing Business Forms and Checks, (III) Honor Certain Related Prepetition and Postpetition Obligations, and (IV) Perform Intercompany Transactions, (B) Granting a Waiver of Certain Investment and Deposit Guidelines and (C) Granting Related Relief (the "**Final Cash Management Order**"); and

(d) Order Authorizing Debtors to Pay Prepetition Sales, Use, Trust Fund, Property, Foreign and Other Taxes and Similar Obligations (the "**Final Tax Order**") (collectively, the "**Second Day Orders**"). Copies of each of the Second Day Orders being sought from the US Court are attached hereto as **Exhibits "B"**, **"C"**, **"D"**, and **"E"** respectively.

17. In anticipation of their entry, the Foreign Representative is bringing a motion seeking recognition of the Sale Procedures Order and Second Day Orders from the Canadian Court. If the Sales Procedures Order and Second Day Orders are entered by the US Court, the Foreign Representative anticipates filing a supplemental affidavit attaching such entered orders.

III. THE SALE PROCEDURES

A. The RSA

18. Prior to the Petition Date, the Debtors worked to evaluate paths forward in response to the challenging macroeconomic environment, demand difficulties, competition in the restaurant space, operational issues, inconsistent leadership, outsized geographic footprint, and broader staffing problems—all of which were compounded by the COVID-19 pandemic.

19. Despite their best efforts, the Debtors encountered difficulty regaining their market share in the post-pandemic world, due, in part, to economic factors such as food and labor inflation. Persistent inflation shows little sign of easing—further intensifying pressure on the chain's margins, as well as making it more difficult for its core customer base to afford a meal away from home. Nevertheless, the Debtors enjoy significant brand strength.

20. In March, when it became clear that an out-of-court solution to recapitalize Red Lobster was not feasible, Red Lobster retained Hilco Corporate Finance, LLC ("**Hilco**"), an investment banker, to formally initiate a marketing and sales process for the Debtors' assets. Hilco

commenced an extensive marketing effort and solicited indications of interest from strategic and financial buyers with the financial and operational wherewithal to complete a transaction with the Debtors.

21. Hilco contacted more than 230 parties prior to the Petition Date and has actively engaged with at least 170 parties as of the Petition Date.

22. In May 2024, the Prepetition Term Loan Lenders provided the Debtors with a proposal comprised of two components, (i) the provision of a DIP financing to fund the Chapter 11 Cases, and (ii) an agreement to serve as the stalking-horse bidder and to credit-bid for substantially all the assets of the Debtors.

23. As described in greater detail in the First Tibus Affidavit, on May 9, 2024, following extensive arm's-length negotiations, to secure necessary financing for the Chapter 11 Cases and memorialize the terms of the Stalking Horse Bidder's purchase offer, the Debtors entered into a restructuring support agreement ("**RSA**") with their Prepetition Term Loan Lenders. The RSA set forth (i) the terms upon which the Prepetition Term Loan Lenders would provide necessary DIP financing to the Debtors, (ii) the terms upon which the Prepetition Term Loan Lenders would serve as a Stalking Horse Bidder for the sale of substantially all of the Debtors' assets pursuant to the Stalking Horse Bid, and (iii) an agreed upon timeline for commencement and continuation of the Chapter 11 Cases. The RSA also contemplated these recognition proceedings.

B. The Stalking Horse APA[1]

24. Following execution of the RSA, the Debtors entered into an Asset Purchase Agreement with the Stalking Horse Bidder (the "**Stalking Horse APA**"). A copy of the Stalking Horse APA

[1] Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Stalking Horse APA.

is attached hereto as **Exhibit "F"**. Attached hereto as **Exhibit "G"** is a chart that provides a summary of the material terms of the Stalking Horse APA.

25. The Stalking Horse APA contemplates that the Stalking Horse Bidder will, in addition to assuming certain liabilities and leaving certain cash with the Sellers, credit bid 100% of the obligations of the Debtors under the DIP Facility in order to satisfy the Purchase Price for substantially all of the assets of the Debtors, including the Canadian Business.

26. The Stalking Horse APA contemplates that the Stalking Horse Bidder may elect to purchase the shares of any Debtor owned by RL Management, instead of its assets. If the Stalking Horse Bidder is selected as the Successful Bidder, the sale of RL Canada's Canadian Business may therefore proceed as either a share sale or an asset sale, at the election of the Stalking Horse Bidder. If the Stalking Horse Bidder is elected as the Successful Bidder and the acquisition of the Canadian Business proceeds as an asset sale, it is contemplated that the Stalking Horse APA will be amended. Given the fact that the Canadian assets are owned by a US entity (RL Canada), the optimal way to convey the Canadian Business in a tax efficient manner will be considered in any sale transaction.

C. Sale Procedures Order

27. To optimally and expeditiously solicit, receive and evaluate bids in a fair and accessible manner, the Debtors developed and proposed certain Sale Procedures (attached as Exhibit 1 to the draft Sale Procedures Order). The Sale Procedures are designed to encourage all prospective bidders to put forward their highest and best bid, bring finality to the Debtors' sale process, and create a path toward entry of a sale order approving a bid that embodies the highest or otherwise best available recoveries to the Debtors' stakeholders.

28. The Debtors filed a motion for approval of the Sale Procedures (the "**Sale Procedures Motion**") concurrently with the First Day Motions. The Sale Procedures Motion will be heard by the US Court on June 14, 2024.

i. Schedule

29. Pursuant to the Sale Procedures, the Debtors will solicit any higher or otherwise better proposals, as compared to the Stalking Horse APA, according to the following proposed schedule:

Event	Date
Sale Objection Deadline	July 12, 2024
Bid Deadline	July 18, 2024
Auction	July 23, 2024
Post-Auction Objection Deadline	July 26, 2024
Sale Hearing	July 29, 2024

30. The foregoing timeline is consistent with the milestone requirements of the DIP Credit Agreement and is, therefore, necessary to maintain access to postpetition financing. The Debtors believe that this timeline provides them with an opportunity to conduct a thorough marketing process for their assets and is in the best interests of the Debtors' estates.

ii. Summary of Sale Procedure

31. The following chart sets out the material aspects of the Sale Procedures[2]:

Qualified Bid	Any bid must be submitted in writing and must satisfy the following requirements to constitute a "**Qualified Bid**":

[2] The following chart is qualified in its entirety by the Sale Procedure attached as Exhibit 1 to the draft Sale Procedure Order. Capitalized terms used in the summary chart but not otherwise defined herein have the meanings given to such terms in the Sale Procedure. To the extent that the summary conflicts with the Sale Procedure, the terms of the Sale Procedure shall govern.

	1. Identification of Bidder: A Qualified Bid must fully disclose the (i) legal identity of each person or entity bidding for the applicable 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 (ii) any past or present connections or agreements with the Debtors and their non-Debtor affiliates, the Stalking Horse Bidder, any other known Prospective or Qualified Bidder, or any officer or director of any of the foregoing (including any current or former officer or director of the Debtors or their non-Debtor affiliates).
Purchased Assets	A Qualified Bid must identity the following: (i) the Assets to be purchased (including any then-known executory contracts and unexpired leases) such Bidder wishes to bid on; and (ii) the liabilities, including applicable Cure Costs, if any, to be assumed by the Prospective Bidder in the Sale Transaction, including any debt to be assumed.
Form of Consideration	Credit Bidding: The Stalking Horse Bidder may seek to credit bid all or a portion of the Stalking Horse Bidder's claims for the collateral in which it holds a perfected security interest (a "**Credit Bid**") in accordance with Section 363(k) of the Bankruptcy Code. For the avoidance of doubt, the Stalking Horse Bidder will be deemed to be a Qualified Bidder, for all purposes and requirements pursuant to the Sale Procedures, notwithstanding the requirements that a Prospective Bidder must satisfy to be a Qualified Bidder, and any Bid submitted by the Stalking Horse Bidder will be deemed to be a Qualified Bid, for all purposes and requirements pursuant to the Sale Procedures, notwithstanding the requirements that a Bid must satisfy to be a Qualified Bid, including the requirements, among others, that each Bid must be irrevocable and to deliver a confidentiality agreement and post a Good Faith Deposit. Form of Consideration and Allocation: A Qualified Bid must propose a purchase price payable in cash and specified assumed

	liabilities. Bids proposing a purchase price other than in cash shall not be Qualified Bids
Minimum Bid for Stalking Horse Assets	Each Bid submitted in connection with Assets that are the subject of the Stalking Horse Bid must either: 1. (i) Be a Bid for all the Stalking Horse Assets, (ii) include cash consideration of not less than the sum of the purchase price set forth in the Stalking Horse Agreement (excluding, for the avoidance of doubt, any "Assumed Liabilities" to be assumed by the Stalking Horse Bidder pursuant to the Stalking Horse Bid Agreement) plus (A) all "Obligations" outstanding under the DIP Documents, plus (B) an Initial Bid Increment[3], and (iii) assume the Assumed Liabilities; or 2. Propose an alternative transaction that, in the Debtors' business judgment, provides higher value or better terms than the Stalking Horse Bid, including by exceeding the purchase price of such Stalking Horse Bid *plus* any applicable Initial Bid Increment, and after taking into account, among other things, in light of all the Bids submitted for the Assets or any combination of Assets, whether there is sufficient cash to (x) fund the Excluded Cash and (y) satisfy the outstanding obligations under the DIP Facility. For the avoidance of doubt, any Bid that does not include sufficient cash consideration to pay the DIP Obligations and fund the Excluded Cash in full shall not be a Qualified Bid.
Partial Bids	The Debtors may consider a Bid for a portion of the Stalking Horse Assets if the Debtors receive one or more other Partial Bids for the Stalking Horse Assets such that, when taken together, and after considering the risks associated with consummating several individual Bids, the Partial Bids collectively constitute a higher or otherwise better bid than the Stalking Horse Bid, and there is sufficient cash to (i) fund the Excluded Cash, and (ii) satisfy the DIP Obligations.
Proposed Asset Purchase Agreement and Sale Order	A Qualified Bid must constitute a binding and 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 (a) be duly authorized and executed, (b) be based on, and

[3] "Initial Bid Increment" shall mean $2.5 million.

	marked against the Stalking Horse Agreement (or such other form purchased agreement provided by the Debtors after consultation with the DIP Lenders), (c) specify the proposed purchase price for the applicable Assets, and (d) identify any then-known Contracts proposed for or that may be proposed for assumption and assignment in connection with the proposed Sale Transaction. A Qualified Bid must also contain a sale order based on, and marked against, the proposed sale order for the applicable Assets to reflect the proposed Sale Transaction and to show any other proposed modifications to the proposed sale order.
Financial Information	A Qualified Bid must include the following: 1. a statement that the Prospective Bidder is financially capable of timely consummating the Sale Transaction contemplated by the Prospective Bidder's Proposed Asset Purchase Agreement; 2. sufficient evidence, as reasonably determined by the Debtors (in consultation with the Consultation Parties), to determine that the Prospective Bidder has, or can obtain, the financial wherewithal to timely consummate the Sale Transaction contemplated by the Prospective Bidder's Proposed Asset Purchase Agreement; and 3. Adequate Assurance Information with respect to any Contracts included or that may be included in the Prospective Bidder's Bid.
Good Faith Deposit	Each Qualified Bid must be accompanied by a good faith deposit (each, a "Good Faith Deposit") in the form of cash (or other form acceptable to the Debtors in their sole discretion) in an amount equal to ten percent (10%) of the proposed purchase price for the applicable Assets; provided, that no Good Faith Deposit shall be required for the Stalking Horse Bidder. Good Faith Deposits shall be deposited into a trust account maintained on behalf of the Debtors (and to be designated by Debtors) and handled in accordance with the Sale Procedures. To the extent a Qualified Bidder increases the purchase price before, during, or after the Auction; the Debtors reserve the right to require that such Qualified Bidder adjust its Good Faith Deposit so that it equals ten percent (10%) of the increased purchase price. The Debtors reserve the right to increase or decrease the Good Faith Deposit for one or more Qualified Bidders in their sole discretion except with respect to any Qualified Bid from the Stalking Horse Bidder; provided, the Debtors may not decrease or waive any

	Good Faith Deposit without consulting with the Consultation Parties.
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: 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 (the information described in this Section, the "Adequate Assurance Information"). All Adequate Assurance Information must be in a form that will permit its immediate dissemination to the applicable Counterparties.
Representations and Warranties	A Qualified Bid must include the following representations and warranties: 1. a statement that the Prospective Bidder has had an opportunity to conduct any and all due diligence regarding the Debtors' businesses and the applicable Assets prior to submitting its Bid; 2. a statement that the Prospective Bidder has relied solely upon its own independent review, investigation and/or inspection of any relevant documents and the Assets in making its Bid and did not rely on any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied, by operation of law or otherwise, regarding the Debtors' businesses or the applicable Assets or the completeness of any information provided in connection therewith, except as expressly stated in the representations and warranties contained in the Stalking Horse Agreement; 3. a statement that all proof of financial ability to consummate the applicable Sale Transaction in a timely manner and all information provided to support

	adequate assurance of future performance is true and correct; and 4. a statement that the Prospective Bidder agrees to be bound by the terms of the Sale Procedures.
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; 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), as applicable, of such Prospective Bidder.
Joint Bids	The Debtors will be authorized to approve joint Bids in their discretion on a case-by-case basis.
Reservation of Rights to Modify Sale Procedures	Without prejudice to the rights of the Stalking Horse Bidder under the Stalking Horse Agreement, the Debtors reserve the right to, in their business judgment, in a manner consistent with their fiduciary duties and applicable law, modify the Sale Procedures, including to, among other things, (a) extend or waive deadlines or other terms and conditions set forth herein, (b) adopt new rules and procedures for conducting the bidding and Auction process, (c) if applicable, provide reasonable accommodations to the Stalking Horse Bidder or other Qualified Bidder, or (d) otherwise modify the Sale Procedures to further promote competitive bidding for and maximizing the of value of the Assets; provided, that such extensions, waivers, new rules and procedures, accommodations and modifications (i) do not conflict with and are not inconsistent with the Sale Procedures Order, the Sale Procedures, the Bankruptcy Code, or any order of the Bankruptcy Court and (ii) are promptly communicated to each Qualified Bidder.
Other Requirements	A Qualified Bid must: 1. 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 herein) for the applicable Assets (each such bid, a "Backup Bid");

	2. state that the Bid, as may be modified before or during the Auction, represents a binding, irrevocable, good-faith and *bona fide* offer to purchase the applicable Assets and is not subject to or conditioned on any due diligence, financing, or other contingency (other than the conditions to closing under the applicable agreement), and is irrevocable until the later of (i) the applicable outside date for consummation of the applicable Sale Transaction or (ii) the Backup Bid Expiration Date; 3. expressly state and acknowledge that the Prospective Bidder shall not be entitled to a break-up fee, termination fee, expense reimbursement or other "bidding protection" in connection with the submission of a bid for the Assets or otherwise participating in the Auction or the Sale Transaction process, unless otherwise granted by the Debtors and approved by an order of the Court; 4. state that the Prospective Bidder is committed to closing the Sale Transaction contemplated in its Bid as soon as practicable and in any case no later than the applicable deadline to consummate an approved Sale Transaction set forth herein; 5. specify (i) whether the Qualified Bidder intends to hire any of the Debtors' employees and (ii) the proposed treatment of the Debtors' prepetition compensation, incentive, retention, bonus or other compensatory arrangements, plans, or agreements, including offer letters, employment agreements, consulting agreements, retiree benefits, and any other employment related agreements (collectively, the "Employee Obligations"); 6. expressly waive any claim or right to assert any substantial contribution administrative expense claim under Section 503(b) of the Bankruptcy Code or the payment of any broker fees or costs in connection with bidding for any of the Assets and/or otherwise participating in the Auction or the Sale Transaction process; 7. include a covenant to cooperate with the Debtors (i) to provide pertinent factual information regarding the Prospective Bidder's operations reasonably required to analyze issues arising with respect to any applicable

	antitrust laws and any other applicable regulatory requirements and (ii) to obtain Court approval of the Sale Transaction; 8. state or otherwise estimate the types of transition services, if any, the Prospective Bidder would require of and/or provide to the Debtors, including an estimate of the time any such transition services would be required of and/or provided to the Debtors, if the Prospective Bidder's Bid were selected as the Successful Bid for the applicable Assets; 9. 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; 10. include a covenant to comply with the terms of these Sale Procedures and the Sale Procedures Order; and 11. include contact information for the specific person(s) the Debtors should contact in the event they have any questions about the Bid of the Prospective Bidder.

IV. RELIEF SOUGHT

32. As set out above, on June 14, 2024, the US Court will conduct the Second Day Hearing where it will hear motions requesting entry of, among other things, (i) the Sale Procedures Order, and (ii) certain Second Day Orders which provide for the relief granted in certain of the First Day Orders on a final basis.

33. If the Sale Procedures Order and Second Day Orders are granted by the US Court, the Foreign Representative will bring a motion on June 18, 2024 before the Canadian Court for recognition and enforcement of the Sale Procedures Order and the Second Day Orders.

34. Each of the Second Day Orders for which recognition is sought is described in summary form below.

(i) Final DIP Order

35. The Final DIP Order provides the Debtors with authorization, on a final basis, to obtain senior secured postpetition financing on a superpriority basis pursuant to the terms of the DIP Credit Agreement.

36. As set out in greater detail in the First Tibus Affidavit, the entry of the Final DIP Order by the US Court will cause the second $60,000,000 of new money being provided under the DIP Facility to be made available by the DIP Lenders. A further $105,000,000 of Prepetition Term Loan Obligations shall also be deemed funded upon entry of the Final DIP Order and upon funding of the remaining amounts under the DIP Facility.

37. The challenge period set out in the Interim DIP Order, being the earlier of (i) 60 calendar days after the Petition Date, and (ii) the date established by the US Court for submission of qualified bids to purchase the Debtors' assets (being July 18, 2024, if the Sale Procedures Order is entered on the terms requested), shall continue and is not terminated by entry of the Final DIP Order.

38. It is a requirement of the DIP Credit Agreement that the Final DIP Order be recognized in Canada.

(ii) Final Wages and Benefits Order

39. The Final Wages and Benefits Order provides the Debtors with the same relief as the interim Wages and Benefits Order on a final basis. Such relief includes the authority to (a) pay prepetition wages, salaries, reimbursable expenses and other obligations on account of the compensation and benefits programs provided by Red Lobster in the ordinary course of business and (b) continue the compensation and benefits programs.

(iii) Final Cash Management Order

40. The Final Cash Management Order gives the Debtors the authority for the duration of the Chapter 11 Cases to, among other things, (i) continue to maintain their existing cash management system, (ii) honor certain prepetition and postpetition obligations related thereto, (iii) continue to perform intercompany transactions in the ordinary course.

41. As set out in the First Tibus Affidavit, the Canadian cash management system is closely tied to the US cash management system and integral to the overall operations of the RL Group and the Canadian Business.

(iv) Final Tax Order

42. RL Canada is liable for certain sales, property, income and other taxes in Canada. The Final Tax Order gives the Debtors, including RL Canada, the authority to pay, in the Debtors' sole discretion, sales, use, trust fund, property, foreign and other taxes and similar obligations in the ordinary course of the Debtors' business, without regard to whether such obligations accrued or arose before or after the Petition Date.

V. CONCLUSION

43. I believe that the relief sought in the proposed Second Supplemental Order is necessary to protect the Canadian Debtors and the value of the Canadian Business for the benefit of a broad range of stakeholders. The Sale Procedures Order, and recognition thereof, is a material step in furtherance of a sale transaction. If consummated, a sale transaction will preserve the value of the Canadian Business as a going concern, including the employment of employees of the Canadian Business, and will maximize the value of the Canadian Business. The remaining Second Day Orders similarly provide relief to the Canadian Debtors that will allow the Canadian Business to operate seamlessly while a going-concern sale is pursued in the Chapter 11 Cases.

44. The Information Officer is supportive of the requested relief.

SWORN BEFORE ME)
☐ in person OR ☒ by video conference)
by Jonathan Tibus of the City of Atlanta in the)
State of Georgia, before me at the City of)
Toronto, on June 11, 2024, in accordance with)
O.Reg.431/20, Administering Oath or)
Declaration Remotely)
)
)
)
)

Jake Harris)

A Commissioner for Taking Affidavits, etc.

Jake Harris, LSO #85481T

JONATHAN TIBUS

This is **Exhibit "A"** referred to in the

Affidavit of Jonathan Tibus

sworn before me by video conference
this 11th day of June, 2024

Jake Harris

A Commissioner, etc.

Jake Harris, LSO #85481T

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

IN RE:	Chapter 11 Cases
RED LOBSTER MANAGEMENT LLC,[1]	Case No. 6:24-bk-02486-GER
RED LOBSTER RESTAURANTS LLC,	Case No. 6:24-bk-02487-GER
RLSV, INC.,	Case No. 6:24-bk-02488-GER
RED LOBSTER CANADA, INC.,	Case No. 6:24-bk-02489-GER
RED LOBSTER HOSPITALITY LLC,	Case No. 6:24-bk-02490-GER
RL KANSAS LLC,	Case No. 6:24-bk-02491-GER
RED LOBSTER SOURCING LLC,	Case No. 6:24-bk-02492-GER
RED LOBSTER SUPPLY LLC,	Case No. 6:24-bk-02493-GER
RL COLUMBIA LLC,	Case No. 6:24-bk-02494-GER
RL OF FREDERICK, INC.,	Case No. 6:24-bk-02495-GER
RED LOBSTER OF TEXAS, INC.,	Case No. 6:24-bk-02496-GER
RL MARYLAND, INC.,	Case No. 6:24-bk-02497-GER
RED LOBSTER OF BEL AIR, INC.,	Case No. 6:24-bk-02498-GER
RL SALISBURY, LLC,	Case No. 6:24-bk-02499-GER
RED LOBSTER INTERNATIONAL HOLDINGS LLC,	Case No. 6:24-bk-02500-GER
Debtors.	(Joint Administration Pending)

_____/

ORDER (I) APPROVING BIDDING PROCEDURES FOR THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS, (II) AUTHORIZING THE DEBTORS TO ENTER INTO STALKING HORSE AGREEMENT AND TO PROVIDE BIDDING PROTECTIONS THEREUNDER, (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

THIS MATTER came before the Court in Orlando, Florida on _____ 2024 at _____ a.m./p.m. (the "Sale Procedures Hearing") upon the *Motion of the Debtors for*

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are Red Lobster Management LLC (6889); Red Lobster Sourcing LLC (3075); Red Lobster Supply LLC (9187); RL Kansas LLC (2396); Red Lobster Hospitality LLC (5297); Red Lobster Restaurants LLC (4308); RL Columbia LLC (7825); RL of Frederick, Inc. (9184); RL Salisbury, LLC (7836); RL Maryland, Inc. (7185); Red Lobster of Texas, Inc. (1424); Red Lobster of Bel Air, Inc. (2240); RLSV, Inc. (6180); Red Lobster Canada, Inc. (4569); and Red Lobster International Holdings LLC (4661). The Debtors' principal offices are located at 450 S. Orange Avenue, Suite 800, Orlando, FL 32801.

Entry of Order (I)(A) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Enter into Stalking Horse Agreement and to Provide Bidding Protections Thereunder, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, and (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof; (II)(A) Approving the Sale of the Debtors' Assets Free and Clear of Liens, Claims, Interests, and Encumbrances and (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III) Granting Related Relief [Docket No. [•]] (the "Sale Motion")[2] filed by the debtors and debtors in possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (the "Chapter 11 Cases"); the Court having reviewed the Sale Motion, the First Day Declaration [Docket No. [•]], and the Stratton Sale Declaration, and having considered the statements of counsel and the evidence adduced with respect to certain of the relief requested in the Sale Motion at the Sale Procedures Hearing; and after due deliberation, this Court having determined that the legal and factual bases set forth in the Sale Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Sale 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:[3]

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

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

A. Jurisdiction and Venue. The Court has jurisdiction over this matter pursuant to 28 U.S.C. Sections 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. Section 157(b). Venue is proper before this Court pursuant to 28 U.S.C. Sections 1408 and 1409.

B. Statutory and Legal Predicates. The statutory and legal predicates for the relief requested in the Sale Motion are Sections 105(a), 363, 365, 503, and 507 of the Bankruptcy Code; Bankruptcy Rules 2002, 6004, 6006, 9007, and 9008; and Local Rules 2002-1 and 6004-1.

C. Sale Process. The Debtors and their advisors engaged pre-petition with a number of potential interested parties prior to the execution of the Stalking Horse Agreement to solicit and develop the highest and otherwise best offers for the Assets.

D. Sale Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the bidding procedures attached hereto as **Exhibit 1** (the "Sale Procedures"). The Sale Procedures are fair, reasonable, and appropriate and are designed to maximize the value of the proceeds of one or more sales (each, a "Sale Transaction") of all or substantially all of the Debtors' assets (the "Assets"). The Sale Procedures were negotiated in good faith and at arm's length and are reasonably designed to promote a competitive and robust bidding process to generate the greatest level of interest in the Debtors' Assets. The process for selecting the Stalking Horse Bidder (as defined herein), respectively, was fair and appropriate under the circumstances and in the best interests of the Debtors' estates.

E. Designation of the Stalking Horse Bid. The stalking horse bid set forth in the Stalking Horse Agreement,[4] (the "Stalking Horse Bid") represents the highest and otherwise

[4] "Stalking Horse Agreement" means that certain *Asset Purchase Agreement*, substantially in the form attached hereto as **Exhibit 2**, between and among (A) Red Lobster Management LLC and its direct and indirect subsidiaries and affiliates that are debtors in these bankruptcy cases and (B) RL Purchaser LLC, a newly formed entity organized and controlled by Fortress Credit Corp., in its capacity as administrative agent under that certain Financing Agreement (together with each of its permitted successors, assigns, and designees, the "Stalking Horse Bidder").

best offer the Debtors have received to date to purchase the Purchased Assets, as defined and set forth in the Stalking Horse Agreement. The Stalking Horse Agreement provides the Debtors with the opportunity to sell the Purchased Assets in a manner designed to preserve and maximize their value and provide a floor for a further marketing and auction process. Without the Stalking Horse Bid, the Debtors are at a significant risk of realizing a lower price for the Purchased Assets. As such, the contributions of the Stalking Horse Bidder to the process have indisputably provided a substantial benefit to the Debtors, their estates, and the creditors in these Chapter 11 Cases. The Stalking Horse Bid will enable the Debtors to minimize disruption to the Debtors' restructuring and/or sale process and secure a fair and adequate Baseline Bid (as defined in the Sale Procedures) for the Purchased Assets at the Auction(s) (if any); and, accordingly, will provide a clear benefit to the Debtors' estates, their creditors, and all other parties in interest.

F. Designation of the Stalking Horse Bidder. The Stalking Horse Bidder shall act as a "stalking horse bidder" pursuant to the Stalking Horse Agreement, and the Stalking Horse Bid shall be subject to higher or otherwise better offers in accordance with the Stalking Horse Agreement and the Sale Procedures. The Debtors submit that this is in the best interests of the Debtors and the Debtors' estates and their creditors, and it reflects a sound exercise of the Debtors' business judgment.

G. The Stalking Horse Bidder and its counsel and advisors have acted in "good faith" within the meaning of Section 363(m) of the Bankruptcy Code in connection with the Stalking Horse Bidder's negotiation of the Sale Procedures and entry into the Stalking Horse Agreement.

H. Sale Notice. The sale notice, the form of which is attached as **Exhibit 3** (the "Sale Notice"), is appropriate and reasonably calculated to provide all interested parties with

timely and proper notice of the Auction, the Sale Hearing (as defined in the Sale Procedures), the Sale Procedures, the Sale Transaction(s), and all relevant and important dates and objection deadlines with respect to the foregoing, and no other or further notice of the Sale Hearing, the Sale Transaction(s), or the Auction shall be required.

I. Assumption and Assignment Provisions. The Debtors have articulated good and sufficient business reasons for the Court to approve the assumption and assignment procedures set forth herein, in the Sale Procedures and in the Stalking Horse Agreement (the "Assumption and Assignment Procedures") and the assumption and assignment notice attached hereto as **Exhibit 4** (the "Assumption and Assignment Notice"), which are fair, reasonable, and appropriate. The Assumption and Assignment Procedures comply with the provisions of Section 365 of the Bankruptcy Code and Bankruptcy Rule 6006.

J. Assumption and Assignment Notice. The Assumption and Assignment Notice is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Assumption and Assignment Procedures, as well as any and all objection deadlines related thereto, and no other or further notice shall be required for the Sale Motion and the procedures described therein, except as expressly required herein.

K. Notice. Notice of the Sale Motion, the proposed Sale Procedures, the proposed designation of the Stalking Horse Bidder and the Sale Procedures Hearing was (i) appropriate and reasonably calculated to provide all interested parties with timely and proper notice, (ii) in compliance with all applicable requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules and (iii) adequate and sufficient under the circumstances of the Debtors' Chapter 11 Cases, such that no other or further notice need be provided except as set forth in the

Sale 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.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Sale Motion is GRANTED as set forth herein.

2. All objections to the relief granted in this order (the "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 Sale Procedures

3. The Sale Procedures attached hereto as **Exhibit 1** are hereby approved, are incorporated herein by reference, and shall govern the bids and proceedings related to the sale of the Assets and the Auction. The procedures and requirements set forth in the Sale Procedures, including those associated with submitting a "Qualified Bid," are fair, reasonable and appropriate, and are designed to maximize recoveries for the benefit of the Debtors' estates, creditors, and other parties in interest. The Debtors are authorized to take all actions necessary or appropriate to implement the Sale Procedures.

4. The failure to specifically include or reference any particular provision of the Sale Procedures in the Sale Motion or this Order shall not diminish or otherwise impair the effectiveness of such procedures, it being the Court's intent that the Sale Procedures are approved in their entirety, as is fully set forth in this Order.

5. Subject to this Order and the Sale 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 (a) determine which bidders qualify as Qualified Bidders (as defined in the Sale Procedures) and which bids qualify as Qualified Bids, (b) make final determinations as to Auction Packages, if any (as defined in the Sale Procedures), (c) select the

Baseline Bid; (d) determine the amount of each Minimum Overbid (as defined in the Sale Procedures), (e) determine the Leading Bid (as defined in the Sale Procedures); (f) determine which Qualified Bid is the Successful Bid and which Qualified Bid is the Backup Bid (each as defined in the Sale Procedures) after the Successful Bid; (g) reject any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of this Order or any other applicable order of the Court, the Sale Procedures, the Bankruptcy Code or other applicable law, and/or (iii) contrary to the best interests of the Debtors and their estates; (h) schedule and conduct Sub-Auctions, as necessary; (i) cancel the Auction with respect to any or all of the Assets in accordance with the Sale Procedures; and (j) adjourn or reschedule the Sale Hearing with respect to a Sale Transaction involving any or all of the Assets in accordance with the Sale Procedures.

6. The Stalking Horse Bidder is a Qualified Bidder and the Stalking Horse Bid (including as it may be increased at the Auction (if any)) is a Qualified Bid, as set forth in the Sale Procedures.

7. The Debtors shall have the right to, in their reasonable business judgment, and in a manner consistent with their fiduciary duties and applicable law, in consultation with the Stalking Horse Bidder, modify the Sale Procedures, including to, among other things, (a) extend or waive deadlines or other terms and conditions set forth therein, (b) adopt new rules and procedures for conducting the bidding and Auction process, (c) if applicable, provide reasonable accommodations to the Stalking Horse Bidder, or (d) otherwise modify the Sale Procedures to further promote competitive bidding for and maximizing the value of the Assets; provided, that such extensions, waivers, new rules and procedures, accommodations and modifications (i) do not conflict with and are not inconsistent with this Order, the Sale Procedures, the DIP Orders, the Bankruptcy Code or any order of the Bankruptcy Court, (ii) are promptly communicated to each

Qualified Bidder and (iii) are in form and substance acceptable to the Required DIP Lenders (as defined in the DIP Motion).

B. The Stalking Horse Bid

8. RL Purchaser LLC is approved as the Stalking Horse Bidder for the Purchased Assets pursuant to the terms of the Stalking Horse Agreement.

9. The Debtors entry into the Stalking Horse Agreement is authorized and approved, and the Stalking Horse Bid shall be subject to higher or better Qualified Bids, in accordance with the terms and procedures of the Stalking Horse Agreement and the Sale Procedures.

10. The Debtors are authorized to perform any obligations under the Stalking Horse Agreement that are intended to be performed prior to the entry of the order approving the Sale Transaction.

C. Bid Deadline and Auction

11. Any Prospective Bidder (as defined in the Sale Procedures) that intends to participate in the Auction must submit in writing to the Bid Notice Parties (as defined in the Sale Procedures) a Bid on or before **July 18, 2024 at 5:00 p.m. (prevailing Eastern Time)** (the "Bid Deadline").

12. Subject to the terms of the Sale Procedures, if the Debtors receive more than one Qualified Bid for an Asset, the Debtors shall conduct an Auction for such Asset. With respect to Assets for which the Debtors only receive one Qualified Bid, the Debtors, in their reasonable business judgment, may determine to consummate a Sale Transaction with the applicable Qualified Bidder (subject to Court approval).

13. The Auction, if required, will be conducted on **July 23, 2024, at 10 a.m. (prevailing Eastern Time)**, in person at the offices of King & Spalding LLP at 1180 Peachtree

Street NE, Suite 1600, Atlanta, GA 30309, after providing notice to the Sale Notice Parties (as defined in the Sale Procedures). If held, the Auction proceedings may be transcribed or recorded.

14. Only a Qualified Bidder that has submitted a Qualified Bid shall be eligible to participate in the Auction, subject to any other limitations as the Debtors may reasonably impose in accordance with the Sale Procedures. Qualified Bidders participating in the Auction may appear at the Auction 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 or accompany each Qualified Bidder at the Auction. Notwithstanding the foregoing, the Auction shall be conducted openly, and all creditors shall be permitted to attend.

15. Each Qualified Bidder participating in the Auction shall confirm in writing on the record at the Auction that (a) it has not engaged in any collusion with respect to the Auction or the submission of any bid for any of the Assets, and (b) 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 constitutes a binding, good-faith and *bona fide* offer to purchase the Assets identified in such bids.

16. In the event the Debtors determine not to hold an Auction for some or all of the Assets, the Debtors shall file with the Court, serve on the Sale Notice Parties and cause to be published on the website maintained by Epiq located at https://dm.epiqglobal.com/redlobster (the "Claims Agent Website"), a notice containing the following information (as applicable): (a) a description of the Assets available for sale in accordance with the Sale Procedures, (b) the date, time and location of the Sale Hearing, and (c) the Sale Objection Deadline and Post-Auction Objection Deadline (each as defined in the Sale Procedures) and the procedures for filing such objections.

17. By the **later of (a) July 25, 2024 and (b) one day after the conclusion of the Auction**, the Debtors will file with the Court, serve on the Sale Notice Parties and cause to be published on the Claims Agent Website, a notice setting forth the results of the Auction (the "Notice of Auction Results"), which shall (i) identify each Successful Bidder and each Backup Bidder, (ii) include a copy of each Successful Bid and each Backup Bid or a summary of the material terms of such bids, including any assumption and assignment of Contracts (as defined in the Sale Procedures) contemplated thereby, and (iii) set forth the Post-Auction Objection Deadline, 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.

D. Credit Bidding

18. The Stalking Horse Bidder may credit bid all, or a portion of, its claim for the Purchased Assets in accordance with Section 363(k) of the Bankruptcy Code (the "Credit Bid").

E. Sale Hearing and Objection Procedures

19. Consummation of any Sale Transaction pursuant to a Successful Bid shall be subject to Court approval. The Sale Hearing shall be held before the Court on **[July 29], 2024, at [•] [a.m. / p.m.] (prevailing Eastern Time)**; *provided*, that the Debtors may seek an adjournment or rescheduling of the Sale Hearing, consistent with the Sale Procedures and without prejudice to the rights of the Stalking Horse Bidder under the Stalking Horse Agreement.

20. All general objections to any Sale Transaction (each, a "Sale Objection") shall be (i) in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof, (ii) be filed with the Court, and (iii) served on the Objection Notice Parties (as defined in the Sale Procedures) by no later than **[July 12], 2024, at [5:00 p.m.] (prevailing Eastern Time)** (the "Sale Objection Deadline").

21. Following service of the Notice of Auction Results, parties may object to the conduct of the Auction and/or the particular terms of any proposed Sale Transaction in a Successful Bid, other than with respect to the Stalking Horse Bid (each such objection, a "Post-Auction Objection"). Any Post-Auction 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) be filed with the Court, and (c) served on the Objection Notice Parties by no later than the later of **(i) [July 26], 2024, at [5:00 p.m.] (prevailing Eastern Time) and (ii) three days prior to the Sale Hearing** (the "Post-Auction Objection Deadline").

22. Any party who fails to file and serve a timely Sale Objection or Post-Auction Objection in accordance with the terms of this Order shall be forever barred from asserting, at the Sale Hearing or thereafter, any Sale Objection or Post-Auction Objection to the relief requested in the Sale Motion, or to the consummation or performance of the applicable Sale Transaction(s), including the transfer of Assets to the applicable 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.

F. Notice of Sale Transaction

23. The Sale Notice, substantially in the form attached hereto as **Exhibit 3**, is approved, and no other or further notice of the proposed sale of the Assets, the Auction, the Sale Hearing, the Sale Objection Deadline or the Post-Auction Objection Deadline shall be required if the Debtors serve and publish the Sale Notice in the manner provided in the Sale Procedures and this Order.

24. By **no later than the later of (a) [May 23], 2024 and (b) two (2) business days after the entry of this Order**, the Debtors shall file with the Court, serve on the Sale Notice Parties and cause to be published on the Claims Agent Website, the Sale Notice.

25. Within five (5) business days, or as soon reasonably practicable after the entry of this Order, the Debtors shall cause the information contained in the Sale Notice to be published once in the *Orlando Sentinel* and *The Wall Street Journal* (national edition) (the "Publication Notice").

26. The Publication Notice complies with the provisions of Bankruptcy Rule 9008 and is deemed sufficient and proper notice of the proposed sale of the Assets, the Auction, the Sale Hearing, the Sale Objection Deadline, and the Post-Auction Objection Deadline to any other interested parties whose identities are unknown to the Debtors.

G. Assumption and Assignment Procedures

27. The Assumption and Assignment Procedures are reasonable and appropriate under the circumstances, fair to all non-Debtor parties, comply in all respects with the Bankruptcy Code, Bankruptcy Rules, and Local Rules, and are approved.

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' proposed Cure Amounts (as defined in the Assumption and Assignment Notice) with respect to Contracts listed on an Assumption and Assignment Notice is necessary or required. When issued, the Assumption and Assignment Notice shall (i) identify the relevant Contract(s), (ii) set forth a good faith estimate of the Cure Amount(s), (iii) include a statement that assumption and assignment of each such Contract is not required nor guaranteed, and (iv) inform such Counterparty of the requirement to file any Contract Objection(s) (as subsequently defined) by the Contract Objection Deadline (as subsequently defined).

29. Any objection to the Debtors' proposed Cure Amounts (as defined in the Assumption and Assignment Notice) or assumption and assignment on any basis (each such objection, a "Contract Objection") (except objections solely related to adequate assurance of future performance by a Successful Bidder other than the Stalking Horse Bidder) shall (a) be in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof, (b) be filed with the Court; and (c) be served on the Objection Notice Parties by no later than the date that is **14 calendar days after service of the applicable Assumption and Assignment Notice** (the "Contract Objection Deadline").

30. The Debtors and any objecting Counterparty shall first confer in good faith to attempt to resolve the Contract Objection without Court intervention. If the parties are unable to consensually resolve the Contract Objection prior to the commencement of the Sale Hearing, the Court shall make all necessary determinations relating to the applicable Cure Amounts or assumption and assignment and the Contract Objection at a hearing scheduled pursuant to this Order. If a Contract Objection is resolved in a manner that is not in the best interests of the Debtors and their estates, whether or not such resolution occurs prior to or after the closing of the applicable Sale Transaction, the Debtors may determine that any Contract subject to such resolved Contract Objection no longer will be assumed and assigned in connection with the applicable Sale Transaction (subject to the terms of the applicable Sale Transaction). All other objections to the Debtors' proposed assumption and assignment of the Debtors' right, title and interest in, to and under a Contract shall be heard at the Sale Hearing.

31. If a timely Contract Objection cannot otherwise be resolved by the parties, the Contract Objection may be heard at the Sale Hearing or, at the Debtors' option and with the consent of the applicable Successful Bidder, be adjourned to a subsequent hearing (each such

Contract Objection, an "Adjourned Contract Objection"). An Adjourned Contract Objection may be resolved after the closing date of the applicable Sale Transaction. Upon resolution of an Adjourned Contract Objection and the payment of the applicable Cure Amount or resolution of the assumption and assignment issue, if any, the Contract that was the subject of such Adjourned Contract Objection shall be deemed assumed and assigned to the applicable Successful Bidder as of the closing date of the applicable Sale Transaction.

32. If a Counterparty fails to file with the Court and serve on the Objection Notice Parties a timely Contract Objection, the Counterparty forever shall be barred from asserting any objection with regard to the proposed assumption and assignment of such Contract and the cost to cure any defaults under the applicable Contract and shall be deemed to have consented to the assumption and assignment of the Contract in connection therewith. The Cure Amounts 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 Amounts.

33. In accordance with the Sale Procedures, Qualified Bids shall be accompanied by Adequate Assurance Information (as defined in the Sale Procedures). The Debtors shall use commercially reasonable efforts to furnish all available Adequate Assurance Information to applicable Counterparties as soon as reasonably practicable following their receipt of such information.

34. Any objection to the proposed assumption and assignment of a Contract, other than with respect to the Stalking Horse Bidder, 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"), and shall (a) be in writing and state, with specificity, the legal and factual bases thereof and include any appropriate documentation in support thereof; (b) be filed with the Court; and (c) served on the Objection Notice Parties by no later than the Post-Auction Objection Deadline.

35. The Debtors and any 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 applicable Successful Bidder shall be determined by the Court at the Sale Hearing.

36. 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 applicable 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 Sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code and, if applicable, Section 365(b)(3) of the Bankruptcy Code, notwithstanding anything to the contrary in the Contract or any other document.

37. Successful Bidders (including the Stalking Horse Bidder or Backup Bidder ultimately named a Successful Bidder) may, pursuant to the terms of an applicable asset purchase agreement executed with the Debtors (including the Stalking Horse Agreement), designate (a) for assumption and assignment Contracts that were not originally included in the Assets to be acquired

in connection with the applicable Successful Bid and (b) Contracts that previously were included among the Assets to be acquired in connection with the applicable Successful Bid as "excluded assets" that will not be assigned to or otherwise acquired by the Successful Bidder. The Debtors shall use commercially reasonable efforts to, as soon as reasonably practicable after the Debtors receive notice of any such designation, file with the Court, serve on the applicable Counterparties and cause to be published on the Claims Agent Website, a notice of such designation containing sufficient information to apprise Counterparties of the designation of their respective Contracts.

38. As soon as reasonably practicable after the closing of a Sale Transaction, the Debtors will file with the Court, serve on the applicable Counterparties and cause to be published on the Claims Agent 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 Amounts with respect to any Contract on any Assumption and Assignment Notice or any Notice of Auction Results, shall not constitute or be deemed a determination or admission by the Debtors, 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.

H. Other Related Relief

40. All persons and entities that participate in the Auction or bidding for any Asset during the Sale Transaction process shall be deemed to have knowingly and voluntarily (a) consented to the core jurisdiction of the Court to enter any order related to the Sale Procedures, the Auction or any other relief requested in the Sale Motion or granted in this Order, (b) waived any right to a jury trial in connection with any disputes relating to the Sale Procedures, the Auction

or any other relief requested in the Sale Motion or granted in this Order, and (c) consented to the entry of a final order or judgment in connection with any disputes relating to the Sale Procedures, the Auction or any other relief requested in the Sale Motion or granted in this 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.

41. The Debtors are authorized to take all steps and pay all amounts necessary or appropriate to implement the relief granted in this Order.

42. This Order shall be binding on the Debtors and its successors and assigns, including any chapter 7 or chapter 11 trustee or other fiduciary appointed for the estates of the Debtors.

43. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

44. To the extent any provisions of this Order are inconsistent with the Sale Motion, the terms of this Order shall control. To the extent any provisions of this Order are inconsistent with the Sale Procedures, the terms of this Order shall control.

45. 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 the contrary, the terms and provisions of this Order shall be immediately effective and enforceable upon its entry, and any applicable stay of the effectiveness and enforceability of this Order is hereby waived.

46. The Debtors are authorized to make non-substantive changes to the Sale Procedures, the Assumption and Assignment Procedures, and any related documents without

further order of the Court, including, without limitation, changes to correct typographical and grammatical errors.

47. This Court shall retain exclusive jurisdiction over any and all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.

(Paul Steven Singerman, Esq. is directed to serve a copy of this order on interested parties who are non-CM/ECF users and to file a proof of service within three days of entry of the order).

EXHIBIT 1

Sale Procedures

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

IN RE:	Chapter 11 Cases
RED LOBSTER MANAGEMENT LLC,[1]	Case No. 6:24-bk-02486-GER
RED LOBSTER RESTAURANTS LLC,	Case No. 6:24-bk-02487-GER
RLSV, INC.,	Case No. 6:24-bk-02488-GER
RED LOBSTER CANADA, INC.,	Case No. 6:24-bk-02489-GER
RED LOBSTER HOSPITALITY LLC,	Case No. 6:24-bk-02490-GER
RL KANSAS LLC,	Case No. 6:24-bk-02491-GER
RED LOBSTER SOURCING LLC,	Case No. 6:24-bk-02492-GER
RED LOBSTER SUPPLY LLC,	Case No. 6:24-bk-02493-GER
RL COLUMBIA LLC,	Case No. 6:24-bk-02494-GER
RL OF FREDERICK, INC.,	Case No. 6:24-bk-02495-GER
RED LOBSTER OF TEXAS, INC.,	Case No. 6:24-bk-02496-GER
RL MARYLAND, INC.,	Case No. 6:24-bk-02497-GER
RED LOBSTER OF BEL AIR, INC.,	Case No. 6:24-bk-02498-GER
RL SALISBURY, LLC,	Case No. 6:24-bk-02499-GER
RED LOBSTER INTERNATIONAL HOLDINGS LLC,	Case No. 6:24-bk-02500-GER
Debtors.	(Joint Administration Pending)

_____/

SALE PROCEDURES

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

On May 20, 2024, the Debtors filed with the United States Bankruptcy Court for the Middle District of Florida (the "Court") the *Motion of the Debtors for Entry of Order (I)(A) Approving Bidding Procedures for the Sale of All or Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Enter into Stalking Horse Agreement and to Provide Bidding Protections Thereunder, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures and (E) Scheduling a Sale Hearing and*

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are Red Lobster Management LLC (6889); Red Lobster Sourcing LLC (3075); Red Lobster Supply LLC (9187); RL Kansas LLC (2396); Red Lobster Hospitality LLC (5297); Red Lobster Restaurants LLC (4308); RL Columbia LLC (7825); RL of Frederick, Inc. (9184); RL Salisbury, LLC (7836); RL Maryland, Inc. (7185); Red Lobster of Texas, Inc. (1424); Red Lobster of Bel Air, Inc. (2240); RLSV, Inc. (6180); Red Lobster Canada, Inc. (4569); and Red Lobster International Holdings LLC (4661). The Debtors' principal offices are located at 450 S. Orange Avenue, Suite 800, Orlando, FL 32801.

Approving the Form and Manner of Notice Thereof; (II)(A) Approving the Sale of the Debtors' Assets Free and Clear of Liens, Claims, Interests and Encumbrances and (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III) Granting Related Relief [Docket No. [•]] (the "Sale Motion"). By the Sale Motion, the Debtors sought, among other things, entry of an order approving Sale Procedures[2] for soliciting bids for, conducting an auction (the "Auction") of, and consummating one or more Sale Transactions of, the Assets, as further described herein.

On [•] [•], 2024, the Court entered an *Order (I) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (II) Authorizing the Debtors to Enter into Stalking Horse Agreement and to Provide Bidding Protections Thereunder, (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 "Sale Procedures Order").

I. ASSETS FOR SALE

The sale of the Assets shall be subject to a competitive bidding process as set forth herein and approval by the Court pursuant to Sections 105, 363, and 365 of Title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 6003, 6004, 6006, 9007, and 9008 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 2002-1, 6004-1 of the Local Rules of the United States Bankruptcy Court for the Middle District of Florida (the "Local Rules").

The ability to undertake and consummate any sale of the Assets shall be subject to competitive bidding as set forth herein and approval by the Court. In addition to the Stalking Horse Bid, and as set forth herein, the Debtors will consider bids for any or all of the Assets in a single bid from a single bidder or in multiple bids from multiple bidders. Any bid for an individual Asset, even if such bid is the highest or otherwise best bid for such individual Asset, is subject to higher or otherwise better bids on packages of Assets that include the individual Asset. Additionally, any bid on all of the Assets is subject to bids on individual Assets or packages of Assets (including Credit Bids) that are, in the aggregate, higher or otherwise better bids. Any party interested in submitting a bid for any of the Debtors' Assets should contact Hilco Corporate Finance, LLC, tstratton@hilcocf.com, Attn: Teri Stratton.

II. STALKING HORSE PROCEDURES

A. The Stalking Horse Bidder

On May 19, 2024, the Debtors entered into:

- an asset purchase agreement with RL Purchaser LLC (together with each of its permitted successors, assigns and designees) (the "Stalking Horse Bidder" and such asset purchase agreement, the "Stalking Horse Agreement"), whereby the Stalking Horse Bidder will serve as the stalking

[2] All capitalized terms not herein defined shall have the meanings ascribed to them in the Sale Motion and/or the Sale Procedures Order (as defined herein), as applicable.

horse bidder for the Purchased Assets (as defined in the Stalking Horse Agreement).

Pursuant to the Sale Procedures Order, the Debtors obtained approval of:

- the Stalking Horse Agreement, as a Stalking Horse Bid for the Purchased Assets (the "Stalking Horse Bid").

III. KEY DATES AND DEADLINES

SALE PROCESS KEY DATES AND DEADLINES	
Five (5) business days after the entry of the Sale Procedures Order	Deadline for the Debtors to publish the Publication Notice
[**July 12**], **2024, at 5 p.m. (prevailing Eastern Time)**	Sale Objection Deadline
[**July 18**], **2024, at 5 p.m. (prevailing Eastern Time)**	Bid Deadline
[July 22], 2024, at 5 p.m. (prevailing Eastern Time)	Deadline for Debtors to Notify Bidders of Status as Qualified Bidders
[July 23], 2024, at 5 p.m. (prevailing Eastern Time)	Auction (if any)
The later of (i) [July 25], 2024 at 5 p.m. (prevailing Eastern Time) and (ii) one day after the conclusion of the Auction	Deadline for Debtors to file Notice of Auction Results
The later of (i) [July 26], 2024, at 5 p.m. (prevailing Eastern Time) and (ii) three days prior to the Sale Hearing	Post-Auction Objection Deadline
[July 29], 2024, a at [• a.m./p.m.] (prevailing Eastern Time)	Sale Hearing
[July 30], 2024	Deadline for Court to enter Sale Order
[August 3], 2024	Deadline to consummate approved Sale Transactions

IV. DUE DILIGENCE

The Debtors have posted copies of all material documents related to the Assets to the Debtors' confidential electronic data room (the "Data Room"). Each person or entity (other than

the Stalking Horse Bidder identified above) that desires to participate in the Auction process (each, a "Prospective Bidder") and seeks access to the Data Room must first deliver to each of the Bid Notice Parties (as defined herein) the following:

A. An executed confidentiality agreement, in form and substance satisfactory to the Debtors and containing terms no more favorable to the Prospective Bidder than those contained in any confidentiality agreement executed by the Stalking Horse Bidder identified above (unless such party is already a party to an existing confidentiality agreement with the Debtors that is acceptable to the Debtors for this due diligence process, in which case such agreement shall govern); and

B. Sufficient information to allow the Debtors to determine that the interested party intends to access the Data Room for a bona fide purpose consistent with these Sale Procedures and that such Prospective Bidder has the financial and managerial wherewithal to submit a Qualified Bid and to consummate the Sale Transactions contemplated thereby.

The Debtors shall grant the Stalking Horse Bidder above and, upon execution of a valid confidentiality agreement and up to and including the Bid Deadline, any Prospective Bidder, access to the Data Room or additional information allowing such Prospective Bidder to conduct due diligence on the potential acquisition of some or all of the Assets. Neither the Debtors nor any of their representatives shall be obligated to furnish any information of any kind whatsoever relating to the Assets (a) to any person or entity who (i) is not a Prospective Bidder, (ii) does not comply with the participation requirements set forth above, or (iii) in the case of competitively sensitive information, is a competitor of the Debtors and (b) if and to the extent doing so would (1) violate any law to which the Debtors are subject, including any privacy law, (2) result in the disclosure of any trade secrets of third parties in breach of any contract with such third party, (3) violate any legally-binding obligation of any Debtor with respect to confidentiality, non-disclosure or privacy, or (4) jeopardize protections afforded to any Debtor under the attorney-client privilege or the attorney work product doctrine (provided that, in the case of each of clauses (1) through (4), the Debtors shall use commercially reasonable efforts to (x) provide such access as can be provided (or otherwise convey such information regarding the applicable matter as can be conveyed) without violating such privilege, doctrine, contract, obligation or law and (y) provide such information in a manner without violating such privilege, doctrine, contract, obligation or law). Notwithstanding the foregoing, the Debtors reserve the right, in their discretion, to withhold or limit access to any information that the Debtors determine to be sensitive or otherwise not appropriate to disclose to any Prospective Bidder. The Debtors shall provide the Stalking Horse Bidder with any information provided to a Prospective Bidder that has not already been provided to the Stalking Horse Bidder.

The Debtors may terminate access to the Data Room and any other non-public information in their reasonable discretion at any time, including if (a) a Prospective Bidder fails to become a Qualified Bidder (as defined herein) or (b) these Sale Procedures are terminated. 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 work to accommodate all reasonable requests from the Stalking Horse Bidder and any Prospective Bidders for additional information and due diligence access. Each Prospective Bidder shall be required to acknowledge that it has had an opportunity to conduct any and all due diligence regarding the Assets in conjunction with submitting its Bid (as defined herein). All due diligence requests shall be directed to Hilco Corporate Finance, LLC, tstratton@hilcocf.com; Attn: Teri Stratton.

V. BID DEADLINE

Any Prospective Bidder that intends to participate in the Auction must submit in writing to the Bid Notice Parties a bid (a "Bid") on or before **[July 18, 2024, at 5:00 p.m.] (prevailing Eastern Time)** (the "Bid Deadline").

The Debtors may, in their reasonable judgment, and in consultation with the Consultation Parties, extend the Bid Deadline for all or certain Prospective Bidders.

VI. BID REQUIREMENTS

A. Qualified Bid Requirements

To qualify as a "Qualified Bid," a Bid must be in writing and determined by the Debtors to satisfy the following requirements:

1. Identification of Bidder. A Qualified Bid must fully disclose the following: (a) the legal identity of each person or entity bidding for the applicable 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 or their non-Debtor affiliates, the Stalking Horse Bidder, any other known Prospective Bidder or Qualified Bidder, or any officer or director of any of the foregoing (including any current or former officer or director of the Debtors or their non-Debtor affiliates).

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

    a. the Assets to be purchased (including any then-known executory contracts and unexpired leases (collectively, the "Contracts")) such Prospective Bidder wishes to bid on.

    b. the liabilities (including applicable Cure Costs if any, to be assumed by the Prospective Bidder in the Sale Transaction), including any debt to be assumed; and

    c. if a Bid is for less than the entire business, an allocation of the purchase price across the individual desired Assets.

3. Form of Consideration.

   a. Credit Bidding. The Stalking Horse Bidder may credit bid all or a portion of the Stalking Horse Bidder's or claims for the collateral in which it holds a perfected security interest (a "Credit Bid") in accordance with Section 363(k) of the Bankruptcy Code. The Stalking Horse Bidder shall not be prohibited from making such credit bid "for cause" under Section 363(k) of the Bankruptcy Code. Moreover, the Stalking Horse Bidder shall be considered a Qualified Bidder and shall not be required to provide a Good Faith Deposit.

   For the avoidance of doubt, the Stalking Horse Bidder will be deemed to be a Qualified Bidder, for all purposes and requirements pursuant to these Sale Procedures, notwithstanding the requirements that a Prospective Bidder must satisfy to be a Qualified Bidder, and any Bid submitted by the Stalking Horse Bidder will be deemed to be a Qualified Bid, for all purposes and requirements pursuant to these Sale Procedures, notwithstanding the requirements that a Bid must satisfy to be a Qualified Bid, including the requirements, among others, that each Bid must be irrevocable and to deliver a confidentiality agreement and post a Good Faith Deposit (as defined herein).

   b. Form of Consideration and Allocation. A Qualified Bid must propose a purchase price payable in cash and specified assumed liabilities. Bids proposing a purchase price other than in cash shall not be Qualified Bids.

4. Minimum Bid for Stalking Horse Assets. Each Bid submitted in connection with Assets that are the subject of the Stalking Horse Bid (any such Assets, the "Stalking Horse Assets") must either: (a) (i) be a Bid for all of the Stalking Horse Assets, (ii) include cash consideration of not less than the sum of the purchase price set forth in the Stalking Horse Agreement (excluding, for the avoidance of doubt, any "Assumed Liabilities" to be assumed by the Stalking Horse Bidder pursuant to the Stalking Horse Bid Agreement) *plus* (A) all "Obligations" outstanding under the DIP Documents (as defined in the DIP Motion) which are not included in the purchase price set forth in the applicable Stalking Horse Agreement, *plus* (B) an Initial Bid Increment (as defined herein), and (iii) assume the Assumed Liabilities (as defined in the applicable Stalking Horse Agreement) or (b) propose an alternative transaction that, in the Debtors' business judgment, provides higher value or better terms than the Stalking Horse Bid, including by exceeding the purchase price of such Stalking Horse Bid *plus* any applicable Initial Bid Increment, and after taking into account, among other things, in light of all the Bids submitted for the Assets or any combination of Assets, whether there is sufficient cash to pay (i) Wind-Down Expenses and (ii) the outstanding obligations under the DIP

Facility (the "DIP Obligations"). For the avoidance of doubt, as to clause (b) in this Section, the any Bid that does not include sufficient cash consideration to pay the DIP Obligations and fund the Excluded Cash shall not be a Qualified Bid.

The Debtors may consider a Bid for a portion of the Stalking Horse Assets (each such bid, a "Partial Bid") if the Debtors receive one or more other Partial Bids for the Stalking Horse Assets such that, when taken together, and after considering the risks associated with consummating several individual Bids, the Partial Bids collectively constitute a higher or otherwise better bid than the Stalking Horse Bid and there is sufficient cash to (x) fund the Excluded Cash and (y) satisfy the DIP Obligations.

If the value of a competing Qualified Bid (whether such Qualified Bid is for all of the Stalking Horse Assets or is a Partial Bid) relative to the Stalking Horse Bid includes additional non-cash components (such as fewer contingencies than are in the 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 in better evaluating the competing Qualified Bid.

"Initial Bid Increment" shall mean with respect to the Stalking Horse Bid, $2.5 million.

5. Proposed Asset Purchase Agreement and Sale Order: A Qualified Bid must constitute a *binding and 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: (a) be duly authorized and executed; (b) be based on, and marked against the Stalking Horse Agreement or such other form purchase agreement provided by the Debtors after consultation with the DIP Lenders to reflect the proposed Sale Transaction and to show any other proposed modifications to the form purchase agreement; (c) specify the proposed purchase price for the applicable Assets; and (d) identify any then-known Contracts proposed for or that may be proposed for assumption and assignment in connection with the proposed Sale Transaction. A Qualified Bid must also contain a sale order based on, and marked against, the Sale Order (as defined herein) for the applicable Assets to reflect the proposed Sale Transaction and to show any other proposed modifications to the applicable Sale Order.

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

   a. a statement that the Prospective Bidder is financially capable of timely consummating the Sale Transaction contemplated by the Prospective Bidder's Proposed Asset Purchase Agreement;

b. sufficient evidence, as reasonably determined by the Debtors (in consultation with the Consultation Parties), to determine that the Prospective Bidder has, or can obtain, the financial wherewithal to timely consummate the Sale Transaction contemplated by the Prospective Bidder's Proposed Asset Purchase Agreement; and

c. Adequate Assurance Information (as defined herein) with respect to any Contracts included or that may be included in the Prospective Bidder's Bid.

7. Good Faith Deposit. Each Qualified Bid must be accompanied by a good faith deposit (each, a "Good Faith Deposit") in the form of cash (or other form acceptable to the Debtors in their sole discretion) in an amount equal to ten percent (10%) of the proposed purchase price for the Assets; *provided*, that no Good Faith Deposit shall be required for any Qualified Bid from the Stalking Horse Bidder.

Good Faith Deposits shall be deposited into a trust account maintained on behalf of the Debtors (and to be designated by Debtors) and handled in accordance with these Sale Procedures. To the extent a Qualified Bidder increases the purchase price before, during, or after the Auction, the Debtors reserve the right to require that such Qualified Bidder adjust its Good Faith Deposit so that it equals ten percent (10%) of the increased purchase price. The Debtors reserve the right to increase or decrease the Good Faith Deposit for one or more Qualified Bidders in their sole discretion except with respect to any Qualified Bid from the Stalking Horse Bidder; *provided*, the Debtors may not decrease or waive any Good Faith Deposit without consulting with the Consultation Parties.

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: 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 (the information described herein, the "Adequate Assurance Information"). All Adequate Assurance Information must be in a form that will permit its immediate dissemination to the applicable Counterparties (as defined herein).

9. Representations and Warranties. A Qualified Bid must include the following representations and warranties:

   a. a statement that the Prospective Bidder has had an opportunity to conduct any and all due diligence regarding the Debtors' businesses and the Assets prior to submitting its Bid;

   b. a statement that the Prospective Bidder has relied solely upon its own independent review, investigation and/or inspection of any relevant documents and the Assets in making its Bid and did not rely on any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied, by operation of law or otherwise, regarding the Debtors' businesses or the Assets or the completeness of any information provided in connection therewith, except as expressly stated in the representations and warranties contained in the Stalking Horse Agreement;

   c. a statement that all proof of financial ability to consummate the Sale Transaction in a timely manner and all information provided to support adequate assurance of future performance is true and correct; and

   d. a statement that the Prospective Bidder agrees to be bound by the terms of the Sale Procedures.

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; 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. Joint Bids. The Debtors will be authorized to approve joint Bids in their discretion on a case-by-case basis.

12. 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 herein) for the Assets (each such bid, a "Backup Bid");

b. state that the Bid, as may be modified before or during the Auction, represents a binding, irrevocable, good-faith and *bona fide* offer to purchase the Assets and is not subject to or conditioned on any due diligence, financing, or other contingency (other than the conditions to closing under the applicable agreement), and is irrevocable until the later of (i) the applicable outside date for consummation of the Sale Transaction or (ii) the Backup Bid Expiration Date (as defined herein);

c. expressly state and acknowledge that the Prospective Bidder shall not be entitled to a break-up fee, termination fee, expense reimbursement or other "bidding protection" in connection with the submission of a bid for the Assets or otherwise participating in the Auction or the Sale Transaction process, unless otherwise granted by the Debtors and approved by an order of the Court;

d. state that the Prospective Bidder is committed to closing the Sale Transaction contemplated in its Bid as soon as practicable and in any case no later than the applicable deadline to consummate an approved Sale Transaction set forth herein;

e. specify (i) whether the Qualified Bidder intends to hire any of the Debtors' employees and (ii) the proposed treatment of the Debtors' prepetition compensation, incentive, retention, bonus or other compensatory arrangements, plans, or agreements, including offer letters, employment agreements, consulting agreements, retiree benefits, and any other employment related agreements (collectively, the "Employee Obligations");

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

g. include a covenant to cooperate with the Debtors (i) to provide pertinent factual information regarding the Prospective Bidder's operations reasonably required to analyze issues arising with respect to any applicable antitrust laws and any other applicable regulatory requirements and (ii) to obtain Court approval of the Sale Transaction;

h. state or otherwise estimate the types of transition services, if any, the Prospective Bidder would require of and/or provide to the Debtors, including an estimate of the time any such transition services would be required of and/or provided to the Debtors, if the Prospective

Bidder's Bid were selected as the Successful Bid for the applicable Assets;

i. 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;

j. include a covenant to comply with the terms of these Sale Procedures and the Sale Procedures Order; and

k. include contact information for the specific person(s) the Debtors should contact in the event they have any questions about the Prospective Bidder's bid.

B. Bid Review Process

The Debtors will review each Bid received from a Prospective Bidder to determine whether it meets the requirements set forth above. Based upon their evaluation of the content of each Bid, the Debtors may, as they deem appropriate in their 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.

A Bid received from a Prospective Bidder for all or any portion of the Assets that the Debtors determine meets the requirements set forth above, and is otherwise satisfactory to the Debtors, will be considered a Qualified Bid and each Prospective Bidder that submits a Qualified Bid will be considered a "Qualified Bidder." The Debtors shall inform Qualified Bidders that their Bids have been designated as Qualified Bids as reasonably in advance of the commencement of the Auction as is practicable.

For the avoidance of doubt, the Stalking Horse Agreement will be deemed a Qualified Bid, and the Stalking Horse Bidder will be deemed a Qualified Bidder, for all purposes and requirements pursuant to the Sale Procedures, notwithstanding the requirements that a Prospective Bidder must satisfy to be a Qualified Bidder. The Debtors shall, within two (2) calendar days following the Bid Deadline, inform the Stalking Horse Bidder of the Baseline Bid received relevant to the Assets under the Stalking Horse Agreement and shall provide copies of the Baseline Bid at the same time other Qualified Bidders receive such information.

In evaluating a Bid, the Debtors may take into consideration any and all factors that the Debtors deem reasonably pertinent, including, without limitation:

(i) the amount of the proposed purchase price;

(ii) any Assets and liabilities included in, or excluded from, the Bid, including any Contracts marked for assumption and assignment;

(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 Wind-Down Expenses, the DIP Obligations, and additional outstanding debt, in each case, as applicable);

(iv) any benefit to the Debtors' estates from any assumption or waiver of liabilities contemplated by the Bid;

(v) any benefit to the Debtors' estates arising from the avoidance of additional costs that may be incurred as a result of the Bid;

(vi) the structure of the proposed Sale Transaction and any attendant execution risk, including conditions to, timing of and certainty of closing, termination provisions, financing contingencies, availability of financing and general financial wherewithal to meet all commitments, and any required governmental approvals;

(vii) the impact of the proposed Sale Transaction on employees and the proposed treatment of the Employee Obligations;

(viii) the impact of the proposed Sale Transaction on the Debtors' trade creditors, licensees, clients and any other parties in interest; and

(ix) any other factors the Debtors may reasonably deem relevant and consistent with their fiduciary duties.

The Debtors will make a determination regarding the Bids that qualify as Qualified Bids and as Baseline Bids and will notify bidders whether they have been selected as Qualified Bidders as reasonably in advance of the commencement of the Auction as is practicable. 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 bid, as determined by the Debtors in their business judgment.

The Debtors, in their business judgment, reserve the right to reject any Bid (other than the Stalking Horse Bid) if such Bid, among other things, (i) is on terms that are more burdensome or conditional than the terms of the Stalking Horse Agreement; (ii) requires any indemnification of the Prospective Bidder in its asset purchase agreement; (iii) is not received by the Bid Deadline; (iv) is subject to any contingencies (including representations, warranties, covenants and timing requirements) of any kind or any other conditions precedent to such party's obligation to acquire the relevant Assets; (v) seeks any bid protections' or (vi) does not, in the Debtors' determination, include a fair and adequate price or the acceptance of which would not be in the best interests of the Debtors' estates.

Without prejudice to the rights of the Stalking Horse Bidder under the Stalking Horse Agreement, the Debtors may, in their sole discretion, among other things: (i) amend or waive the conditions precedent to qualifying as a Qualified Bidder; (ii) extend the Bid Deadline as to any party or with respect to any Assets; (iii) with respect to any Bid that is not a Qualified Bid, the

Debtors may provide (but shall not be obligated to provide) the Bidder with the opportunity to remedy any deficiencies prior to the Auction; and/or (iv) postpone or cancel the Auction and terminate the proposed sale(s) for any Assets. Any contrary provision hereof notwithstanding, nothing in this Bidding Procedures shall modify or extend, or permit the Debtors to modify or extend, the Milestones (as defined in the DIP Motion).

C. Bidding Protections

No bidder or any other party shall be entitled to any termination or "break-up" fee, expense reimbursement or any other bidding protections in connection with the submission of a bid for the Assets or for otherwise participating in the Auction or the Sale Transaction process, unless otherwise granted by the Debtors and approved by an order of the Court.

VII. THE AUCTION

If the Debtors receive more than one Qualified Bid (including the Stalking Horse Bid) for an Asset or combination of Assets, the Debtors will conduct an Auction for such Asset(s). If more than one Qualified Bid exists for acquiring specific combinations of the Assets, then the Debtors may, in the exercise of their reasonable business judgment, first conduct a separate Auction (a "Sub-Auction") for such Assets that have at least one Qualified Bid pursuant to the Sale Procedures.

In the event the Debtors determine not to hold an Auction for some or all of the Assets, the Debtors will file with the Court, serve on the Sale Notice Parties and cause to be published on the Claims Agent Website, a notice containing the following information, as applicable: (i) a statement that the Auction for the relevant 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 Successful Bid, including any assumption and assignment of Contracts contemplated thereby; and (iv) the date, time and location of the applicable Sale Hearing.

The Auction, if required, will be conducted on **[July 23], 2024, at [10:00 a.m.] (prevailing Eastern Time)**, in person at King & Spalding, LLP 1180 Peachtree St. NE, Suite 1600, Atlanta, GA 30309, after providing notice to the Sale Notice Parties; provided, however, the Debtors shall have the right to hold the Auction remotely, including telephonically or by other electronic means (including, without limitation, video conferencing) as the Debtors may choose in their sole discretion so as to comply with all applicable federal, state and local laws, orders, ordinances, guidelines and guidance, including any shelter-in-place, social distancing and non- essential business orders and guidelines. If held, the Auction proceedings will be transcribed and/or video recorded.

A. Participants and Attendees

Only Qualified Bidders are eligible to participate in the Auction or any Sub-Auction, subject to other limitations as may be reasonably imposed by the Debtors in accordance with these Sale Procedures. At least one (1) day prior to the Auction or any Sub-Auction, each Qualified Bidder must inform the Debtors in writing whether it intends to participate in the Auction. Qualified Bidders participating in the Auction or specific Sub-Auction must appear via video conferencing at the Auction or specific Sub-Auction, as applicable, or through a duly authorized

representative. Subject to the Auction procedures set forth in these Sale Procedures, all Qualified Bidders and the Consultation Parties are permitted to attend the Auction or any Sub-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 or accompany each Qualified Bidder at the Auction or specific Sub-Auction. Any creditor and its advisors wishing to attend the Auction may do so by contacting, no later than one (1) day prior to the start of the Auction, the Debtors' advisors.

Each Qualified Bidder participating in the Auction or specific Sub-Auction will be required to confirm in writing and on the record at the Auction or Sub-Auction, as applicable, 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 or specific Sub-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 the Stalking Horse Bidder, Successful Bidder and Backup Bidder) shall be deemed to have: (i) consented to the core jurisdiction of the Court to enter any order related to these Sale Procedures, the Auction or, any other relief requested in the Motion or granted pursuant to the Sale Procedures Order or the construction or enforcement of any agreement or any other document relating to any Sale Transaction; (ii) waived any right to a jury trial in connection with any disputes relating to these Sale Procedures, the Auction or the construction or enforcement of any agreement or any other document relating to any Sale Transaction; and (iii) consented to the entry of a final order or judgment in connection with any disputes relating to these Sale Procedures, the Auction or specific Sub-Auction, the construction or enforcement of any agreement or any other document relating to any 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 business judgment, subject to and in accordance with these Sale Procedures and the applicable parties' rights under the Stalking Horse Agreement:

1. Baseline Bids. Prior to the commencement of the Auction, the Debtors will determine, in their business judgment, the highest and/or best Qualified Bid (each such Qualified Bid, a "Baseline Bid"). Bidding at the Auction shall commence at the amount of the Baseline Bid.

2. Sub-Auctions. The Debtors reserve the right to host Sub-Auctions for Assets at their discretion (each such package an "Auction Package").

3. Minimum Overbid. Bidding at the Auction will begin with the Baseline Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid (a "Subsequent Bid") is submitted by a Qualified Bidder that (i) improves on such Qualified Bidder's immediately

prior Qualified Bid and (ii) the Debtors determine is (A) for the first round, a higher or otherwise better offer than the Baseline Bid, and (B) for subsequent rounds, a higher or otherwise better offer than the Leading Bid (as defined herein).

The Debtors will announce at the outset of the Auction the minimum required increments for successive Bids (each, such Bid, a "Minimum Overbid"). The Debtors may, in their discretion, announce increases or reductions to Minimum Overbids at any time during the Auction.

Upon a Qualified Bidder's declaration of a Bid at the Auction, the Qualified Bidder must state on the record its commitment to pay within two (2) business days following the Auction, if such Bid were to be selected as the Successful Bid or as the Backup Bid, the incremental amount of the Qualified Bidder's Good Faith Deposit calculated based on the increased purchase price of such Bid (such Good Faith Deposit so increased, the "Incremental Deposit Amount") if applicable. Except as specifically set forth herein, for the purpose of evaluating the value of the consideration provided by any Bid subsequent to a Baseline Bid, the Debtors will, at each round of bidding, consider and/or give effect to (a) any additional liabilities to be assumed by a Qualified Bidder under the Bid, including whether such liabilities are secured or unsecured, (b) any additional costs that may be imposed on the Debtors, and (c) the provision of any Wild-Down Expenses, treatment of the DIP Obligations, and any additional outstanding debt, as applicable.

4. Leading Bid. After the first round of bidding and between each subsequent round of bidding, the Debtors will announce the bid that they believe to be the highest or otherwise best offer (each 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, subject to the Debtors' authority to revise the Auction procedures to the extent permitted hereby.

The Auction or any Sub-Auction will be conducted by open bidding in the presence of all other Qualified Bidders and each Qualified Bidder shall have the right to be present for all rounds of open 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 business judgment, engage in discussions and negotiate with any and all Qualified Bidders participating in the Auction or Sub-Auction outside the presence of other bidders before each round of bidding, including to improve or clarify the terms of bids made.

The Debtors shall have the right to determine, in their business judgment, which Bid is the highest or otherwise best Bid and, in accordance with the

terms of these Sale Procedures, 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 Sale Procedures, any order of the Court, or the best interests of the Debtors and their estates, including, without limitation, the provision of any Wind-Down Expenses, treatment of the DIP Obligations, and any additional outstanding debt, as applicable.

C. Auction Results

1. Successful Bids. Immediately prior to the conclusion of the Auction, the Debtors will (a) determine, consistent with these Sale Procedures, which Qualified Bid constitutes the highest or otherwise best Bid(s) (each 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 (each such bidder, a "Successful Bidder") and the amount of the purchase price and other material terms of the Successful Bid. As a condition to remaining the Successful Bidder, the Successful Bidder shall, within two (2) business days after the conclusion of the Auction, (i) if applicable, wire to the Debtors in immediately available funds the Incremental Deposit Amount, calculated based on the purchase price in the Successful Bid(s) and (ii) submit to the Debtors fully executed documentation memorializing the terms of the Successful Bid(s).

2. Backup Bids. Immediately prior to the conclusion of the Auction, the Debtors will (a) determine, in a manner consistent with these Sale Procedures, which Qualified 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. Within two (2) business days after the Auction, the Backup Bidder shall submit to the Debtors execution versions of the documentation memorializing the terms of the Backup Bid(s). Notwithstanding anything to the contrary herein, the Stalking Horse Bidder shall not be required to serve as a Backup Bidder, notwithstanding such Stalking Horse Bidder's Stalking Horse Bid being the next highest or best Bid after a Successful Bid for the Assets, without its prior written consent.

   A Backup Bid will remain binding on the applicable Backup Bidder until the earlier of (a) the first business day after the closing of a Sale Transaction with the Successful Bidder and (b) 30 days after the Sale Hearing (or such other date as may be set forth in the Stalking Horse Agreement, the "Backup Bid Expiration Date"). If the Sale Transaction with the applicable Successful Bidder is terminated prior to the Backup Bid Expiration Date, the Backup Bidder shall be deemed the new Successful Bidder 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 business judgment and

after providing notice to the Sale Notice Parties, elect not to pursue the Sale Transaction contemplated by the Backup Bid.

3. Notice of Auction Results. By the later of (a) [**July 25, 2024** and (b) one day after the conclusion of the Auction, or as soon as is reasonably practicable thereafter, the Debtors will file with the Court, serve on the Sale Notice Parties and cause to be published on the Claims Agent Website, a notice setting forth the results of the Auction or any Sub-Auction (the "Notice of Auction Results"), which will (a) identify each Successful Bidder and each Backup Bidder, (b) include a copy of each Successful Bid and each Backup Bid or a summary of the material terms of such bids, including any proposed assumption and assignment of Contracts contemplated thereby, and (c) set forth the Post-Auction Objection Deadline (as defined herein), 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 or any Sub-Auction.

4. The Debtors' presentation to the Bankruptcy 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 Bankruptcy Court at the Sale Hearing.

D. Additional Auction Procedures

The Debtors may announce at the Auction or a specific Sub-Auction additional procedural rules (*e.g.*, among other things, the amount of time to make Subsequent Bids, the amount of the Minimum Overbid, or the requirement that parties submit "best and final" Bids) for conducting the Auction or specific Sub-Auction or otherwise modify these Sale Procedures; provided, that such rules (i) are not materially inconsistent with the sale Procedures Order, the DIP Orders, these Sale Procedures, the Bankruptcy Code or any order of the Bankruptcy Court; (ii) are disclosed to each Qualified Bidder during the Auction or Sub-Auction; and (iii) are in form and substance acceptable to the DIP Lenders (as defined in the Sale Procedures). For the avoidance of doubt, any Bid for any Assets included in any Auction Package shall be subject to a determination by the Debtors, in their business judgment and in accordance with the other provisions of these Sale Procedures, that (i) a Bid for substantially all of the Debtors' Assets and/or (ii) a combination of Bids that groups the Assets together differently is the highest or otherwise best offer for such Assets.

E. Disposition of Good Faith Deposit

1. Prospective Bidders. Within five (5) business days after the Debtors make final determinations as to which Prospective Bidders qualify as Qualified Bidders, a Prospective Bidder's Good Faith Deposit shall be returned to any such Prospective Bidder that did not qualify as a Qualified Bidder, as confirmed by the Debtors. Upon the authorized return of a Prospective

Bidder's Good Faith Deposit, 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 Sale Procedures, during the time the Qualified Bid remains binding and irrevocable under these Sale 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 Sale Procedures and/or the relevant Qualified Bid. In the event that a Qualified Bidder's Good Faith Deposit is deemed forfeited, such Qualified Bidder's Good Faith Deposit shall be released by wire transfer of immediately available funds to an account designated by the Debtors within two (2) business days after receipt of 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 Sale Procedures and the applicable Qualified Bid.

b. Return of Good Faith Deposit. With the exception of the Good Faith Deposits of Successful Bidders and Backup Bidders and any forfeiture of a Good Faith Deposit as described above, any other Qualified Bidder's Good Faith Deposit shall be returned within five (5) business days after the conclusion of the Auction.

c. Backup Bidder. Any Backup Bidder's Good Faith Deposit shall be returned within five (5) business days after the occurrence of the Backup Bid Expiration Date.

d. Successful Bidder. At the closing of a Sale Transaction, the Successful Bidder shall be entitled to a credit against the purchase price for the applicable Assets 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 applicable 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. In the event that a Successful Bidder's Good Faith Deposit is deemed forfeited, such Good Faith Deposit shall be released by wire transfer of immediately available funds to an account designated by the

Debtors within two (2) business days after receipt of written notice by an authorized officer of the Debtors stating that the applicable Successful Bidder has breached or otherwise failed to satisfy its obligations in accordance with these Sale Procedures and the applicable Successful Bid.

VIII. SALE HEARING

Each Successful Bid (including any Backup Bid that is subsequently deemed a Successful Bid) will be subject to approval by the Bankruptcy Court. The hearing to approve any Sale Transaction consummated in accordance with these Sale Procedures (except in the case of a Sale Transaction contemplated by a Backup Bid that subsequently is deemed a Successful Bid) shall take place on [**July 29, 2024, at** [•] **[a.m. / p.m.] (prevailing Eastern Time**) (the "Sale Hearing") before the Honorable [•], United States Bankruptcy Judge, in the United States Bankruptcy Court for the Middle District of Florida.

At the Sale Hearing, the Debtors will seek entry of one or more orders (each, a "Sale Order") approving, among other things, one or more sales of the Assets to the Successful Bidder(s).

Without prejudice to the rights of the Stalking Horse Bidder under the Stalking Horse Agreement, the Debtors may, in their business judgment (after consulting with the Successful Bidder(s)), 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.

At the Sale Hearing, the Debtors will seek entry of an order that, among other things: (i) authorizes and approves the Sale Transaction(s) to the Successful Bidder(s) and/or the Backup Bidder(s); (ii) includes a finding that the Successful Bidder(s) and/or the Backup Bidder(s) is a good faith purchaser pursuant to Section 363(m) of the Bankruptcy Code; and (iii) as appropriate, exempts the Sale Transaction(s) and conveyance(s) of the Assets from any transfer tax, stamp tax or similar tax, or deposit under any applicable bulk sales statute.

IX. RESERVATION OF RIGHTS TO MODIFY SALE PROCEDURES

The Debtors reserve the right to, in their business judgment, in a manner consistent with their fiduciary duties and applicable law, and in consultation with the Stalking Horse Bidder, modify these Sale Procedures, including to, among other things: (a) extend or waive deadlines or other terms and conditions set forth herein; (b) adopt new rules and procedures for conducting the bidding and Auction process; (c) if applicable, provide reasonable accommodations to the Stalking Horse Bidder; or (d) otherwise modify these Sale Procedures to further promote competitive bidding for and maximizing the of value of the Assets; provided, that such extensions, waivers, new rules and procedures, accommodations and modifications (i) do not conflict with and are not inconsistent with the Sale Procedures Order, these Sale Procedures, the Bankruptcy Code or any order of the Bankruptcy Court; and (ii) are promptly communicated to each Qualified Bidder.

X. NOTICING

A. Bid Notice Parties

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

- the Debtors, c/o Red Lobster Management LLC, 450 S. Orange Avenue, Suite 800, Orlando, Florida 32801 (Attn: Jonathan Tibus (jtibus@alvarezandmarsal.com), Nicholas Haughey, (nhaughey@alvarezandmarsal.com));

- counsel for the Debtors, (a) King & Spalding LLP, 1180 Peachtree Street NE, Suite 1600, Atlanta, Georgia 30309 (Attn: W. Austin Jowers, Esq. (ajowers@kslaw.com), Jeffrey R. Dutson, Esq. (jdutson@kslaw.com), Sarah Primrose, Esq. (sprimrose@kslaw.com), and 110 Louisiana Street #4100, Houston, Texas 77002 Michael Fishel, Esq. (mfishel@kslaw.com)), and (b) Berger Singerman LLP, 1450 Brickell Avenue, Suite 1900 Miami, Florida 33131 (Attn: Paul Steven Singerman, Esq. (singerman@bergersingerman.com)); and

- solely to the extent they are not an active or prospective bidder with respect to the relevant Asset(s), counsel for the DIP Agent, (i) Proskauer Rose LLP, One International Place Boston, MA 02110, (Attn: Charles A. Dale, Esq. (cdale@proskauer.com), and Eleven Times Square, New York, New York 10036 (Attn: Megan R. Volin (mvolin@proskauer.com)), and (ii) Trenam Law, 101 East Kennedy Boulevard, Suite 2700, Tampa, Florida 33602 (Attn: Lara Roeske Fernandez (lfernandez@trenam.com)).

B. Sale Notice Parties

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

- counsel to the Stalking Horse Bidder;

- all persons and entities known by the Debtors to have expressed an interest to the Debtors in a Sale Transaction involving any of the Assets during the past 12 months, including any person or entity that has submitted a Bid for any of the Assets;

- 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 Debtors);

- counsel for the DIP Agent, (i) Proskauer Rose LLP, One International Place Boston, MA 02110, (Attn: Charles A. Dale, Esq. (cdale@proskauer.com), and Eleven Times Square, New York, New York 10036 (Attn: Megan R.

Volin (mvolin@proskauer.com)) and (ii) Trenam Law, 101 East Kennedy Boulevard, Suite 2700 Tampa, Florida 33602 (Attn: Lara Roeske Fernandez (lfernandez@trenam.com));

- all relevant non-Debtor parties (each, a "Counterparty") to any Contract that may be assumed or rejected in connection with a Sale Transaction;
- all of the Debtors' known creditors (for whom identifying information and addresses are available to the Debtors);
- any governmental authority known to have a claim against the Debtors in these Chapter 11 Cases;
- the Federal Trade Commission;
- the Bureau of Consumer Protection;
- the Consumer Protection Financial Bureau;
- the office of the U.S. Trustee;
- all applicable federal, state and local taxing authorities, including the Internal Revenue Service;
- the United States Securities and Exchange Commission;
- the United States Attorney's Office for the Middle District of Florida;
- United States Attorney General's Office for the Middle District of Florida;
- the Office of the Attorney General and the Secretary of State in each state in which the Debtors operate;
- counsel for any official committee appointed in these Chapter 11 Cases;
- all of the parties entitled to notice pursuant to Bankruptcy Rule 2002; and
- all other parties as directed by the Court.

C. Sale Notice and Publication Notice

By the later of (i) [**June 21**]**, 2024** and (ii) two (2) business days after entry of the Sale Procedures Order, the Debtors will file with the Court, serve on the Sale Notice Parties and cause to be published on the Claims Agent Website a notice (the "Sale Notice") setting forth (A) a description of the Assets available for sale in accordance with these Sale Procedures, (B) the date, time and location of the Auction and Sale Hearing, and (C) the Sale Objection Deadline and Post-Auction Objection Deadline (each as defined herein) and the procedures for filing such objections.

Within four (4) business days after entry of the Sale Procedures Order, or as soon as reasonably practicable thereafter, the Debtors will cause the information contained in the Sale Notice to be published once in the *Orlando Sentinel* and *The Wall Street Journal* (national edition) (the "Publication Notice").

D. Sale Objections and Post-Auction Objections

Objections to a sale of the Assets, including (i) 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 (ii) entry of any Sale Order shall, by **no later than [July 26], 2024, at [5:00 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"):

- the Debtors, c/o Red Lobster Management LLC, 450 S. Orange Avenue, Suite 800, Orlando, Florida 32801 (Attn: Jonathan Tibus (jtibus@alvarezandmarsal.com); Nicholas Haughey (nhaughey@alvarezandmarsal.com));
- counsel for the Debtors, (a) King & Spalding LLP, 1180 Peachtree Street NE, Suite 1600, Atlanta, Georgia 30309 (Attn: W. Austin Jowers, Esq. (ajowers@kslaw.com); Jeffrey R. Dutson, Esq. (jdutson@kslaw.com); Sarah L. Primrose, Esq. (sprimrose@kslaw.com)); and King & Spalding LLP, 110 Louisiana Street #4100, Houston, Texas 77002 (Attn: Michael Fishel, Esq. (mfishel@kslaw.com)), and (b) Berger Singerman LLP, 1450 Brickell Avenue, Suite 1900 Miami, Florida 33131 (Attn: Paul Steven Singerman, Esq. (singerman@bergersingerman.com)); and;
- counsel for any official committee appointed in these Chapter 11 Cases;
- counsel for the DIP Agent, (i) Proskauer Rose LLP, One International Place Boston, Massachusetts 02110, (Attn: Charles A. Dale, Esq. (cdale@proskauer.com)); and Proskauer Rose LLP, Eleven Times Square, New York, New York 10036 (Attn: Megan R. Volin (mvolin@proskauer.com)); and (ii) Trenam Law, 101 East Kennedy Boulevard, Suite 2700 Tampa, Florida 33602 (Attn: Lara Roeske Fernandez (lfernandez@trenam.com));
- counsel for any relevant Successful Bidder(s); and
- 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 (as defined in the Sale Procedures Order).

XI. CONSULTATION BY THE DEBTORS

Throughout the Sale Transaction process, the Debtors and their advisors will consult with the following parties (collectively, the "Consultation Parties"), as provided in these Sale Procedures, or as is otherwise necessary or appropriate, as determined in the Debtors' business judgment: the legal and financial advisors for any official committee appointed in these Chapter 11 Cases.

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 or prospective bidder for the relevant Asset(s) at the applicable time. If, however, a member of an official committee appointed in these Chapter 11 Cases submits a Qualified Bid for any of 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 Transaction process to the bidding committee member.

For the avoidance of doubt, any consultation rights afforded to the Consultation Parties by these Sale Procedures or the Sale 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 business judgment.

EXHIBIT 2

Stalking Horse Agreement

EXHIBIT 3

Sale Notice

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

IN RE:	Chapter 11 Cases
RED LOBSTER MANAGEMENT LLC,[1]	Case No. 6:24-bk-02486-GER
RED LOBSTER RESTAURANTS LLC,	Case No. 6:24-bk-02487-GER
RLSV, INC.,	Case No. 6:24-bk-02488-GER
RED LOBSTER CANADA, INC.,	Case No. 6:24-bk-02489-GER
RED LOBSTER HOSPITALITY LLC,	Case No. 6:24-bk-02490-GER
RL KANSAS LLC,	Case No. 6:24-bk-02491-GER
RED LOBSTER SOURCING LLC,	Case No. 6:24-bk-02492-GER
RED LOBSTER SUPPLY LLC,	Case No. 6:24-bk-02493-GER
RL COLUMBIA LLC,	Case No. 6:24-bk-02494-GER
RL OF FREDERICK, INC.,	Case No. 6:24-bk-02495-GER
RED LOBSTER OF TEXAS, INC.,	Case No. 6:24-bk-02496-GER
RL MARYLAND, INC.,	Case No. 6:24-bk-02497-GER
RED LOBSTER OF BEL AIR, INC.,	Case No. 6:24-bk-02498-GER
RL SALISBURY, LLC,	Case No. 6:24-bk-02499-GER
RED LOBSTER INTERNATIONAL HOLDINGS LLC,	Case No. 6:24-bk-02500-GER
Debtors.	(Joint Administration Pending)

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NOTICE OF SALE BY AUCTION AND SALE HEARING

PLEASE TAKE NOTICE that on May 19, 2024, the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed the *Motion of the Debtors for Entry of Order (I)(A) Approving Bidding Procedures for Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Enter into Stalking Horse Agreement and to Provide Bidding Protections Thereunder, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, and (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof; (II)(A) Approving the Sale of the Debtors' Assets Free and Clear of Liens, Claims, Interests and Encumbrances and (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III) Granting Related Relief*

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are Red Lobster Management LLC (6889); Red Lobster Sourcing LLC (3075); Red Lobster Supply LLC (9187); RL Kansas LLC (2396); Red Lobster Hospitality LLC (5297); Red Lobster Restaurants LLC (4308); RL Columbia LLC (7825); RL of Frederick, Inc. (9184); RL Salisbury, LLC (7836); RL Maryland, Inc. (7185); Red Lobster of Texas, Inc. (1424); Red Lobster of Bel Air, Inc. (2240); RLSV, Inc. (6180); Red Lobster Canada, Inc. (4569); and Red Lobster International Holdings LLC (4661). The Debtors' principal offices are located at 450 S. Orange Avenue, Suite 800, Orlando, FL 32801.

[Docket No. [•]] (the "Sale Motion")[2] with the United States Bankruptcy Court for the Middle District of Florida (the "Court") seeking, among other things, entry of an order (the "Sale Order") authorizing and approving: (a) the sale of substantially all of the assets of the Debtors' to RL Purchaser LLC, free and clear of liens, claims, encumbrances, and other interests, except as set forth in the Stalking Horse Agreement, or an alternative asset purchase agreement with a Successful Bidder at auction (the "Sale"); and (b) the assumption and assignment of certain executory contracts and unexpired leases (collectively, the "Contracts").

PLEASE TAKE FURTHER NOTICE that the Debtors are soliciting offers for the purchase of the substantially all of the assets of the Debtors consistent with the bidding procedures (the "Sale Procedures") approved by the Court by entry of an order on [•] [•], 2024 [Docket No. [•]] (the "Sale Procedures Order"). **All interested bidders should carefully read the Sale Procedures and Sale Procedures Order.** To the extent that there are any inconsistencies between this notice and the Sale Procedures or Sale Procedures Order, the Sale Procedures or Sale Procedures Order, as applicable, shall govern in all respects.

PLEASE TAKE FURTHER NOTICE that, if the Debtors receive qualified competing bids within the requirements and time frame specified by the Sale Procedures, the Debtors will conduct an auction (the "Auction") of the Assets **on [July 23], 2024 at 10:00 a.m. (prevailing Eastern Time)** at the offices of 1180 Peachtree St. NE, Suite 1600, Atlanta, GA 30309 (or at any other location or electronically as the Debtors may hereafter designate on proper notice).

PLEASE TAKE FURTHER NOTICE that the Debtors will seek approval of the Sale at a hearing scheduled to commence on or before **[July 29], 2024, at [●]:00 [a.m./p.m.] (prevailing Eastern Time)** (the "Sale Hearing") before the Honorable [•], United States Bankruptcy Judge for the Bankruptcy Court for the Middle District of Florida, 400 W. Washington Street Suite 5100 Orlando, Florida 32801.

PLEASE TAKE FURTHER NOTICE that, except as otherwise set forth in the Sale Procedures Order with respect to any objections to proposed cure amounts or the assumption and assignment of Contracts, objections to the relief requested in the Sale Motion ***must***: (a) be in writing; (b) conform to the applicable provisions of the Bankruptcy Rules and the Local Rules; (c) state with particularity the legal and factual bases for the objection and the specific grounds therefor; and (d) be filed with the Court and served so as to be ***actually received*** **within fourteen (14) days of service of the issuance of the notice** by the following parties:

Counsel to the Debtors	Co-Counsel to the Debtors
King & Spalding LLP 1180 Peachtree Street NE, Suite 1600 Atlanta, Georgia 30309 Attn: W. Austin Jowers Jeffrey R. Dutson Michael Fishel Sarah L. Primrose	Berger Singerman LLP 1450 Brickell Avenue, Suite 1900 Miami, Florida 33131 Attn: Paul Steven Singerman Email: singerman@bergersingerman.com

[2] Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Sale Motion or Sale Procedures Order, as applicable.

Email: ajowers@kslaw.com jdutson@kslaw.com sprimrose@kslaw.com King & Spalding LLP 110 Louisiana Street #4100 Houston, Texas 77002 Attn.: Michael Fishel Email: mfishel@kslaw.com	
Counsel to the Committee	**The United States Trustee**
[●]	Office of the United States Trustee for the Middle District of Florida 400 West Washington Street, Suite 1100 Orlando, Florida 32801 Attn.: [Scott E. Bomkamp, Esq.] [scott.e.bomkamp@usdoj.gov]
Counsel to the Stalking Horse Bidder	**Co-Counsel to the Stalking Horse Bidder**
Proskauer Rose LLP One International Place Boston, Massachusetts 02110-2600 Attn.: Charles A. Dale Michael M. Mezzacappa Email: cdale@proskauer.com mmezzacappa@proskauer.com	Trenam Law 101 East Kennedy Boulevard, Suite 2700 Tampa, Florida 33602 Attn: Lara Roeske Fernandez Email: lfernandez@trenam.com

CONSEQUENCES OF FAILING TO TIMELY MAKE AN OBJECTION

ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO THE SALE ON OR BEFORE THE SALE OBJECTION DEADLINE IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, EXCEPT AS SET FORTH IN THE APPLICABLE PURCHASE AGREEMENT.

PLEASE TAKE FURTHER NOTICE that copies of the Sale Motion, Sale Procedures, and Sale Procedures Order, as well as all related exhibits, including the Stalking Horse Agreement, is available: (a) free of charge upon request to Epiq (the notice and claims agent retained in these Chapter 11 Cases) by calling 888-754-0507 toll free in the United States and 971-257-5614 outside of the United States; (b) by visiting the website maintained in these Chapter 11 Cases at https://dm.epiqglobal.com/redlobster; or (c) for a fee via PACER by visiting http://www.flmb.uscourts.gov.

PLEASE TAKE FURTHER NOTICE that you may obtain additional information concerning the above-captioned Chapter 11 Cases at the website maintained in these Chapter 11 Cases at https://dm.epiqglobal.com/redlobster.

Dated: May 19, 2024

Respectfully submitted,

/s/ Paul Steven Singerman

Paul Steven Singerman
Florida Bar No. 378860
BERGER SINGERMAN LLP
1450 Brickell Avenue, Suite 1900
Miami, FL 33131
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- and –

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Email: nvilmos@bergersingerman.com

Filer's Attestation: Pursuant to Local Rule 1001-2(g)(3) regarding signatures, Paul Steven Singerman attests that concurrence in the filing of this paper has been obtained.

W. Austin Jowers (*pro hac vice* pending)
Jeffrey R. Dutson (*pro hac vice* pending)
Sarah Primrose (Bar No. 98742)
Christopher K. Coleman (*pro hac vice* pending)
Brooke L. Bean (*pro hac vice* pending)
Taeyeong Kim (*pro hac vice* pending)
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– and –

Michael Fishel (*pro hac vice* pending)
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Email: mfishel@kslaw.com

Proposed Counsel for Debtors and Debtors-in-Possession

EXHIBIT 4

Assumption and Assignment Notice

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

IN RE:	Chapter 11 Cases
RED LOBSTER MANAGEMENT LLC,[1]	Case No. 6:24-bk-02486-GER
RED LOBSTER RESTAURANTS LLC,	Case No. 6:24-bk-02487-GER
RLSV, INC.,	Case No. 6:24-bk-02488-GER
RED LOBSTER CANADA, INC.,	Case No. 6:24-bk-02489-GER
RED LOBSTER HOSPITALITY LLC,	Case No. 6:24-bk-02490-GER
RL KANSAS LLC,	Case No. 6:24-bk-02491-GER
RED LOBSTER SOURCING LLC,	Case No. 6:24-bk-02492-GER
RED LOBSTER SUPPLY LLC,	Case No. 6:24-bk-02493-GER
RL COLUMBIA LLC,	Case No. 6:24-bk-02494-GER
RL OF FREDERICK, INC.,	Case No. 6:24-bk-02495-GER
RED LOBSTER OF TEXAS, INC.,	Case No. 6:24-bk-02496-GER
RL MARYLAND, INC.,	Case No. 6:24-bk-02497-GER
RED LOBSTER OF BEL AIR, INC.,	Case No. 6:24-bk-02498-GER
RL SALISBURY, LLC,	Case No. 6:24-bk-02499-GER
RED LOBSTER INTERNATIONAL HOLDINGS LLC,	Case No. 6:24-bk-02500-GER
Debtors.	(Joint Administration Pending)

_____/

NOTICE TO CONTRACT PARTIES TO POTENTIALLY ASSUMED EXECUTORY CONTRACTS AND UNEXPIRED LEASES

YOU ARE RECEIVING THIS NOTICE BECAUSE YOU OR ONE OF YOUR AFFILIATES IS A COUNTERPARTY TO AN EXECUTORY CONTRACT OR UNEXPIRED LEASE WITH ONE OR MORE OF THE DEBTORS AS SET FORTH ON EXHIBIT A ATTACHED HERETO.

PLEASE TAKE NOTICE that on [•] [•], 2024, the United States Bankruptcy Court for the Middle District of Florida (the "Court") entered the *Order (I) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (II) Authorizing the Debtors to Enter into Stalking Horse Agreement and to Provide Bidding Protections Thereunder, (III) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (IV) Approving 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 Red Lobster Management LLC (6889); Red Lobster Sourcing LLC (3075); Red Lobster Supply LLC (9187); RL Kansas LLC (2396); Red Lobster Hospitality LLC (5297); Red Lobster Restaurants LLC (4308); RL Columbia LLC (7825); RL of Frederick, Inc. (9184); RL Salisbury, LLC (7836); RL Maryland, Inc. (7185); Red Lobster of Texas, Inc. (1424); Red Lobster of Bel Air, Inc. (2240); RLSV, Inc. (6180); Red Lobster Canada, Inc. (4569); and Red Lobster International Holdings LLC (4661). The Debtors' principal offices are located at 450 S. Orange Avenue, Suite 800, Orlando, FL 32801.

Assignment Procedures, (V) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof and (VI) Granting Related Relief [Docket No. [•]] (the "Sale Procedures Order"),[2] authorizing the Debtors to conduct an auction (the "Auction") to select the party to purchase the Debtors' assets. The Auction will be governed by the bidding procedures approved pursuant to the Sale Procedures Order (attached to the Sale Procedures Order as **Exhibit 2**, the "Sale Procedures").

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Procedures and the terms of any Successful Bid, the Debtors **may** assume and assign to the Successful Bidder the contract or agreement listed on **Exhibit A** to which you are a counterparty, upon approval of the Sale. The Debtors have conducted a review of their books and records and have determined that the cure amount for unpaid monetary obligations under such Assigned Contracts is as set forth on **Exhibit A** attached hereto (the "Cure Amounts").

PLEASE TAKE FURTHER NOTICE that if you disagree with the proposed Cure Amounts, object to a proposed assignment to the Successful Bidder of any Assigned Contract, or object to the ability of the Successful Bidder to provide adequate assurance of future performance with respect to any Assigned Contract, your objection must: (i) be in writing; (ii) comply with the applicable provisions of the Bankruptcy Rules, Local Bankruptcy Rules, and any order governing the administration of these chapter 11 cases; (iii) state with specificity the nature of the objection and, if the objection pertains to the proposed Cure Amounts, state the correct cure amount alleged to be owed to the objecting Contract Counterparty, together with any applicable and appropriate documentation in support thereof; and (iv) be filed with the Court and served and **actually received no later than fourteen (14) days after receipt of the applicable Cure Amount** (the "Contract Objection Deadline") by the Court and the following parties: (i) proposed counsel to the Debtors, (a) King & Spalding LLP, 1180 Peachtree Street NE, Suite 1600 Atlanta, Georgia 30309 (Attn: W. Austin Jowers, Esq. (ajowers@kslaw.com); Jeffrey R. Dutson, Esq. (jdutson@kslaw.com); Sarah Primrose, Esq. (sprimrose@kslaw.com); and King & Spalding LLP, 110 Louisiana Street #4100, Houston, Texas 77002 Michael Fishel, Esq. (mfishel@kslaw.com)); and (b) Berger Singerman LLP, 1450 Brickell Avenue, Suite 1900 Miami, Florida 33131 (Attn: Paul Steven Singerman, Esq. (singerman@bergersingerman.com)); and (iii) the Debtors' proposed investment banker, Hilco Corporate Finance, LLC, 401 N. Michigan Suite 1630, Chicago, Illinois 60611 Attn: Teri Stratton (tstratton@hilcocf.com).

PLEASE TAKE FURTHER NOTICE that if no objection to (a) the Cure Amounts(s), (b) the proposed assignment and assumption of any Assigned Contract, or (c) adequate assurance of the Successful Bidder's ability to perform is filed by the Contract Objection Deadline, then (i) you will be deemed to have stipulated that the Cure Amounts as determined by the Debtors are correct, (ii) you will be forever barred, estopped, and enjoined from asserting any additional cure amount under the proposed Assigned Contract, and (iii) you will be forever barred, estopped, and enjoined from objecting to such proposed assignment to the Successful Bidder on the grounds that the Successful Bidder has not provided adequate assurance of future performance as of the closing date of the Sale.

[2] All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Sale Procedures Order or the Sale Motion, as applicable.

PLEASE TAKE FURTHER NOTICE that any objection to the proposed assumption and assignment of an Assigned Contract or related Cure Amounts in connection with the Successful Bid that otherwise complies with these procedures yet remains unresolved as of the commencement of the Sale Hearing, shall be heard at a later date as may be fixed by the Court.

PLEASE THAT FURTHER NOTICE that, notwithstanding anything herein, the mere listing of any Assigned Contract on the Cure Notice does not require or guarantee that such Assigned Contract will be assumed by the Debtors at any time or assumed and assigned, and all rights of the Debtors and the Successful Bidder with respect to such Executory Contracts and/or Unexpired Leases are reserved. Moreover, the Debtors explicitly reserve their rights, in their reasonable discretion, to seek to reject or assume each Assigned Contract pursuant to Section 365(a) of the Bankruptcy Code and in accordance with the procedures allowing the Debtors and/or the Successful Bidder, as applicable, to designate any Assigned Contract as either rejected or assumed on a post-closing basis.

PLEASE TAKE FURTHER NOTICE that, nothing herein (i) alters in any way the prepetition nature of the Assigned Contracts or the validity, priority, or amount of any claims of a counterparty to any Assigned Contract against the Debtors that may arise under such Assigned Contract, (ii) creates a postpetition contract or agreement, or (iii) elevates to administrative expense priority any claims of a counterparty to any Assigned Contract against the Debtors that may arise under such Assigned Contract.

PLEASE TAKE FURTHER NOTICE that you may obtain additional information concerning the above-captioned Chapter 11 Cases at the website maintained in these Chapter 11 Cases at https://dm.epiqglobal.com/redlobster.

[*Remainder of page intentionally left blank*]

Dated: May 19, 2024

Respectfully submitted,

/s/ Paul Steven Singerman

Paul Steven Singerman
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Telephone: (305) 755-9500
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- and –

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Filer's Attestation: Pursuant to Local Rule 1001-2(g)(3) regarding signatures, Paul Steven Singerman attests that concurrence in the filing of this paper has been obtained.

W. Austin Jowers (*pro hac vice* pending)
Jeffrey R. Dutson (*pro hac vice* pending)
Sarah Primrose (Bar No. 98742)
Christopher K. Coleman (*pro hac vice* pending)
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– and –

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Proposed Counsel for Debtors and Debtors-in-Possession

This is **Exhibit "B"** referred to in the

Affidavit of Jonathan Tibus

sworn before me by video conference
this 11th day of June, 2024

A Commissioner, etc.

Jake Harris, LSO #85481T

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

IN RE:	Chapter 11 Cases
RED LOBSTER MANAGEMENT LLC,[1]	Case No. 6:24-bk-_____
RED LOBSTER RESTAURANTS LLC,	Case No. 6:24-bk-_____
RLSV, INC.,	Case No. 6:24-bk-_____
RED LOBSTER CANADA, INC.	Case No. 6:24-bk-_____
RED LOBSTER HOSPITALITY LLC	Case No. 6:24-bk-_____
RL KANSAS LLC	Case No. 6:24-bk-_____
RED LOBSTER SOURCING LLC	Case No. 6:24-bk-_____
RED LOBSTER SUPPLY LLC	Case No. 6:24-bk-_____
RL COLUMBIA LLC	Case No. 6:24-bk-_____
RL OF FREDERICK, INC.	Case No. 6:24-bk-_____
RED LOBSTER OF TEXAS, INC.	Case No. 6:24-bk-_____
RL MARYLAND, INC.	Case No. 6:24-bk-_____
RED LOBSTER OF BEL AIR, INC.	Case No. 6:24-bk-_____
RL SALISBURY, LLC,	Case No. 6:24-bk-_____
RED LOBSTER INTERNATIONAL HOLDINGS LLC,	Case No. 6:24-bk-_____
Debtors.	(Joint Administration Pending)

_____/

INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO OBTAIN POSTPETITION FINANCING, (II) AUTHORIZING THE DEBTORS TO USE CASH COLLATERAL ON A LIMITED BASIS, (III) GRANTING LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE STATUS, (IV) GRANTING ADEQUATE PROTECTION, (V) MODIFYING THE AUTOMATIC STAY, (VI) SCHEDULING A FINAL HEARING, AND (VII) GRANTING RELATED RELIEF

Upon the motion, dated May 19, 2024 (the "Motion") of Red Lobster Management LLC ("RLM") and its affiliated debtors-in-possession (collectively, the "Debtors") in the above-captioned chapter 11 cases (collectively, the "Chapter 11 Cases"), seeking entry of an interim order

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are Red Lobster Management LLC (6889); Red Lobster Sourcing LLC (3075); Red Lobster Supply LLC (9187); RL Kansas LLC (2396); Red Lobster Hospitality LLC (5297); Red Lobster Restaurants LLC (4308); RL Columbia LLC (7825); RL of Frederick, Inc. (9184); RL Salisbury, LLC (7836); RL Maryland, Inc. (7185); Red Lobster of Texas, Inc. (1424); Red Lobster of Bel Air, Inc. (2240); RLSV, Inc. (6180); Red Lobster Canada, Inc. (4569); and Red Lobster International Holdings LLC (4661). The Debtors' principal offices are located at 450 S. Orange Avenue, Suite 800, Orlando, FL 32801.

(this "Interim Order")[2] and a Final Order (as defined herein) pursuant to sections 105, 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d), 364(e), 503, 507, and 552 of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 2081-1(g)(1) and 2018-1(g)(2) of the Local Rules of Bankruptcy Procedure (the "Local Rules") for the United States Bankruptcy Court for the Middle District of Florida (the "Court"), *inter alia*:

(i) authorizing the Debtors to obtain senior secured postpetition financing on a superpriority basis (the "DIP Facility") consisting of (a) a new money multiple draw term loan facility in the aggregate principal amount of $100.00 million (the "DIP Term Loan Commitments" and the loans pursuant thereto, the "DIP Term Loans") consisting of (1) $40.00 million in the form of an Interim DIP Term Loan to be made available to the Debtors in a single draw upon entry of the Interim Order (the "Interim Amount"), and (2) an additional $60.00 million in the form of a Final DIP Term Loan to be made available in up to two additional draws upon entry of the Final Order (the "Final Amount" and, together with the Interim Amount, the "New Money Amount"), and (b) a roll-up of certain Prepetition Obligations (as defined below) of the Roll-Up Amount (as defined below) on a cashless dollar-for-dollar basis into DIP Term Loans under the DIP Facility, in each case, pursuant to the terms and conditions of this Interim Order, the Final Order, the Approved Budget (as defined below), and that certain *Secured Superpriority Debtor-In-Possession Financing Agreement* attached hereto as **Exhibit A** (as the same may be amended, restated, supplemented, or otherwise modified from time to time, the "DIP Credit Agreement"), by and among RLM, as borrower, each affiliate of RLM that is a guarantor thereunder, Fortress Credit

[2] Capitalized terms used in this Interim Order but not defined herein shall have the meanings given to them in the DIP Credit Agreement (as defined below) or the Motion, as applicable.

Corp., as administrative agent and collateral agent (in such capacities, the "DIP Agent"), and the lenders party thereto from time to time (the "DIP Lenders," and together with the DIP Agent, the "DIP Secured Parties");

(ii) approving the terms of and authorizing the Debtors party thereto to execute and deliver the DIP Credit Agreement and any other agreements, instruments, and documents related or in connection thereto (the "DIP Documents"), which shall be on terms consistent with the terms set forth in the DIP Credit Agreement and otherwise in form and substance acceptable to the Required Lenders (as that term is defined in the DIP Credit Agreement) (or as otherwise provided in the DIP Documents) to perform such other acts as may be necessary or desirable in connection with the DIP Documents;

(iii) authorizing the Debtors to enter into the DIP Credit Agreement and to incur all obligations under the DIP Documents to the DIP Secured Parties, including the Roll-Up Obligations (as defined below) (collectively, the "DIP Obligations"), and granting the DIP Agent and DIP Lenders allowed superpriority administrative expense claim status in each of the Chapter 11 Cases and any Successor Cases (as defined below), subject to the Carve-Out (as defined below) and the Administration Charge as against the Canadian Collateral;

(iv) subject to the terms of this Interim Order, granting to the DIP Agent (on behalf of the DIP Secured Parties) automatically perfected security interests in and priming liens on all of the DIP Collateral (as defined below), including, without limitation, all property constituting "cash collateral" as such term is defined in section 363(a) of the Bankruptcy Code, (including, without limitation, all cash and cash equivalents and other amounts from time to time on deposit or maintained by the Debtors in any deposit or securities account or accounts as of the Petition Date)

or any cash or cash equivalents received by the Debtors after the Petition Date as proceeds of the Prepetition Collateral (together, "Cash Collateral");

(v) authorizing the Debtors to use proceeds of the DIP Facility and Cash Collateral to: (a) provide financing for working capital and other general corporate purposes, including for bankruptcy-related costs and expenses, all to the extent provided in, and in accordance with, the Approved Budget, this Interim Order, and the DIP Documents; (b) make permitted adequate protection payments as specified below; (c) pay the principal, interest, fees, expenses, and other amounts payable and reimbursable under the DIP Documents or this Interim Order as such become due, including, without limitation, origination and transaction fees and the fees and disbursements of the DIP Professionals (as defined below), (d) provide Cash Collateral as set forth herein with respect to the Prepetition ABL Obligations, and (e) any other purposes agreed upon in the DIP Documents, in each case solely in accordance with the Approved Budget, this Interim Order, and the DIP Documents;

(vi) authorizing the Debtors to use the Prepetition Collateral (as defined below), including the Cash Collateral on an interim basis in accordance with both the Approved Budget and the DIP Documents, and providing, among other things, adequate protection to the Prepetition Secured Parties (as defined below) for any Diminution (as defined below) of their interests in the Prepetition Collateral, including the Cash Collateral;

(vii) authorizing the Debtors to consummate the Payoff Transactions contemplated by the Payoff Letter, and perform all such other and further acts as may be required in connection with the Payoff Letter, including, without limitation, to use proceeds of the DIP Facility to cash collateralize the Wells Fargo Letters of Credit, the Bank Product Obligations (as defined in the Payoff Letter), and the other Surviving Obligations (as defined in the Payoff Letter);

(viii) modifying the automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of the DIP Documents and this Interim Order;

(ix) authorizing the DIP Agent, at the direction of the Required Lenders, upon the occurrence of an Event of Default (as defined below): to (1) terminate the funding obligations under the DIP Documents in accordance with their terms; (2) declare the DIP Obligations to be immediately due and payable in full, to the extent permitted by the terms thereof; and (3) subject to this Interim Order, be granted relief from the automatic stay to foreclose on the DIP Liens and DIP Collateral;

(x) approving of certain stipulations in paragraph G of this Interim Order by the Debtors with respect to the Prepetition Loan Documents and the liens and security interests arising therefrom subject to the Challenge Period described in paragraph 46 hereof;

(xi) authorizing payment of the DIP Fees (as defined below);

(xii) waiving any applicable stay (including under Bankruptcy Rule 6004) with respect to the effectiveness and enforceability of this Interim Order and providing for the immediate effectiveness of this Interim Order; and

(xiii) scheduling a final hearing (the "Final Hearing") to consider the relief requested in the Motion and approving the form of notice with respect to the Final Hearing.

The Court having considered the Motion, the exhibits attached thereto, the *Declaration of Jonathan Tibus in Support of Debtors' Chapter 11 Petitions and First-Day Pleadings* (the "First Day Declaration"), the *Declaration of Nicholas Haughey in Support of Motion of the Debtors and Debtors in Possession, Pursuant to Sections 105, 361, 362, 363, 364 and 507 of the Bankruptcy Code, Bankruptcy Rule 4001 and Local Rule 4001-2, for Interim and Final Orders (I) Authorizing*

Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Scheduling Final Hearing and (IV) Granting Related Relief (the "Haughey Declaration"), attached to the Motion as Exhibit E, the *Declaration of Teri Stratton in Support of Motion of the Debtors and Debtors in Possession, Pursuant to Sections 105, 361, 362, 363, 364 and 507 of the Bankruptcy Code, Bankruptcy Rule 4001 and Local Rule 4001-2, for Interim and Final Orders (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Adequate Protection to Prepetition Secured Parties, (III) Scheduling Final Hearing and (IV) Granting Related Relief* (the "Stratton Declaration"), attached to the Motion as Exhibit F, the DIP Credit Agreement, and any other DIP Documents, and the evidence submitted and argument made at the interim hearing (the "Interim Hearing"); and notice of the Interim Hearing having been provided in accordance with Bankruptcy Rules 2002, 4001(b), (c) and (d), and all applicable Local Rules; and the Interim Hearing having been held and concluded; and all objections, if any, to the interim relief requested in the Motion having been withdrawn, resolved or overruled by the Court; and it appearing that approval of the interim relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates (the "Estates") pending the Final Hearing, and otherwise is fair and reasonable and in the best interests of the Debtors, their Estates and all parties-in-interest, and is essential for the continued operation of the Debtors' business and the preservation of the value of the Debtors' assets; and the 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 Debtors' entry into the DIP Documents is a sound and prudent exercise of the Debtors' business judgment; and after due deliberation and consideration, and good and sufficient cause appearing therefor;

Based upon the record established at the interim hearing, the Court makes the following findings of fact and conclusions of law:[3]

A. Disposition. The relief requested in the Motion is granted on an interim basis in accordance with the terms of this Interim Order. Any objections to the Motion with respect to the entry of this Interim Order that have not been withdrawn, waived or settled, and all reservations of rights included therein, are hereby denied and overruled on the merits. This Interim Order shall become effective immediately upon its entry and any applicable stay (including under Bankruptcy Rule 6004) is waived to permit such effectiveness.

B. Petition Date. On May 19, 2024 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the Court.

C. Debtors in Possession. The Debtors are operating their businesses and properties as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. As of the date hereof, no trustee or examiner has been appointed.

D. Jurisdiction and Venue. This Court has jurisdiction over the Chapter 11 Cases, the Motion and the parties and property affected hereby pursuant to 28 U.S.C. § 1334. Consideration of the Motion constitutes a core proceeding pursuant to 28 U.S.C. § 157(b)(2). This Court may enter a final order consistent with Article III of the United States Constitution. Venue for the Chapter 11 Cases and the 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 are sections 105, 361, 362, 363, 364, 507 and 552 of the Bankruptcy Code, Bankruptcy Rules 2002, 4001, 6004, and 9014, and the Local Rules.

[3] The findings and conclusions set forth herein constitute the 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.

E. Committee. As of the date hereof, no statutory committee has been appointed in these Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code (a "Committee").

F. Notice. Upon the record presented to the Court at the Interim Hearing, and under the exigent circumstances set forth therein, notice of the Motion and the relief requested thereby and this Interim Order has been provided in accordance with Bankruptcy Rules 4001(b) and 4001(c)(1) to: (a) the Office of the U.S. Trustee for the Middle District of Florida (the "U.S. Trustee"); (b) entities listed as holding the 30 largest unsecured claims against the Debtors (on a consolidated basis); (c) counsel to the DIP Agent, (i) Proskauer Rose LLP, One International Place, Boston, MA, Attn: Charles A. Dale and Eleven Times Square, New York, NY 10036, Attn: Megan R. Volin and Dylan J. Marker, and (ii) Trenam, Kemker, Scharf, Barkin, Frye, O'Neill and Mullis, P.A., 101 E Kennedy Boulevard, Suite 2700, Tampa, FL 33602, Attn: Lara Roeske Fernandez, (d) the United States Attorney's Office for the Middle District of Florida; (e) the Internal Revenue Service; (f) the state attorneys general for states in which the Debtors conduct business; (g) counsel to Prepetition ABL Agent, (i) Goldberg Kohn Ltd., 55 E. Monroe Street, Suite 3300, Chicago, IL 60603, Attn: Randall L. Klein, and (ii) Burr & Forman LLP, 200 South Orange Avenue, Suite 800, Orlando, FL 32801, Attn: Eric S. Golden; and (h) any party that has requested notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties"), which notice was appropriate under the circumstances and sufficient for the Motion. No further notice of, or hearing regarding, the entry of this Interim Order and the relief set forth therein is necessary or required. The interim relief granted herein is necessary to avoid immediate and irreparable harm to the Debtors and their Estates pending a Final Hearing.

G. Debtors' Stipulations. Subject to paragraph 46 hereof: (i) each stipulation, admission, and agreement contained in this Interim Order, including, without limitation, the

Debtors' Stipulations, shall be binding upon the Debtors, their Estates, and any successors thereto (including, without limitation, any chapter 7 or chapter 11 trustee appointed or elected for any of the Debtors) under all circumstances and for all purposes, and (ii) the Debtors are deemed to have irrevocably waived and relinquished all Challenges (as defined herein) as of the Petition Date. Without prejudice to the rights of parties in interest as set forth in paragraph 46 herein, the Debtors, in requesting the DIP Facility, and in exchange for and as a material inducement to the DIP Secured Parties to provide the DIP Facility, on their own behalf and on behalf of their Estates and all representatives of such Estates, admit, stipulate, acknowledge, and agree as follows (paragraphs G(i) through G(v) below are referred to, collectively, as the "Debtors' Stipulations"):

(i) *Prepetition Term Loan Facility*. Pursuant to that certain Financing Agreement, dated as of January 22, 2021 (as previously amended, restated, supplemented or otherwise modified, the "Prepetition Credit Agreement", and collectively with all other agreements, instruments and documents executed or delivered in connection therewith or otherwise evidencing or securing any Prepetition Term Loan Obligations, each as may be amended, restated, supplemented, or otherwise modified from time to time, the "Prepetition Term Loan Documents"), by and among (a) RLM, as the borrower, (b) the other Debtors, as guarantors, (c) the other borrowers and guarantors party thereto from time to time, (d) Fortress Credit Corp., as administrative agent and collateral agent (in such capacity, together with any successor thereto, the "Prepetition Term Loan Agent"), and (e) the lenders party thereto from time to time (the "Prepetition Term Loan Lenders," and together with the Prepetition Term Loan Agent, collectively, the "Prepetition Term Loan Parties"), the Prepetition Term Loan Lenders provided secured term loans to the Debtors (the "Prepetition Term Loan Facility").

(ii) *Prepetition Term Loan Obligations*. As of the Petition Date, the Debtors were indebted and jointly and severally liable to the Prepetition Term Loan Parties in the aggregate principal amount outstanding under the Prepetition Term Loan Facility of $[__] (together with accrued and unpaid interest, any fees, expenses and disbursements (including, without limitation, any accrued and unpaid attorneys' fees, accountants' fees, appraisers' fees and financial advisors' fees, and related expenses and disbursements), indemnification obligations, and other charges, amounts and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, accruing, due, owing, or chargeable in respect of any of the Debtors' obligations in connection with the Prepetition

Term Loan Facility pursuant to the Prepetition Term Loan Documents, the "Prepetition Term Loan Obligations").

(iii) *Prepetition ABL Facility*. Pursuant to that certain Credit Agreement, dated as of January 22, 2021 (as previously amended, restated, supplemented or otherwise modified, the "Prepetition ABL Credit Agreement", and collectively with all other agreements, instruments and documents executed or delivered in connection therewith or otherwise evidencing or securing any Prepetition ABL Obligations, each as may be amended, restated, supplemented, or otherwise modified from time to time, the "Prepetition ABL Loan Documents", and together with the Prepetition Term Loan Documents, the "Prepetition Loan Documents"), by and among (a) RLM, as the borrower, (b) Red Lobster Intermediate Holdings LLC, (c) the other borrowers party thereto from time to time, (d) Wells Fargo Bank, National Association, as administrative agent for each member of the lender group and the Bank Product Providers (in such capacity, together with its successors and assigns in such capacity, the "Prepetition ABL Agent", and together with the Prepetition Term Loan Agent, the "Prepetition Agents"), and (e) the lenders party thereto from time to time (the "Prepetition ABL Lenders", and together with the Prepetition ABL Agent, the Issuing Lenders, and the Bank Product Providers (each as defined in the Prepetition ABL Credit Agreement), collectively, the "Prepetition ABL Parties" and together with the Prepetition Term Loan Parties, the "Prepetition Secured Parties"), the Prepetition ABL Lenders provided secured revolving loans to, and issued certain letters of credit in favor of, the Debtors (the "Prepetition ABL Facility", and together with the Prepetition Term Loan Facility, the "Prepetition Facilities").

(iv) *Prepetition ABL Obligations*. As of the Petition Date, the Debtors were indebted and jointly and severally liable to the Prepetition ABL Parties in the aggregate principal amount outstanding under the Prepetition ABL Facility of at least $29,276,399 (together with accrued and unpaid interest, any fees, expenses and disbursements (including, without limitation, any accrued and unpaid attorneys' fees, accountants' fees, appraisers' fees and financial advisors' fees, and related expenses and disbursements), indemnification obligations, and other charges, amounts and costs of whatever nature owing, whether or not contingent, whenever arising, accrued, accruing, due, owing, or chargeable in respect of any of the Debtors' obligations in connection with the Prepetition ABL Facility pursuant to the Prepetition ABL Loan Documents, the "Prepetition ABL Obligations", and together with the Prepetition Term Loan Obligations, the "Prepetition Obligations"). For the avoidance of doubt, as of the Petition Date, the Revolver Commitment (as defined in the Prepetition ABL Credit Agreement) has been reduced to $0 and no revolving loans made thereunder are outstanding. Under the Prepetition ABL Credit Agreement, Wells Fargo Bank, National Association ("Wells Fargo"), in its capacity as an Issuing Bank (the "L/C Issuer"), issued letters of credit in the face amount of $29.2 million (the "Letters of Credit"). RLM entered into that certain WellsOne

Commercial Card Agreement, dated on or around August 8, 2017 (as amended, restated, or otherwise modified from time to time, the "Card Agreement") (as amended, restated, or otherwise modified from time to time, the "Card Agreement"), with Wells Fargo, National Association ("Wells Fargo"), pursuant to which Wells Fargo issued to RLM credit cards (including commercial cards (including so-called "purchase cards", "procurement cards" or "p-cards")) and provided other treasury management services. The obligations under the Card Agreement, which has a total credit limit of $1.0 million, are "Bank Product Obligations" under the Prepetition ABL Credit Agreement. The Letters of Credit and Bank Product Obligations are secured by funds on deposit in one or more cash collateral accounts held in the name of RLM at Wells Fargo into which such cash collateral may be transferred and held by Wells Fargo.

(v) *Prepetition Liens and Prepetition Collateral.* As more fully set forth in the Prepetition Loan Documents, prior to the Petition Date, to secure the Prepetition Obligations, the Debtors granted: (a) to the Prepetition Term Loan Agent for the benefit of the Prepetition Term Loan Parties and as security for the Prepetition Term Loan Obligations (the "Prepetition Term Loan Liens") security interests in and continuing liens as follows: (1) a first priority security interest in and continuing lien on the Term Loan Priority Collateral (as defined in the Intercreditor Agreement), and (2) a second priority security interest in and continuing lien on the ABL Priority Collateral (as defined in the Intercreditor Agreement); and (b) to the Prepetition ABL Agent for the benefit of the Prepetition ABL Lenders and as security for the Prepetition ABL Obligations (the "Prepetition ABL Liens" and, together with the Prepetition Term Loan Liens, the "Prepetition Liens"), security interests in and continuing liens as follows: (1) a first priority security interest in and continuing lien on the ABL Priority Collateral (as defined in the Intercreditor Agreement), and (2) a second priority security interest in and continuing lien on the Term Loan Priority Collateral (as defined in the Intercreditor Agreement), in each case subject to the Intercreditor Agreement.

(vi) *Validity, Extent, Perfection and Priority of Prepetition Liens and Prepetition Obligations.* As of the Petition Date: (a) the Prepetition Liens on all of the Debtors' right, title and interest in substantially all of their assets (the "Prepetition Collateral") were valid, binding, enforceable, non-avoidable, and properly perfected and were granted to, or for the benefit of, the Prepetition Secured Parties for fair consideration and reasonably equivalent value; (b) the Prepetition Liens were senior in priority over any and all other liens on the Prepetition Collateral, subject only to certain liens senior by operation of law and otherwise permitted by the Prepetition Loan Documents (solely to the extent any such permitted liens (1) were in existence on the Petition Date, (2) are valid, unavoidable and properly perfected as the Petition Date or perfected after the Petition Date as permitted by section 546(b) of the Bankruptcy Code, (3) are senior in priority to the Prepetition Obligations, (4) are permitted to be incurred under the Prepetition Loan Documents, and (5) are expressly identified on a schedule to the DIP Documents, the "Prepetition Permitted Liens"); (c) the

Prepetition Obligations constitute legal, valid, binding, and non-avoidable obligations of the Prepetition Secured Parties enforceable in accordance with the terms of the applicable Prepetition Loan Documents; (d) no offsets, recoupments, challenges, objections, defenses, claims, or counterclaims of any kind or nature, whether arising at law or in equity, to any of the Prepetition Liens or Prepetition Obligations exist, and no portion of the Prepetition Liens or Prepetition Obligations is subject to any challenge or defense including, without limitation, avoidance, disallowance, disgorgement, recharacterization, or subordination (equitable or otherwise) pursuant to the Bankruptcy Code or applicable non-bankruptcy law; (e) the Debtors and their Estates have no claims, objections, challenges, causes of action, and/or choses in action, including without limitation, avoidance claims under chapter 5 of the Bankruptcy Code or applicable state law equivalents or actions for recovery or disgorgement, against any of the Prepetition Secured Parties or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, consultants, directors, and employees arising out of, based upon or related to the Prepetition Facilities; (f) the Debtors have waived, discharged, and released any right to, and are forever barred from bringing any, Challenge (as defined below) to any of the Prepetition Obligations, the priority of the Prepetition Secured Parties' obligations thereunder, and the legality, validity, extent, and priority of the Prepetition Liens; (g) the Prepetition Obligations constitute allowed, secured claims within the meaning of sections 502 and 506 of the Bankruptcy Code; and (h) all or substantially all of the Debtors' cash and cash equivalents, including cash on deposit in any account or accounts as of the Petition Date, cash obtained at any time thereafter (including proceeds of the DIP Facility), securities or other property, wherever located, whether subject to control agreements or otherwise, whether as original collateral or proceeds of other Prepetition Collateral, constitutes Cash Collateral of the Prepetition Secured Parties.

(vii) *Intercreditor Agreement.* The Prepetition Term Loan Agent and Prepetition ABL Agent entered into that *Intercreditor Agreement*, dated as of January 22, 2021 (as amended, restated, supplemented, or otherwise modified in accordance with its terms, the "Intercreditor Agreement") to govern certain rights, interests, obligations, priority, and positions of the Prepetition Term Loan Parties and the Prepetition ABL Parties with respect to the assets and properties of the Prepetition Collateral and the Prepetition Liens.

(viii) *No Control*. None of the DIP Secured Parties or Prepetition Secured Parties controls the Debtors or their properties or 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 the Bankruptcy Code) of the Debtors or any of their affiliates by virtue of any of the actions taken with respect to, in connection with, related to, or arising from this Interim Order, the DIP Facility, the DIP Liens, the DIP Obligations, the DIP Documents, Prepetition Facilities,

Prepetition Liens, Prepetition Obligations, Prepetition Loan Documents, or the transactions contemplated hereunder or thereunder.

H. Releases. Subject to paragraph 46 hereof, the Debtors, on behalf of themselves and their respective Estates (including any successor trustee or other estate representative in the Chapter 11 Cases and any Successor Cases (as defined herein), and any party acting by, through or under the Debtors or their Estates), hereby stipulate and agree that they absolutely and unconditionally release and forever and irrevocably discharge and acquit each of the DIP Secured Parties, the Prepetition Secured Parties and their respective affiliates and each of their respective former or current officers, partners, directors, managers, owners, members, principals, employees, agents, related funds, investors, financing sources, financial advisors, attorneys, accountants, investment bankers, consultants, representatives and other professionals and the respective successors and assigns thereof (collectively, the "Released Parties") from any and all obligations and liabilities to the Debtors (and their successors and assigns) and from any and all claims, counterclaims, demands, debts, accounts, contracts, disputes, liabilities, allegations, suits, controversies, proceedings, actions and causes of action arising prior to the Petition Date (collectively, the "Released Claims") of any kind, nature or description, whether known or unknown, foreseen or unforeseen or liquidated or unliquidated, arising in law or equity or upon contract or tort or under any state or federal law or regulation or otherwise, arising out of or related to (as applicable) the DIP Documents, the Prepetition Loan Documents, the obligations owing and the financial obligations made thereunder, the negotiation thereof and of the transactions contemplated thereby and the obligations and financial obligations made thereunder or otherwise related to the Debtors, in each case that the Debtors at any time had, now have or may have, or that their successors or assigns hereafter can or may have against any of the Released Parties for or by reason of any act, omission, matter, cause or thing whatsoever arising at any time on or prior

to the date of this Interim Order. The Debtors further waive and release any defense, right of counterclaim, right of set-off, or deduction to the payment of the Prepetition Obligations that the Debtors may now have or may claim to have against the Released Parties, arising out of, connected with, or relating to any and all acts, omissions, or events occurring prior to this Court entering this Interim Order relating to the Debtors' secured lending relationship with the Prepetition Secured Parties.

I. Findings Regarding Postpetition Financing

(i) *Request for Postpetition Financing*. The Debtors seek authority to (a) enter into the DIP Facility on the terms described herein and in the DIP Documents, and (b) use Cash Collateral on the terms described herein to administer their Chapter 11 Cases and fund their operations in accordance with the Approved Budget (as defined below), DIP Credit Agreement, and DIP Documents. At the Final Hearing, the Debtors will seek final approval of the proposed postpetition financing and use of Cash Collateral arrangements pursuant to a proposed final order (the "Final Order" and, together with this Interim Order, the "DIP Orders"), which shall be in form and substance acceptable to the DIP Agent. Notice of the Final Hearing and Final Order will be provided in accordance with this Interim Order.

(ii) *Priming of the Prepetition Liens.* The priming of the Prepetition Liens on the Prepetition Collateral under section 364(d) of the Bankruptcy Code, as contemplated by the DIP Documents and as further described below, will enable the Debtors to obtain the DIP Facility and to continue to operate their businesses to the benefit of their Estates and creditors, and the Debtors would not be able to obtain debtor-in-possession financing in a sufficient amount without granting such priming liens. Consistent with the requirements of section 364(d) of the Bankruptcy Code, the Prepetition Secured Parties shall receive adequate protection as set forth in this Interim

Order pursuant to sections 361, 363, and 364 of the Bankruptcy Code, against any post-petition diminution in value of the Prepetition Secured Parties' respective liens and interests in the Prepetition Collateral (including Cash Collateral) resulting from, among other things, (i) the use, sale, or lease by the Debtors of such collateral, (ii) the market value decline of such collateral, (iii) the use of Cash Collateral by each of the Debtors, (iv) the imposition of the automatic stay, (v) the subordination of the Prepetition Liens and Prepetition Secured Obligations to the Carve-Out, the Canadian Priority Charges, the DIP Liens, and the DIP Obligations, in each case, as set forth in this Interim Order and the Canadian DIP Recognition Order, and (vi) any other act or omission which causes diminution in the value of their respective liens or interests in the Prepetition Collateral (including Cash Collateral) (collectively, the "Diminution").

(iii) *Need for Postpetition Financing and Use of Cash Collateral*. The Debtors have an immediate and critical need to obtain the financing pursuant to the DIP Facility and to continue to use the Prepetition Collateral (including Cash Collateral) in order to, among other things, (i) pay the fees, costs and expenses incurred in connection with the Chapter 11 Cases, (ii) fund any obligations benefitting from the Carve-Out and the Canadian Priority Charge, (iii) permit the orderly continuation of the operation of their businesses, (iv) maintain business relationships with customers, vendors and suppliers, (v) make payroll, (vi) cash collateralize the Wells Fargo Letters of Credit and p-cards, and related interest, fees, expenses, costs and other charges in accordance with the terms of the Payoff Letter, and (vii) satisfy other working capital and operational needs. The incurrence of new debt under the DIP Documents and use of Cash Collateral is necessary and vital to the preservation and maintenance of the going concern value of the Debtors. Immediate and irreparable harm will be caused to the Debtors and their Estates if immediate financing is not obtained and permission to use Cash Collateral is not granted. The

terms of the proposed financing are fair and reasonable, reflect the Debtors' exercise of prudent business judgment, and are supported by reasonably equivalent value and fair consideration. The adequate protection provided in this Interim Order and other benefits and privileges contained herein are consistent with and authorized by the Bankruptcy Code.

(iv) *No Credit Available on More Favorable Terms*. The DIP Facility is the best source of debtor-in-possession financing available to the Debtors. Given their current financial condition, financing arrangements, capital structure, and the circumstances of these Chapter 11 Cases, the Debtors have been and continue to be unable to obtain financing from sources other than the DIP Lenders on terms more favorable than the DIP Facility. Further, the Prepetition Secured Parties are adequately protected and/or have consented to the Debtors incurring debtor-in-possession financing, the priming of the Prepetition Liens, and the use of their Cash Collateral, only on the terms and subject to the conditions set forth in the DIP Documents and this Interim Order. The Debtors are unable to obtain unsecured credit allowable under Bankruptcy Code section 503(b)(1) as an administrative expense. The Debtors have also been unable to obtain: (a) unsecured credit 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) credit secured solely by a lien on property of the Debtors and their Estates that is not otherwise subject to a lien; or (c) credit 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 without granting the DIP Secured Parties: (1) perfected security interests in and liens on (each as provided herein) all of the Debtors' existing and after-acquired assets with the priorities set forth herein; (2) superpriority claims and priming liens to the extent set forth in this Interim Order, the DIP Credit Agreement, and the DIP Documents; and (3) the other protections set forth in this Interim Order.

(v) *Use of Cash Collateral and Proceeds of the DIP Facility*. As a condition to the Debtors' entry into the DIP Documents, the extension of credit under the DIP Facility and the authorization to use Prepetition Collateral, including Cash Collateral, the Debtors have agreed that Cash Collateral and the proceeds of the DIP Facility shall be used solely in accordance with the terms and conditions of this Interim Order and the DIP Documents and in accordance with the Approved Budget (as defined below), subject to Permitted Variances (as defined below).

(vi) *Application of Proceeds of Collateral*. As a condition to entry into the DIP Documents, the extension of credit under the DIP Facility and authorization to use Cash Collateral, the Debtors have agreed that, as of and commencing on the date of entry of this Interim Order, the Debtors shall apply the proceeds of DIP Collateral in accordance with this Interim Order and the DIP Documents.

(vii) *Roll-Up of Prepetition Term Loan Obligations Into DIP Obligations*. Prepetition Term Loan Obligations held by the DIP Lenders (or their affiliates) shall be "rolled up" and converted on a cashless dollar-for-dollar basis into principal obligations constituting DIP Obligations, on a *pro rata* basis according to the DIP Lenders' term loan holdings under the DIP Facility (a) upon and following entry of this Interim Order, in a ratio of 1.75:1 of the DIP Term Loans advanced during the interim period upon each draw under the DIP Facility (the "Interim Roll-Up Amount"), and (b) upon entry of the Final Order, in a ratio of 1.75:1 of the DIP Term Loans advanced upon each draw under the DIP Facility (the "Final Roll-Up Amount" and together with the Interim Roll-Up Amount, the "Roll-Up Amount"). The Roll-Up Amount shall be converted on a cashless dollar-for-dollar basis into principal obligations constituting DIP Obligations, without any further action by the Debtors or any other party (the "Roll-Up Obligations"). The conversion (or "roll-up") shall be authorized as compensation for, in

consideration for, and solely on account of, the agreement of the Prepetition Term Loan Lenders as DIP Lenders to fund amounts, and provide other consideration to the Debtors under the DIP Facility and not as payments under, adequate protection for, or otherwise on account of, any Prepetition Term Loan Obligations. Notwithstanding any other provision of this Interim Order, the Final Order, or the DIP Documents, all rights of the Prepetition Secured Parties shall be fully preserved. The Roll-Up Obligations are an inextricable component of the DIP Facility, and the Prepetition Secured Parties would not otherwise consent to the use of their Cash Collateral or the subordination of the Prepetition Liens to the DIP Liens, 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 the Roll-Up Obligations in the DIP Obligations. The Roll-Up Obligations will enable the Debtors to obtain urgently needed financing to administer these Chapter 11 Cases and fund their operations.

J. Adequate Protection. In exchange for their consent to (i) the priming of the Prepetition Liens by the DIP Liens and (ii) the use of Cash Collateral to the extent set forth in this Interim Order, the Prepetition Secured Parties shall receive adequate protection to the extent of any Diminution of their interests in the Prepetition Collateral, as more fully set forth in this Interim Order.

K. Good Faith of the DIP Secured Parties.

(i) *Willingness to Provide Financing*. The DIP Secured Parties have committed to provide financing to the Debtors subject to: (a) entry of this Interim Order and the Final Order; (b) approval of the terms and conditions of the DIP Facility and those set forth in the DIP Documents; (c) satisfaction of the closing conditions set forth in the DIP Documents; and (d) findings by this Court that the DIP Facility is essential to the Debtors' estates, that the DIP

Lenders are extending credit to the Debtors pursuant to the DIP Documents in good faith, and that the DIP Secured Parties' claims, superpriority claims, security interests and liens and other protections granted pursuant to this Interim Order and the DIP Documents will have the protections provided by section 364(e) of the Bankruptcy Code.

(ii) *Business Judgment and Good Faith Pursuant to Section 364(e).* Based on the Motion, the *Declaration of Jonathan Tibus in Support of Debtors' Chapter 11 Petitions and First Day Relief*, the *Declaration of Teri Stratton in Support of Debtors' Emergency Motion for Interim and Final Orders (I) Approving Postpetition Financing, (II) Authorizing the Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief*, and the record presented to the Court at the Interim Hearing, (i) the terms of the financing embodied in the DIP Facility, including the Roll-Up Obligations, fees, expenses, and other charges paid and to be paid thereunder or in connection therewith, (ii) the adequate protection authorized by the Interim Order and DIP Documents and (iii) the terms on which the Debtors may continue to use the Prepetition Collateral (including Cash Collateral), in each case pursuant to this Interim Order and the DIP Documents, are fair and reasonable, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, constitute reasonably equivalent value and fair consideration, and represent the best financing (and terms) available under the circumstances.

(iii) *Good Faith Pursuant to Section 364(e).* The terms and conditions of the DIP Facility and the use of Cash Collateral were negotiated in good faith and at arm's length among the Debtors, the DIP Secured Parties, and the Prepetition Secured Parties with the assistance and counsel of their respective advisors. Use of Cash Collateral and credit to be extended under the

DIP Facility shall be deemed to have been allowed, advanced, made, or extended in good faith by the DIP Secured Parties and the Prepetition Secured Parties within the meaning of section 364(e) of the Bankruptcy Code.

(iv) *Consent to DIP Facility and Use of Cash Collateral.* The Prepetition Secured Parties have consented to the Debtors' use of Cash Collateral and the other Prepetition Collateral, and the Debtors' entry into the DIP Documents solely in accordance with and subject to the terms and conditions in this Interim Order and the DIP Documents.

L. Good Cause. Good cause has been shown for immediate entry of this Interim Order, and the entry of this Interim Order is in the best interests of the Debtors, the Estates and their stakeholders. Among other things, the relief granted herein will minimize disruption of the Debtors' business and permit the Debtors to fund payroll obligations, to pay amounts owed to vendors, suppliers, landlords and to satisfy other critical expenses, including the payment of premiums on insurance policies, each as necessary to maximize the value of the Estates. The terms of the Debtors' DIP Facility, use of Cash Collateral and proposed adequate protection arrangements, as set forth in this Interim Order, are fair and reasonable under the circumstances, and reflect the Debtors' exercise of prudent business judgment.

M. Immediate Entry. Sufficient cause exists for immediate entry of this Interim Order pursuant to Bankruptcy Rules 4001(b)(2) and 4001(c)(2) and the applicable Local Rules.

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

IT IS HEREBY ORDERED THAT:

1. DIP Financing Approved. On an interim basis, entry into the DIP Credit Agreement and other DIP Documents is authorized and approved, and the use of Cash Collateral is authorized, in each case, subject to the terms and conditions set forth in this Interim Order. All objections to this Interim Order to the extent not withdrawn, waived, settled, or resolved, and all reservations of rights included therein, are hereby denied and overruled on the merits. This Interim Order shall become effective immediately upon its entry.

DIP Facility Authorization

2. Authorization of the DIP Financing. The Debtors are expressly and immediately authorized and empowered to execute and deliver the DIP Documents and to incur and to perform the DIP Obligations in accordance with, and subject to, the terms of this Interim Order and the DIP Documents, and to execute, deliver, and perform under all instruments, certificates, agreements, and documents which may be required or necessary for the performance by the Debtors under the DIP Documents and the creation and perfection of the DIP Liens described in and provided for by this Interim Order and the DIP Documents. The Debtors are hereby authorized and directed to pay, in accordance with this Interim Order, any principal, interest, fees, expenses, and other amounts described in the DIP Documents and this Interim Order, as such amounts become due and owing, without need to obtain further Court approval (except as otherwise provided herein or in the DIP Documents) subject to and in accordance with the terms hereof and thereof, including, without limitation, any closing fees and commitment fees, as well as any reasonable and documented fees and disbursements of Proskauer Rose LLP, Trenam, Kemker, Scharf, Barkin, Frye, O'Neill and Mullis, P.A., and Deloitte Transactions & Business Analytics LLP, as DIP Professionals (as defined below), as set forth herein and in the DIP Documents, whether or not such professional fees and disbursements arose before or after the Petition Date, and whether or not the transactions

contemplated hereby are consummated, to implement all applicable reserves and to take any other actions that may be necessary or appropriate, all to the extent provided in this Interim Order and the DIP Documents. Upon execution and delivery, the DIP Documents shall represent legal, valid, and binding obligations of the Debtors, enforceable against each of the Debtors and their Estates in accordance with their terms. Each officer of a Debtor acting individually is hereby authorized to execute and deliver each of the DIP Documents, such execution and delivery to be conclusive evidence of such officer's respective authority to act in the name of and on behalf of the Debtors.

3. Authorization to Borrow. To prevent immediate and irreparable harm to the Debtors' Estates, and to enable the Debtors to continue to operate their business and preserve and maximize the value of their Estates, subject to the terms and conditions set forth in the DIP Documents and this Interim Order, the Debtors are hereby authorized to borrow the Interim Amount and the Interim Roll-Up Amount, subject to any limitations on, or conditions to, borrowing under the DIP Documents, which borrowings shall be used solely for purposes permitted under the DIP Documents, including, without limitation, to provide working capital for the Debtors and to pay interest, fees, costs, charges and expenses, in each case, in accordance with this Interim Order, the DIP Documents, and the Approved Budget.

4. DIP Obligations. The DIP Documents and this Interim Order shall constitute and evidence the validity and binding effect of the Debtors' DIP Obligations. All DIP Obligations shall be enforceable against the Debtors, their Estates, and any successors thereto, including without limitation, any trustee appointed in the Chapter 11 Cases, or in any case under chapter 7 of the Bankruptcy Code upon the conversion of any of the Chapter 11 Cases, or in any other proceedings superseding or related to any of the foregoing (collectively, the "Successor Cases"). Upon entry of this Interim Order, the DIP Obligations will include all loans, guarantees, reimbursement

obligations, 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 the DIP Secured Parties, including, without limitation, all principal, accrued interest, costs, charges, fees, expenses and other amounts under the DIP Documents. The Debtors shall be jointly and severally liable for the DIP Obligations. The DIP Obligations shall become due and payable, without notice or demand, on the Termination Date (as defined below). No obligation, payment, transfer, or grant of collateral security hereunder or under the DIP Documents (including any DIP Obligation or DIP Liens) to the DIP Secured Parties, shall be stayed, restrained, voidable, avoidable, or recoverable, under the Bankruptcy Code or under any applicable law (including, without limitation, under sections 502(d), 544, and 547 to 550 of the Bankruptcy Code or under any applicable state Uniform Voidable Transactions Act, Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, or similar statute or common law), or be subject to any disgorgement, avoidance, reduction, setoff, recoupment, offset, recharacterization, subordination (whether equitable, contractual, or otherwise), claim, counterclaim, charge, assessment, cross-claim, defense, or any other liability or challenge under the Bankruptcy Code or any applicable law or regulation by any person or entity for any reason.

5. DIP Collateral. To secure the DIP Obligations, effective immediately upon entry of this Interim Order, pursuant to sections 361, 362, 364(c)(2), 364(c)(3), and 364(d) of the Bankruptcy Code, the DIP Agent (for the benefit of the DIP Lenders), is hereby granted, continuing, valid, binding, enforceable, non-avoidable, and automatically and properly perfected postpetition security interests in and liens on (collectively, the "DIP Liens") the DIP Collateral, and all cash and non-cash proceeds of DIP Collateral.[4]

[4] "DIP Collateral" means: all property of the estate under section 541 of the Bankruptcy Code, including all real and personal property, whether now existing or hereafter arising and wherever located, tangible and intangible, of each of the Debtors, including: (a) all cash, cash equivalents, deposit accounts, securities accounts, accounts, other receivables (including credit card receivables), chattel paper, contract rights, inventory (wherever located),

6. DIP Liens. The DIP Liens securing the DIP Obligations are valid, automatically perfected, non-avoidable, senior in priority to the Prepetition Liens on the Prepetition Collateral and are superior to any security, mortgage, collateral interest, lien, or claim to any of the DIP Collateral (whether currently existing or hereafter created), except that the DIP Liens shall be subject only to (i) the Carve-Out, (ii) the Administration Charge as against the Canadian Collateral, and (iii) the Prepetition Permitted Liens. Other than as set forth herein or in the DIP Documents, the DIP Liens shall not be made subject to or *pari passu* with any lien or security interest heretofore or hereinafter granted in the Chapter 11 Cases or any Successor Cases, and shall be valid and enforceable against any trustee appointed in the Chapter 11 Cases or any Successor Cases, upon the conversion of any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code (or in any other Successor Case), and/or upon the dismissal of any of the Chapter 11 Cases or Successor Cases. The DIP Liens shall not be subject to section 510, 549, or 550 of the Bankruptcy Code. No lien or interest avoided and preserved for the benefit of any Estate pursuant to section 551 of the Bankruptcy Code shall be *pari passu* with or senior to the DIP Liens.

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instruments, documents, securities (whether or not marketable) and investment property (including all of the issued and outstanding capital stock of each of its subsidiaries), hedge agreements, real estate (including, for the avoidance of doubt, that certain real property owned by Red Lobster Canada, Inc. located at 67 King George Road, Brantford, Ontario, N3R 5K2), furniture, fixtures, equipment (including documents of title), goods, franchise rights, trade names, trademarks, servicemarks, copyrights, patents, license rights, intellectual property, general intangibles (including, for the avoidance of doubt, payment intangibles), rights to the payment of money (including tax refunds and any other extraordinary payments), supporting obligations, guarantees, letter of credit rights, commercial tort claims, causes of action, and all substitutions, indemnification rights, all present and future intercompany debt, books and records related to the foregoing, accessions and proceeds of the foregoing, wherever located, including insurance or other proceeds; (b) all proceeds of leased real property; (c) subject to entry of a Final Order providing for such relief, the proceeds of any avoidance actions brought pursuant to Chapter 5 of the Bankruptcy Code or applicable state law equivalents; (d) proceeds from the Debtors' exercise of rights under section 506(c) and 550 of the Bankruptcy Code; (e) all Prepetition Collateral, (f) all property of the Debtors that was not otherwise subject to valid, perfected, enforceable and unavoidable liens on the Petition Date, and (g) all proceeds from the sale, assignment, or other disposition of (i) any commercial real estate leases and (ii) the Debtors' right to select, identify, and designate which commercial leases may be assumed and assigned under section 365 of the Bankruptcy Code. Notwithstanding the foregoing, DIP Collateral shall not include the Debtors' real property leases (but shall include all proceeds of such leases) solely to the extent that the grant of a DIP Lien is prohibited or restricted by the terms of such real property lease or applicable nonbankruptcy law to attach to any such real property lease.

7. DIP Superpriority Claims. Subject to the Carve-Out and the Administration Charge against the Canadian Collateral, upon entry of this Interim Order, the DIP Secured Parties are hereby granted, pursuant to section 364(c)(1) of the Bankruptcy Code, allowed superpriority administrative expense claims in each of the Chapter 11 Cases and any Successor Cases (collectively, the "DIP Superpriority Claims") for all DIP Obligations: (a) except as set forth herein (including with respect to the Carve-Out), with priority over any and all administrative expense claims and unsecured claims against the Debtors or their Estates in any of the Chapter 11 Cases and any Successor Cases, at any time existing or arising, of any kind or nature whatsoever, including, without limitation, administrative expenses of the kinds specified in or ordered pursuant to Bankruptcy Code sections 105, 326, 328, 330, 331, 364, 503(a), 503(b), 507(a), 507(b), 546(c), 546(d), 726, 1113, and 1114, and any other provision of the Bankruptcy Code, as provided under section 364(c)(1) of the Bankruptcy Code; and (b) which shall at all times be senior to the rights of the Debtors and their Estates, and any successor trustee or other estate representative to the extent permitted by law.

8. DIP Roll-Up Obligations. Upon entry of the Interim Order, and upon each draw on the DIP Facility prior to entry of the Final Order, Prepetition Term Loan Obligations in an aggregate amount equal to the Interim Roll-Up Amount shall be converted on a cashless dollar-for-dollar basis into principal obligations constituting DIP Obligations without any further action by the Debtors or any other party. Upon entry of the Final Order, Prepetition Term Loan Obligations in an aggregate amount equal to the Final Roll-Up Amount shall be converted on a cashless dollar-for-dollar basis into principal obligations constituting DIP Obligations without any further action by the Debtors or any other party.

9. No Obligation to Extend Credit. The DIP Secured Parties shall have no obligation to make any loan or advance under the DIP Documents unless all of the conditions precedent under the DIP Documents and this Interim Order have been satisfied in full or waived by the Required Lenders in accordance with the terms of the DIP Documents.

10. Use of Proceeds of DIP Facility. From and after the Petition Date, the Debtors shall use advances of credit under the DIP Facility only for the purposes specifically set forth in this Interim Order and the DIP Documents, and only in compliance with the Approved Budget (subject to the Permitted Variances) and the terms and conditions in this Interim Order and the DIP Documents (a) to repay the obligations under that certain the Prepetition ABL Credit Agreement in full (including cash collateralization of Wells Fargo Letters of Credit, p-cards and Surviving Obligations (as defined in the Payoff Letter)) pursuant to the terms of the Payoff Letter, (b) to pay transaction costs, fees and expenses that are incurred in connection with the DIP Facility, (c) to pay professional fees of the Debtors and their Estates and the Committee, (d) for working capital and other general corporate purposes permitted by the DIP Documents, (e) to pay Statutory Fees (as defined herein at paragraph 38(i)), (f) if necessary, to fund the Excluded Cash (as that term is defined in the Stalking Horse Acquisition Agreement) subject to this Interim Order or the Final Order, as applicable. The deemed proceeds of the Roll-Up Obligations shall be used to refinance an equal amount of the Prepetition Term Loan Obligations held by the DIP Lenders (or their affiliates) reducing the amount of the "Obligations" (as defined in the Prepetition Credit Agreement) by such amount.

11. No Monitoring Obligation. The DIP Secured Parties shall have no obligation or responsibility to monitor the Debtors' use of the DIP Facility, and the DIP Secured Parties may

rely upon the Debtors' representation that the use of the DIP Facility at any time is in accordance with the requirements of this Interim Order and the DIP Documents.

Authorization to Use Cash Collateral

12. Authorization to Use Cash Collateral. Subject to the terms and conditions of this Interim Order and the DIP Documents, and in accordance with the Approved Budget (subject to the Permitted Variances), the Debtors are authorized to use Cash Collateral until the expiration of the Remedies Notice Period (as defined below) following the Termination Date. Nothing in this Interim Order shall authorize the disposition of any assets of the Debtors outside the ordinary course of business, or any Debtor's use of any Cash Collateral or other proceeds resulting therefrom, except as permitted by this Interim Order and the DIP Documents, and in accordance with the Approved Budget (subject to the Permitted Variances), as applicable.

13. Consent of Prepetition Secured Parties. The Prepetition Secured Parties hereby consent to (a) the provisions of this Interim Order including the Debtors' entry into the DIP Facility on an interim basis, (b) the granting of the DIP Liens and DIP Superpriority Claims on the terms and subject to the conditions set forth herein (including the Carve-Out and the Administration Charge as against the Canadian Collateral), and (c) the Approved Budget.

14. Adequate Protection for Prepetition Term Loan Parties. As adequate protection for any Diminution of the Prepetition Term Loan Parties' interest in the Prepetition Collateral resulting from the subordination of the Prepetition Liens to the DIP Liens, the Canadian Priority Charges as against the Canadian Collateral, and the Carve-Out, the Prepetition Term Loan Agent shall receive, for the benefit of the Prepetition Term Loan Parties,

(a) continuing valid, binding, enforceable, and perfected postpetition liens and replacement liens pursuant to sections 361, 363(e), and 364(d)(l) of the

Bankruptcy Code on the DIP Collateral, which shall be subject only to the Carve-Out, the DIP Liens, and Prepetition Permitted Liens (the "Replacement Liens") and which (x) shall otherwise be senior to all other security interests in, liens on, or claims against the DIP Collateral, and (y) shall not be made subject to or *pari passu* with any lien or security interest heretofore or hereinafter granted in the Chapter 11 Cases or any Successor Cases, shall be valid and enforceable against any trustee appointed in any of the Chapter 11 Cases or any Successor Cases, and shall not be subject to sections 510, 549, or 550 of the Bankruptcy Code;

(b) administrative superpriority expense claims in each of the Chapter 11 Cases (the "Adequate Protection Superpriority Claims"), subject only to the Carve-Out and the DIP Obligations (including the DIP Superpriority Claims), pursuant to section 507(b) with priority over any and all other administrative expenses, administrative expense claims and unsecured claims against the Debtors or their Estates, now existing or hereafter arising, of any kind or nature whatsoever as to and to the extent provided by sections 503(b) and 507(b) of the Bankruptcy Code;

(c) (i) subject to the procedures set forth in paragraph 41 of this Interim Order, monthly payments of the Prepetition Term Loan Parties' reasonable and documented out-of-pocket fees and expenses including the professional fees of Proskauer Rose LLP, Trenam, Kemker, Scharf, Barkin, Frye, O'Neill and Mullis, P.A., Deloitte Transactions & Business Analytics LLP, and any other Prepetition Professionals (as defined below) (in each case, without the need for

the filing of formal fee applications, including as to any amounts arising before or after the Petition Date) and (ii) monthly payment in kind of interest to the Prepetition Term Loan Lenders under the Prepetition Credit Agreement, calculated at the "Default Rate" as defined in the Prepetition Credit Agreement to the extent allowed under section 506(b) of the Bankruptcy Code; and

(d) the right to credit bid the Prepetition Term Loan Obligations in connection with any sale of Prepetition Collateral, including, without limitation, as set forth in paragraph 43 hereof.

15. Satisfaction of Prepetition ABL Obligations. The Debtors are authorized to perform the obligations set forth in the Payoff Letter, and in furtherance thereof, the Prepetition ABL Agent shall receive, for the benefit of the Prepetition ABL Parties,

(a) From the Interim Amount drawn under the DIP Facility, the Debtors shall deposit with the Prepetition ABL Agent, (i) $14,133,599.18 to cash collateralize Letters of Credit Obligations at 103% of their face amount as cash collateral to be held by Prepetition ABL Agent for the benefit of the Prepetition ABL Lenders (together with the 16,021,091.79 held by the Prepetition ABL Agent to cash collateralize the Letters of Credit), (ii) $1,100,000 as cash collateral to be held by Prepetition ABL Agent for the benefit of the Bank Product Providers (as defined in the Payoff Letter) with respect to Bank Products, and (iii) $250,000 in respect of the Expense Reserve (as defined in the Payoff Letter) (such cash collateral, together with cash collateral held by the Prepetition ABL Agent as of the Petition Date, the "Segregated Cash Collateral");

(b) subject to the procedures set forth in paragraph 41 of this Interim Order, monthly payments of the Prepetition ABL Agent's reasonable and documented out-of-pocket fees and expenses including the professional fees of Goldberg Kohn Ltd. and Burr & Forman LLP, without the need for the filing of formal fee applications, including as to any amounts arising before or after the Petition Date); and

(c) In accordance with the Payoff Letter, upon satisfaction of the Payoff Conditions (as defined therein), the liens and security interests of the Prepetition ABL Agent in any and all of the Prepetition Collateral (but not the Segregated Cash Collateral) shall automatically, irrevocably and immediately be deemed to be released and terminated.

16. Adequate Protection Reservation. Nothing herein shall impair or modify the application of section 507(b) of the Bankruptcy Code in the event that the adequate protection provided to the Prepetition Secured Parties hereunder is insufficient to compensate for any Diminution of their respective interests in the Prepetition Collateral during the Chapter 11 Cases or any Successor Cases. The receipt by the Prepetition Secured Parties of the adequate protection provided herein shall not be deemed an admission that the interests of the Prepetition Secured Parties are adequately protected, and this Interim Order shall not prejudice or limit the rights of the Prepetition Secured Parties to seek additional relief with respect to the use of Cash Collateral or for additional adequate protection.

17. Application of Segregated Cash Collateral.

(i) Notwithstanding anything to the contrary herein, Wells Fargo (as L/C Issuer) shall be authorized and entitled to (a) pursuant to the terms of the Prepetition ABL Loan

Documents (i) without notice or demand, and at any time or from time to time, charge, set off and otherwise apply all or any part of the Surviving Obligations, Letter of Credit Obligations, and Bank Product Obligations (each as defined in the Payoff Letter) against the Segregated Cash Collateral or any part thereof and (ii) exercise all other rights and remedies available to it thereunder in respect of the Letters of Credit and the Bank Products and (b) give written notice of non-extension of the Wells Fargo Letters of Credit to the beneficiaries thereof pursuant to the terms of the Wells Fargo Letters of Credit and, in each case, the automatic stay is hereby deemed lifted as necessary to permit such action without the need for any additional notice. The Segregated Cash Collateral secures all Surviving Obligations, Letter of Credit Obligations, and Bank Product Obligations (each as defined in the Payoff Letter), including Lender Group Expenses (as defined under the Prepetition ABL Credit Agreement) incurred in connection therewith. The Segregated Cash Collateral is not subject to turnover under section 543 of the Bankruptcy Code. For all purposes under this Interim Order and notwithstanding anything to the contrary contained herein, the Segregated Cash Collateral may only be used for purposes of satisfying the Surviving Obligations, Letter of Credit Obligations, and Bank Product Obligations (each as defined in the Payoff Letter) as set forth above, and for no other purpose, until such Surviving Obligations, Letter of Credit Obligations, and Bank Product Obligations (each as defined in the Payoff Letter) have been paid in full in cash.

(ii) The Debtors may, and do, authorize Wells Fargo in its capacity as cash management service provider (including with respect to any purchasing card, procurement card or other credit or debit cards), and Wells Fargo may, without the need for further order of this Court, hold or otherwise set aside an amount of funds reasonably necessary to cover outstanding items and potential reversals, returns, refunds, or chargebacks of checks, deposited items, and other

debits credited to Debtor's account and any fees and costs in connection therewith or accruing with respect thereto, and Wells Fargo shall have valid and perfected, non-avoidable first-priority lien on the Segregated Cash Collateral. Wells Fargo may debit or setoff against such funds for any outstanding cash management liabilities owing to it in accordance with the existing deposit agreements and other cash management agreements between Debtors and Wells Fargo. All payments to Wells Fargo authorized pursuant to this paragraph 17(ii) and all interest, fees, costs and other charges related thereto or accruing with respect thereto shall be accorded superpriority administrative expense status pursuant to section 503(b) of the Bankruptcy Code and shall be satisfied first from the Segregated Cash Collateral to the extent not paid by the Debtors.

(iii) For the avoidance of doubt, the Segregated Cash Collateral is subject to the exclusive control and dominion of the Prepetition ABL Agent, and any interest of the DIP Secured Parties in the Segregated Cash Collateral is limited to the Debtors' residual interest in the Segregated Cash Collateral after all of the Surviving Obligations, Bank Product Obligations, and Letter of Credit Obligations (each as defined in the Payoff Letter) secured thereby pursuant to the Payoff Letter and this Interim Order are otherwise paid in full in cash.

Provisions Common to DIP Financing and Use of Cash Collateral

18. Amendment of the DIP Documents. The Debtors and the DIP Agent and Required Lenders (or as otherwise provided in the DIP Documents) may enter into one or more amendments, waivers, consents, or other modifications to and under the DIP Documents, in each case in accordance with the terms of the applicable DIP Documents and in such form as the Debtors, the DIP Agent, and the Required Lenders (or as otherwise provided in the DIP Documents) agree, in such applicable DIP Lenders' sole discretion, and no further approval of this Court shall be required for any amendment, waiver, consent, or other modification to and under the DIP

Documents (and any fees paid in connection therewith) that does not materially and adversely affect the Debtors or which does not (i) shorten the maturity of the DIP Facility, (ii) increase the principal amount of or the rate of interest on the DIP Facility, or (iii) change any event of default, add any covenants, or amend the covenants to be materially more restrictive; *provided, however*, any such material amendment, waiver, consent, or other modification shall be subject to further Court approval. Copies of all amendments and modifications to and under the DIP Documents, regardless of materiality, shall be provided to the U.S. Trustee and the Committee. No consent to any such amendment, waiver, consent, or modification shall be implied by any action, inaction, or acquiescence of the DIP Secured Parties.

19. Approved Budget.

(i) Attached to this Interim Order as **Exhibit B** is a 13-week budget approved by the DIP Agent, which sets forth, among other things, projected cash receipts and cash disbursements (the "Approved Budget"). After the Effective Date, on the first Friday of each fiscal month, commencing with the first Friday of the first full fiscal month ending after the Effective Date (each such date, an "Updated Budget Delivery Date"), the Debtors shall deliver to the DIP Agent a 13-week cash flow forecast beginning with the week immediately preceding such Updated Budget Delivery Date (each, an "Updated Budget"), in form substantially consistent with the Approved Budget annexed hereto at Exhibit B and in form and substance acceptable to the Required Lenders. If such Updated Budget is in form and substance satisfactory to the DIP Agent (acting at the direction of the Required Lenders), and upon the approval in writing of any such updated budget by the DIP Agent (acting at the direction of the Required Lenders), it shall become the "Approved Budget" for purposes of the DIP Documents and the DIP Orders. Any amendments, supplements, or modifications to the Approved Budget or an Approved Variance Report (as defined

below) shall be subject to the prior written approval of the DIP Agent (acting at the direction of the Required Lenders) prior to the implementation thereof. Until any such updated budget, amendment, supplement, or modification has been approved by the DIP Agent (acting at the direction of the Required Lenders), the Debtors shall be subject to and be governed by the terms of the Approved Budget then in effect.

(ii) The Approved Budget is approved on an interim basis. The proceeds of the DIP Facility and Cash Collateral under this Interim Order shall be used by the Debtors solely in accordance with the Approved Budget (subject to Permitted Variances), this Interim Order, and the DIP Documents.

(iii) Other than with respect to the Carve-Out and the funding of the Post-Trigger Reserve Account (defined below), and except as provided in paragraphs 33 and 35, none of the DIP Secured Parties' and the Prepetition Term Loan Parties' consent to, or acknowledgement of, the Approved Budget shall be construed as consent to use the proceeds of the DIP Facility or Cash Collateral beyond the Maturity Date or the occurrence of the Termination Date, regardless of whether the aggregate funds shown on the Approved Budget have been expended.

(iv) Notwithstanding anything to the contrary herein, the Debtors shall pay the fees, costs and expenses of the DIP Professionals (as defined below) in accordance with the DIP Documents and this Interim Order without reference to the Approved Budget.

20. Budget Reporting. The Debtors shall at all times comply with the Approved Budget, subject to the Permitted Variances (as defined below). By not later than 5:00 p.m. (Eastern Time) on Friday of the third full calendar week following the Petition Date (the "First Report Date"), and no later than 12:00 p.m. (Eastern Time) on each Friday thereafter (together with the First Report Date, each a "Weekly Budget Variance Report Date"), the Debtors shall deliver to the

DIP Agent a Weekly Budget Variance Report comparing for such Weekly Budget Variance Report Period (as defined below) the actual results against anticipated results under the Approved Budget, on an aggregate basis and in the same level of detail set forth in the applicable Approved Budget (an "Approved Variance Report") showing comparisons of (a) aggregate actual cumulative cash receipts for such Budget Variance Test Period compared to the aggregate projected cumulative cash receipts of the Debtors for such Budget Variance Test Period as set forth in the Approved Budget (any such difference, a "Receipts Variance") and (b) actual cumulative cash disbursements on a line by line basis of the Debtors for such Budget Variance Test Period compared to the projected cumulative cash disbursements on a line by line basis for such Budget Variance Test Period as set forth in the Approved Budget (any such difference, a "Disbursements Variance"). The term "Weekly Budget Variance Report Period" means the fiscal month to date period ending on each Friday of the weeks preceding the applicable Budget Variance Test Date (with initial partial periods as appropriate).

21. Budget Testing. After the Effective Date, the Budget Testing provided in this paragraph 21 shall be tested for each Budget Variance Test Period. Within five (5) business days of the Budget Variance Test Date, the Debtors shall deliver to the DIP Agent a Fiscal Month Budget Variance Report. On each Budget Variance Test Date while any DIP Term Loans remain outstanding, the Borrower shall not permit: (a) cumulative actual disbursements for such Budget Variance Test Period (excluding (i) estate professional fees and U.S. Trustee fees and (ii) fees and expenses payable to the DIP Agent's professionals under the DIP Documents) to be greater than (1) for the first two Budget Variance Test Periods, 115% of the forecasted total disbursements for such Budget Variance Test Period in the applicable Approved Budget and (2) for each Budget Variance Test Period thereafter, 110% of the forecasted total disbursements for such Budget

Variance Test Period in the applicable Approved Budget; and (b) cumulative actual receipts for such Budget Variance Test Period to be less than (1) for the first two Budget Variance Test Periods, 85% of the forecasted total receipts for such Budget Variance Test Period in the applicable Approved Budget and (2) for each Budget Variance Test Period thereafter, 90% of the forecasted total receipts for such Budget Variance Test Period in the applicable Approved Budget.

22. Additional Reporting. The Debtors shall deliver to the DIP Agent each of the reports and other information set forth in Section 7.01(a) of the DIP Credit Agreement within the timeframe set forth therein, in form and detail acceptable to the DIP Agent. The Debtors shall also make the Debtors' professionals available upon reasonable notice, for in-person, telephonic, or virtual meetings to update the DIP Agent and the DIP Professionals on all matters affecting the Debtors and the Chapter 11 Cases, including with respect to the efforts to market and sell the DIP Collateral.

23. Modification of Automatic Stay. The automatic stay of section 362 of the Bankruptcy Code is hereby modified and vacated to the extent necessary to permit the Debtors, the DIP Secured Parties and the Prepetition Secured Parties to accomplish the transactions contemplated by this Interim Order.

24. Perfection of DIP Liens and Replacement Liens. This Interim Order shall be sufficient and conclusive evidence of the creation, validity, perfection, and priority of all liens granted herein, including the DIP Liens and the Replacement Liens, without the necessity of filing or recording any financing statement, mortgage, deed of trust, notice, or other instrument or document which may otherwise be required under the law or regulation of any jurisdiction or the taking of any other action (including, for the avoidance of doubt, entering into any deposit account control agreement) to validate or perfect (in accordance with applicable non-bankruptcy law) the

DIP Liens and the Replacement Liens or to entitle the DIP Secured Parties and the Prepetition Secured Parties to the priorities granted herein. Notwithstanding the foregoing, the DIP Agent and the Prepetition Agents (for the benefit of the DIP Secured Parties and the Prepetition Secured Parties, respectively) are authorized, but not required, to file, as each deems necessary or advisable, such financing statements, security agreements, mortgages, notices of liens, and other similar documents to perfect in accordance with applicable non-bankruptcy law or to otherwise evidence the DIP Liens and the Replacement Liens, and all such financing statements, mortgages, notices, and other documents shall be deemed to have been filed or recorded as of the Petition Date; *provided, however*, that no such filing or recordation shall be necessary or required in order to create or perfect the DIP Liens or the Replacement Liens. The Debtors are authorized and directed to execute and deliver promptly upon demand to the DIP Agent and the Prepetition Agents all such financing statements, mortgages, notices and other documents as each may reasonably request. The DIP Agent and the Prepetition Agents may each, in its discretion, file a photocopy of this Interim Order as a financing statement with any filing or recording office or with any registry of deeds or similar office in addition to or in lieu of such financing statements, notices of lien or similar instruments. To the extent that either Prepetition Agent is, with respect to the DIP Collateral, the secured party under any security agreement, mortgage, leasehold mortgage, landlord waiver, credit card processor notices or agreements, bailee letters, custom broker agreements, financing statement, account control agreements, or any other Prepetition Loan Documents or is listed as loss payee, lenders' loss payee or additional insured under any of the Debtors' insurance policies, the DIP Agent (for the benefit of the DIP Secured Parties) shall also be deemed to be the secured party or mortgagee, as applicable, under such documents or to be the loss payee or additional insured, as applicable. The Prepetition Agents shall act as agent for the

DIP Secured Parties solely for purposes of perfecting the DIP Secured Parties' liens on all DIP Collateral that, without giving effect to the Bankruptcy Code and this Interim Order, is of a type such that perfection of a lien therein may be accomplished only by possession or control by a secured party (including any deposit account control agreement), and all of the Prepetition Agents' respective rights in such DIP Collateral shall inure to the benefit of and be exercisable exclusively by the DIP Agent until the DIP Obligations have been indefeasibly repaid in full in cash; *provided*, that the DIP Agent may, in its sole discretion, require the Debtors and the Prepetition Agents to (and the Debtors and the Prepetition Agents shall) use commercially reasonable efforts to provide the DIP Agent with such possession or control as is necessary to perfect the DIP Obligations and DIP Priority Liens. Notwithstanding the foregoing, in the event any of the Chapter 11 Cases or Successor Cases are dismissed prior to the indefeasible payment in full of the DIP Obligations, such order dismissing any Chapter 11 Cases or Successor Cases shall not be effective for five (5) business days to permit the DIP Agent and the Prepetition Agents to enter into any agreements or file any documents (including credit agreements, financing statements, mortgages, or other notices or documents) evidencing the DIP Obligations and the perfection and priority of the DIP Liens and Replacement Liens, and during such period, the Debtors shall comply with all reasonable requests of the DIP Agent and the Prepetition Agents to ensure the perfection of the DIP Liens and the Replacement Liens, as applicable.

25. Access to Books and Records. The Debtors will (i) maintain books, records, and accounts to the extent and as required by the DIP Documents, (ii) cooperate with, consult with, and, subject to attorney-client privilege, work product doctrine, and any similar applicable protections, provide to the DIP Agent and the DIP Lenders all such information and documents that any or all of the Debtors are obligated to provide under the DIP Documents or the provisions

of this Interim Order or as otherwise reasonably requested by the DIP Agent and the DIP Lenders, (iii) during normal business hours, upon reasonable advance notice, permit consultants, advisors and other representatives (including third party representatives) of the DIP Agent and the DIP Lenders to visit and inspect any of the Debtors' respective properties, to examine and make abstracts or copies from any of their respective books and records, to conduct a collateral audit and analysis of their respective inventory and accounts, to tour the Debtors' business premises and other properties, and to discuss, and provide advice with respect to, their respective senior management independent public accountants to the extent required by the DIP Documents or the Prepetition Loan Documents, and (iv) permit the DIP Secured Parties, and the Prepetition Secured Parties, and their respective consultants, advisors and other representatives, to consult with the Debtors' management and advisors on matters concerning the Debtors' businesses, financial condition, operations and assets, as provided for in the DIP Documents.

26. Proceeds of Subsequent Financing. If the Debtors, any trustee, any examiner with expanded powers, or any responsible officer subsequently appointed in these Chapter 11 Cases or any Successor Cases, shall obtain credit or incur debt pursuant to Bankruptcy Code sections 364(b), 364(c) or 364(d) or in violation of the DIP Documents at any time prior to the indefeasible repayment in full in cash of all DIP Obligations and the termination of the DIP Lenders' obligation to extend credit under the DIP Facility, including subsequent to the confirmation of any plan with respect to any or all of the Debtors and the Debtors' Estates, and such facilities are secured by any DIP Collateral, then all cash proceeds derived from such credit or debt shall immediately be turned over to the DIP Agent (for the benefit of the DIP Secured Parties) to be distributed in accordance with this Interim Order and the DIP Documents. For the avoidance of doubt, if the Debtors, any trustee, any examiner with expanded powers, or any

responsible officer subsequently appointed in the Chapter 11 Cases, or any Successor Cases, shall obtain credit or incur debt (other than the DIP Facility) pursuant to Bankruptcy Code section 364(d) at any time prior to the indefeasible repayment in full of the Prepetition Obligations, the Prepetition Secured Parties' rights to object to the Debtors' use of Cash Collateral and assert a lack of adequate protection shall be fully preserved.

27. Cash Management. The Debtors shall maintain their cash management system consistent with the terms and conditions of any interim and/or final order, which shall be reasonably acceptable to the DIP Agent, the Prepetition Term Loan Agent, and the Prepetition ABL Agent, granting the Debtors authorization to continue their cash management systems and certain related relief (as amended, supplemented, or otherwise modified, the "Cash Management Order"), the DIP Documents, and this Interim Order.

28. Maintenance of DIP Collateral. Until the indefeasible payment in full in cash of all DIP Obligations, all Prepetition Obligations, and the termination of the DIP Lenders' obligation to extend credit under the DIP Facility, the Debtors shall: (a) insure the DIP Collateral as required under the DIP Documents or the Prepetition Loan Documents, as applicable; and (b) maintain the cash management system consistent with the terms and conditions of the Cash Management Order and the DIP Documents.

29. Disposition of DIP Collateral. The Debtors shall not sell, transfer, lease, encumber, or otherwise dispose of any portion of the DIP Collateral or Prepetition Collateral, other than in the ordinary course of business or as otherwise permitted by the DIP Documents, without the prior consent of the Required Lenders, or pursuant to a sale of all or substantially all of the Debtors' assets in accordance with the 363 Sale Motion and 363 Sale Transaction (each as defined in the DIP Credit Agreement). Except as may be provided in the DIP Documents, the Debtors are

authorized and directed, upon the closing of a sale of any of the DIP Collateral, to immediately pay all proceeds of any such sale to the DIP Agent, for the benefit of the DIP Secured Parties and the Prepetition Agents, for the benefit of the Prepetition Secured Parties, first to satisfy the DIP Obligations and then to satisfy the Prepetition Obligations in accordance with this Interim Order and the DIP Documents, and any order approving the sale of such DIP Collateral shall provide that the sale is conditioned upon the payment of the DIP Obligations and Prepetition Obligations (except to the extent otherwise agreed in writing by the DIP Agent or Prepetition Agents in respect of the applicable obligations owed to them), *provided*, that any such sale of DIP Collateral shall exclude Segregated Cash Collateral until the Surviving Obligations, Bank Product Obligations, and Letter of Credit Obligations secured thereby pursuant to the terms of the Payoff Letter or this Interim Order are paid in full.

30. Termination Date. On the Termination Date (defined below), all DIP Obligations shall be immediately due and payable, and all commitments to extend credit under the DIP Facility will terminate other than as permitted by the Carve-Out.

31. Events of Default. Until the DIP Obligations are indefeasibly paid in full in cash and all commitments thereunder are terminated in accordance with the DIP Documents, the occurrence of any of the following events, unless waived by the Required Lenders (or as otherwise provided in the DIP Documents) in writing (which may be by electronic mail) and in accordance with the terms of the DIP Documents, shall constitute an event of default (collectively, the "Events of Default"): (a) the failure of the Debtors to perform, in any material respect, any of the terms, provisions, conditions, covenants, or obligations under this Interim Order, including, without limitation, failure to make any payment under this Interim Order when due or comply with any Milestones (as defined below) (except as waived by the Required Lenders); and (b) the occurrence

and continuation of any Event of Default under, and as defined in, the DIP Credit Agreement or any other DIP Documents (subject to any notice and cure periods set forth therein).

32. Milestones. As a condition to the DIP Facility and the use of Cash Collateral, the Debtors have agreed to the Milestones (as defined in the DIP Credit Agreement). For the avoidance of doubt, unless waived in writing by the DIP Agent in its sole discretion, the failure of the Debtors to meet the Milestones by the applicable specified deadlines set forth therefor shall constitute an Event of Default under the DIP Documents and this Interim Order.

33. Rights and Remedies Upon Event of Default. Upon the occurrence and during the continuation of an Event of Default, notwithstanding the provisions of Bankruptcy Code section 362, without any application, motion or notice to, hearing before, or order from the Court, other than, subject to the terms of this Interim Order: (a) the DIP Agent (at the direction of the applicable Required Lenders, or as otherwise provided in the DIP Documents) may send a written notice to the Debtors, counsel to the Committee, the Prepetition ABL Agent, and the U.S. Trustee (any such declaration shall be referred to herein as a "Termination Declaration"), which shall be filed on the docket of the Chapter 11 Cases, declaring (1) all DIP Obligations owing under the DIP Documents to be immediately due and payable, (2) the commitment of each DIP Lender to make DIP Term Loans to be terminated, whereupon such commitments and obligation shall be terminated to the extent any such commitment remains under the DIP Facilities, (3) the termination of the DIP Facilities and the DIP Documents as to any future liability or obligation of the DIP Lenders or DIP Agent, but without affecting any of the DIP Liens or the DIP Obligations, and (4) the application of the Carve-Out has occurred following the delivery of the Carve Out Trigger Notice (as defined below) to the Borrower; (b) interest, including, where applicable, default interest, shall accrue and be paid as set forth in the DIP Documents; and (c) upon delivery of the Termination Declaration,

the DIP Agent (at the direction of the Required Lenders) shall be deemed to have declared a termination, reduction, or restriction on the ability of the Debtors to use Cash Collateral, other than to pay expenses set forth in the Approved Budget that are necessary to avoid immediate and irreparable harm to the Debtors' estates. The earliest date on which a Termination Declaration is delivered by the DIP Agent (at the direction of the Required Lenders) and filed on the Docket shall be referred to herein as the "Termination Date." Following a Termination Date, neither the DIP Lenders or DIP Agent nor the Prepetition Secured Parties shall be required to consent to the use of any Cash Collateral or provide any loans or other financial accommodations under the DIP Facility, absent further order of the Court. The Termination Declaration shall be given by electronic mail (or other electronic means) to counsel to the Debtors, counsel to the Committee, and the U.S. Trustee.

34. No Waiver by Failure to Seek Relief. The rights and remedies of the DIP Secured Parties and the Prepetition Secured Parties are cumulative and not exclusive of any rights or remedies that the DIP Secured Parties or the Prepetition Secured Parties may have under the DIP Documents, the Prepetition Loan Documents, applicable law, or otherwise. The failure or delay on the part of any of the DIP Secured Parties or the Prepetition Secured Parties to seek relief or otherwise exercise their rights and remedies under this Interim Order, the DIP Documents, the Prepetition Loan Documents, or applicable law, as the case may be, shall not constitute a waiver of any of their respective rights or be deemed as an admission that no Event of Default has occurred. No delay on the part of any party in the exercise of any right or remedy under this Interim Order, the DIP Documents, or the Prepetition Loan Documents shall preclude any other or further exercise of any such right or remedy or the exercise of any other right or remedy. Except as expressly set forth herein, none of the rights or remedies of any party under this Interim Order,

the DIP Documents, and the Prepetition Loan Documents shall be deemed to have been amended, modified, suspended, or waived unless such amendment, modification, suspension, or waiver is express, in writing and signed by the requisite parties under the DIP Documents and the requisite parties under the Prepetition Loan Documents, as applicable. No consents required hereunder by any of the DIP Secured Parties or the Prepetition Secured Parties shall be implied by any inaction or acquiescence by any of the DIP Secured Parties or the Prepetition Secured Parties (as applicable).

35. Emergency Hearing. Upon the delivery of a Termination Declaration, the Debtors, the Committee, if any, the DIP Lenders, the DIP Agent, and the Prepetition Secured Parties consent to a hearing on an expedited basis solely to consider whether an Event of Default has occurred and is continuing. During the five (5) calendar days following the date a Termination Declaration is delivered (such five (5) calendar day period, the "Remedies Notice Period"), the Debtors shall continue to have the right to use Cash Collateral in accordance with the terms of the Interim Order, solely to pay necessary expenses set forth in the Approved Budget to avoid immediate and irreparable harm to the Estates. At the end of the Remedies Notice Period, unless the Court has entered an order to the contrary, the Debtors' right to use Cash Collateral shall immediately cease, unless otherwise provided herein and the DIP Agent and DIP Lenders shall have the rights set forth immediately below.

36. Certain Rights and Remedies Following Termination Date. Following a Termination Date and upon either the expiration of the Remedies Notice Period or pursuant to an order of the Court (which may authorize the remedies set forth in this paragraph or any other appropriate remedy as then determined by the Court) upon an emergency motion by the DIP Agent (at the direction of the Required Lenders) to be heard on no less than five (5) calendar days' notice

(and the Debtors shall not object to such shortened notice) (the "Termination Enforcement Order"), the DIP Agent shall be entitled to exercise all rights and remedies in accordance with the DIP Documents, the DIP Orders, and applicable law and shall be permitted to satisfy the relevant DIP Obligations and DIP Liens based on the priorities set forth in the DIP Documents, subject to the Carve-Out, the Administration Charge as against the Canadian Collateral and any Prepetition Permitted Liens. Following entry of the Termination Enforcement Order, except as otherwise ordered by the Court (including in any Termination Enforcement Order): (a) the Debtors are hereby authorized and directed to, with the exclusion of the Carve-Out, remit to the DIP Agent (for the benefit of the DIP Lenders) one-hundred percent (100%) of all collections, remittances, and proceeds of the DIP Collateral in accordance with the DIP Documents; (b) the DIP Agent (at the direction of the Required Lenders or as otherwise provided in the DIP Documents) may compel the Debtors to seek authority to, (i) sell or otherwise dispose of all or any portion of the DIP Collateral (or any other property of the Debtors to the extent a lien is not permitted by law to attach to such property, the proceeds of which are DIP Collateral) pursuant to Bankruptcy Code section 363 (or any other applicable provision) on terms and conditions pursuant to Bankruptcy Code sections 363, 365, and other applicable provisions of the Bankruptcy Code, and (ii) assume and assign any lease or executory contract included in the DIP Collateral to the DIP Agent's designees in accordance with and subject to Bankruptcy Code section 365, (c) the DIP Agent (at the direction of the Required Lenders) may direct the Debtors to (and the Debtors shall comply with such direction to) dispose of or liquidate the DIP Collateral (or any other property of the Debtors to the extent a lien is not permitted by law to attach to such property, the proceeds which are DIP Collateral) via one or more sales of such DIP Collateral or property and/or the monetization of other DIP Collateral or property, (d) the DIP Agent may (at the direction of the Required Lenders),

or may direct the Debtors to (and the Debtors shall comply with such direction to), collect accounts receivable, (e) the DIP Agent (for the benefit of the DIP Lenders) shall be authorized to succeed to any of the Debtors' rights and interests under any licenses for the use of any intellectual property in order to complete the production and sale of any inventory with respect to the DIP Collateral, and (f) the Debtors shall take all action that is reasonably necessary to cooperate with the DIP Lenders in the exercise of their rights and remedies and to facilitate the realization of the DIP Collateral by the DIP Lenders in a manner consistent with the priorities set forth in the DIP Documents.

37. Access to DIP Collateral. Notwithstanding anything contained herein to the contrary and without limiting any other rights or remedies of the DIP Secured Parties under the Interim Order, the DIP Documents and applicable law, after the occurrence of a Termination Date and the entry of a Termination Enforcement Order, and subject to paragraph 35, for the purpose of exercising any remedy with respect to any of the DIP Collateral, the DIP Agent (or any of its employees, agents, consultants, contractors, or other professionals) (collectively, the "Enforcement Agents") shall have the right (to be exercised at the direction of the Required Lenders), to: (i) enter upon, occupy, and use any real or personal property, fixtures, equipment, leasehold interests, or warehouse arrangements owned or leased by the Debtors; (ii) enter into the premises of any Debtor in connection with the orderly sale or disposition of the DIP Collateral (including, without limitation, to complete any work in process); (iii) exercise any rights of the Debtors to access any DIP Collateral (including inventory) held by any third party; *provided, however,* the Enforcement Agents may only be permitted to do so in accordance with (a) existing rights under applicable non-bankruptcy law, including, without limitation, applicable leases, (b) any prepetition (and, if applicable, post-petition) landlord waivers or consents, or (c) further order of this Court on motion

and notice appropriate under the circumstances; and (iv) use any and all trademarks, tradenames, copyrights, licenses, patents, equipment or any other similar assets of the Debtors, or assets which are owned by or subject to a lien of any third party and which are used by the Debtors in their businesses; *provided*, *however*, the Enforcement Agents may use such assets to the extent permitted by applicable non-bankruptcy law. The Enforcement Agents will be responsible for the payment of any applicable fees, rentals, royalties, or other amounts owing to such lessor, licensor or owner of such property (other than the Debtors) on a *per diem* basis and solely for the period of time that the Enforcement Agents actually occupy any real property or use the equipment or the intellectual property (but in no event for any accrued and unpaid fees, rentals, or other amounts owing for any period prior to the date that the Enforcement Agents actually occupy or use such assets or properties). Nothing contained herein shall require the Enforcement Agents to assume any lease as a condition to the rights afforded in this paragraph.

38. Carve-Out. Each of the DIP Liens, the DIP Superpriority Claims, the Prepetition Liens, the Replacement Liens, and the Adequate Protection Superpriority Claims shall be subject to payment of the Carve-Out (excluding the Segregated Cash Collateral).

(i) "Carve-Out" means, collectively, the following fees and expenses: (i) all statutory fees required to be paid to the Clerk of the Court and to the Office of the United States Trustee pursuant to 28 U.S.C. § 1930(a) *plus* interest at the statutory rate, if any, pursuant to 31 U.S.C § 3717 (without regard to the Carve-Out Trigger Notice (as defined below)); (ii) reasonable fees and expenses incurred by a Trustee, if any, under section 726(b) of the Bankruptcy Code in an amount not exceeding $50,000 (without regard to the Carve-Out Trigger Notice) (the amounts in these clauses (i) and (ii), "Statutory Fees"); (iii) to the extent allowed at any time, all unpaid fees and expenses of the professionals retained by the Debtors and, subject to amounts set forth in

the Approved Budget, any Committee appointed in the Chapter 11 Cases, that (a) are incurred on or prior to the third business day succeeding the date of delivery of the Carve-Out Trigger Notice, or (b) are incurred after the third business day succeeding the date of delivery of a Carve-Out Trigger Notice, subject to an aggregate cap of $750,000 for the Debtors' professionals and a separate aggregate cap of $150,000 for the Committee's professionals, (each excluding any restructuring, sale, success, or other transaction fee of any investment bankers or financial advisors of the Debtors unless approved by the DIP Lenders) (the "Professional Fees") allowed by the Court or another court of competent jurisdiction at any time, and incurred by persons or firms retained by the Debtors or the Committee pursuant to section 327, 328, 363 or 1103 of the Bankruptcy Code (the "Professional Persons"), the amounts set forth in this clause (iii)(b) being the "Post-Carve Out Trigger Notice Cap"). For purposes of the foregoing, "Carve Out Trigger Notice" shall mean a written notice delivered by the DIP Agent to the Debtors' lead counsel, the U.S. Trustee, and lead counsel to the Committee, which notice may only be delivered following the occurrence and during the continuation of an Event of Default, stating that the Post-Carve Out Trigger Notice Cap has been invoked. No portion of the Carve-Out, any Cash Collateral, any other DIP Collateral, or any proceeds of the DIP Facility, including any disbursements set forth in the Approved Budget or obligations benefitting from the Carve-Out, shall be used for the payment of Professional Fees incurred by any person, including, without limitation, any Committee, in connection with challenging the DIP Secured Parties' or the Prepetition Secured Parties' liens or claims, preventing, hindering or delaying any of the DIP Secured Parties' or the Prepetition Secured Parties' enforcement or realization upon any of the DIP Collateral, or initiating or prosecuting any claim or action against any DIP Secured Party or Prepetition Secured Party; *provided* that, notwithstanding the foregoing, proceeds from the DIP Facility and/or Cash Collateral not to exceed

$50,000 in the aggregate (the "Investigation Budget") may be used on account of Professional Fees incurred by Professional Persons of the Committee (if any) in connection with the investigation of avoidance actions or any other claims or causes of action (but not the prosecution of such actions) on account of the Prepetition Obligations and Prepetition Secured Parties (but not the DIP Facility and DIP Secured Parties).

(ii) Carve-Out Reserve. Contemporaneously with the initial funding of the DIP Term Loans, the Debtors will transfer cash proceeds from the DIP Facility in an amount equal to the total budgeted weekly fees and expenses incurred by the Debtors' retained Professional Persons for the first two weekly periods set forth in the Approved Budget, and thereafter on a weekly basis the Debtors will transfer cash proceeds from draws from the DIP Facility and/or cash on hand equal to the total budgeted weekly fees and expenses incurred by the Debtors' and Committee's (if appointed and as applicable) retained Professional Persons until receipt of a Carve-Out Trigger Notice, in each case, excluding any success or other transaction fees of any investment banker or financial advisor of the Debtors or Committee, into segregated trust account(s) at Debtors' counsel's law firm, Berger Singerman, LLP for the benefit of the Professional Persons (the "Professional Fee Reserve"). Upon the delivery of a Carve-Out Trigger Notice, the Carve-Out Trigger Notice shall (i) be deemed a request by the Debtors for, and the DIP Lenders shall fund DIP Loans under the DIP Facility, in an amount equal to (i) the aggregate amount of budgeted accrued and unpaid Professional Fees incurred before or on the first business day following delivery of a Carve-Out Trigger Notice (to the extent not previously funded to the Professional Fee Reserve) and (ii) the Post-Carve Out Trigger Notice Cap (less any amounts already funded into the Professional Fee Reserve in respect of such amounts) (any such amounts actually advanced shall constitute DIP Loans); and (ii) constitute a demand to the Debtors to utilize all cash on hand

as of such date and any available cash thereafter held by any Debtor to fund a reserve in an amount equal to amounts set forth in clauses (i) and (ii) (less any amounts already funded into the Professional Fee Reserve in respect of such amounts). For the avoidance of doubt, the DIP Lenders shall have no obligation to fund aggregate fees and expenses in excess of DIP Commitments. Amounts funded into the Professional Fee Reserve shall be considered used by the Debtors at such time as they are deposited into the Professional Fee Reserve for distribution to Professional Persons in accordance with orders of the Bankruptcy Court. Any amounts remaining in the Professional Fee Reserve after payment of allowed fees and expenses shall be DIP Collateral. The Professional Fee Reserve shall not constitute a cap on the professional fees included in the Carve-Out.

(iii) The Debtors shall use funds held in the Professional Fee Reserve exclusively to pay Professional Fees within the Carve-Out as set forth in clause (ii) of this paragraph 38 as they become allowed and payable pursuant to the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any interim or final orders of the Court; *provided* that when all Professional Fees and the other obligations that are a part of the Carve-Out have been paid in full (regardless of when such Professional Fees are allowed by the Court), any funds remaining in the Professional Fee Reserve shall revert to the DIP Agent for the benefit of the DIP Lenders. Funds transferred to the Professional Fee Reserve shall be subject to the DIP Liens, DIP Superpriority Claims, Replacement Liens, and Adequate Protection Superpriority Claims granted hereunder to the extent of such reversionary interest; *provided*, that, for the avoidance of doubt, such liens and claims shall be subject in all respects to the Carve-Out and the Administration Charge as against the Canadian Collateral.

(iv) Notwithstanding anything to the contrary in the DIP Documents, this Interim Order, or any other Court order, the Professional Fee Reserve and the amounts on deposit in the Professional Fee Reserve shall be available and used only to satisfy Professional Fees accruing prior to the Termination Date benefitting from the Carve-Out, and the other obligations that are a part of the Carve-Out. The failure of the Professional Fee Reserve to satisfy Professional Fees in full shall not affect the priority of the Carve-Out; *provided*, that, to the extent that the Professional Fee Reserve is actually funded, the Carve-Out shall be reduced by such funded amount dollar-for-dollar. In no way shall the Carve-Out, Professional Fee Reserve, or the Approved Budget or any of the foregoing be construed as a cap or limitation on the amount of the allowed Debtor Professional Fees or Statutory Fees due and payable by the Debtors or that may be allowed by the Court at any time (whether by interim order, final order, or otherwise).

(v) No Direct Obligation to Pay Professional Fees; No Waiver of Right to Object to Fees. None of the DIP Secured Parties or Prepetition Secured Parties shall be responsible for the direct payment or reimbursement of any fees or disbursements of any of the Professional Persons incurred in connection with the Chapter 11 Cases or any Successor Cases under any chapter of the Bankruptcy Code. Nothing in this Interim Order or otherwise shall be construed to obligate any of the DIP Secured Parties or Prepetition Secured Parties in any way to compensate, or to reimburse expenses of, any of the Professional Persons, or to guarantee that the Debtors or their Estates have sufficient funds to pay such compensation or reimbursement. Nothing herein shall be construed as consent to the allowance of any professional fees or expenses of any of the Debtors, any Committee, any other official or unofficial committee in these Chapter 11 Cases or any Successor Cases, or of any other person or entity, or shall affect the right of any party to object to the allowance and payment of any such fees and expenses.

39. Good Faith Under Section 364(e) of the Bankruptcy Code; No Modification or Stay of this Interim Order. The DIP Secured Parties and the Prepetition Secured Parties have acted in good faith in connection with this Interim Order and are entitled to rely upon the protections granted herein and by section 364(e) of the Bankruptcy Code. Based on the findings set forth in this Interim Order and the record made during the Interim Hearing, and in accordance with section 364(e) of the Bankruptcy Code, in the event any or all of the provisions of this Interim Order are hereafter modified, amended, or vacated by a subsequent order of this Court or any other court, the DIP Secured Parties and Prepetition Secured Parties are entitled to the protections provided in section 364(e) of the Bankruptcy Code. Any such 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.

40. Approval of DIP Fees. In consideration for the DIP Financing and the consent to the use of Cash Collateral in accordance with the terms of this Interim Order, the DIP Secured Parties shall be paid all fees, expenses and other amounts payable under the DIP Documents as such become due, including, without limitation, the DIP Agent Fee and the DIP Upfront Fee, and all reasonable and documented out-of-pocket costs and expenses, including legal fees of the DIP Agent and the DIP Lenders, financial advisor fees, and other similar fees, costs and expenses incurred in connection with the DIP Facility and the Chapter 11 Cases, including, without limitation, the reasonable and documented fees and expenses of (a) counsel to the DIP Secured Parties, (b) specialty or local counsel to the DIP Secured Parties in each relevant jurisdiction and (c) in the case of an actual or perceived conflict of interest with respect to any of the foregoing counsel, one additional counsel to each group of affected DIP Lenders similarly situated and taken as a whole (all such fees, together, the "DIP Fees"). The DIP Fees shall be fully earned and payable

in accordance with the terms of the DIP Documents, without the need for any further order of this Court. The DIP Fees shall be part of the DIP Obligations. Any and all DIP Fees paid prior to the Petition Date by any of the Debtors to the DIP Secured Parties in connection with or with respect to the DIP Facility in each case is hereby approved in full.

41. Lender Professionals' Fees. Professionals for the DIP Secured Parties (the "DIP Professionals") and professionals for the Prepetition Term Loan Parties (the "Prepetition Professionals," and together with the DIP Professionals, the "Lender Professionals") shall not be required to comply with the U.S. Trustee fee guidelines or file applications or motions with, or obtain approval of, this Court for compensation and reimbursement of fees and expenses. The Lender Professionals shall submit copies of summary invoices to the Debtors, the U.S. Trustee, and counsel for any Committee. The summary invoices shall provide only the total aggregate number of hours billed and a summary description of services provided and the expenses incurred by the applicable party and/or professionals, and shall be subject to all applicable privilege and work product doctrines. If the Debtors, U.S. Trustee, or any Committee object to the reasonableness of the fees and expenses of any Lender Professional and cannot resolve such objection within ten (10) days after receipt of such invoices, then the Debtors, U.S. Trustee, or the Committee, as the case may be, shall file with this Court and serve on such Lender Professional an objection (the "Fee Objection"), and any failure by any such party to file a Fee Objection within such ten (10) day period shall constitute a waiver of any right of such party to object to the applicable invoice. Notwithstanding any provision herein to the contrary, any objection to, and any hearing on an objection to, payment of any fees, costs, and expenses set forth in a professional fee invoice in respect of the Lender Professionals shall be limited to the reasonableness of the particular items or categories of the fees, costs, and expenses that are the subject of such objection.

The Debtors shall timely pay in accordance with the terms and conditions of this Interim Order (a) the undisputed fees, costs, and expenses reflected on any invoice to which a Fee Objection has been timely filed and (b) all fees, costs, and expenses on any invoice to which no Fee Objection has been timely filed.

42. Indemnification. The Debtors shall indemnify and hold harmless the DIP Secured Parties, 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, and their respective heirs, predecessors, successors and assigns in accordance with, and subject to, the terms and conditions of the DIP Documents except to the extent of such party's actual fraud or willful misconduct as determined in a final order by a court of competent jurisdiction.

43. Right to Credit Bid. In connection with any sale or other disposition of the DIP Collateral or Prepetition Collateral including any sales occurring under or pursuant to section 363 of the Bankruptcy Code, any plan of reorganization or plan of liquidation under section 1129 of the Bankruptcy Code, or a sale or disposition by a chapter 7 trustee for any of the Debtors (any of the foregoing sales or dispositions, a "Sale"), the DIP Agent (at the direction of the Required Lenders) and the Prepetition Term Loan Agent (at the direction of the Required Lenders (as defined in the Prepetition Credit Agreement)) shall be authorized subject to section 363(k) of the Bankruptcy Code to credit bid on a dollar-for-dollar basis any or all of the full amount of the respective outstanding DIP Obligations and Prepetition Obligations up to the full amount of the DIP Obligations and Prepetition Obligations, respectively, including any accrued interest, expenses, and fees, in a Sale (including any deposit in connection with such sale) of any DIP

Collateral or Prepetition Collateral, whether such sale is effectuated through section 363 or 1129 of the Bankruptcy Code, by a chapter 7 trustee, or otherwise, without the need for further court authorization. The DIP Agent (at the direction of the Required Lenders) and the Prepetition Term Loan Agent (at the direction of the Required Lenders (as defined in the Prepetition Credit Agreement)) shall each have the absolute right to assign, transfer, sell, or otherwise dispose of their respective rights to credit bid to any acquisition vehicle formed in connection with such bid or other designee.

44. Proofs of Claim. Neither the DIP Secured Parties nor the Prepetition Secured Parties will be required to file proofs of claim in any of the Chapter 11 Cases or Successor Cases for any claim arising under the DIP Documents or the Prepetition Loan Documents. The Debtors' stipulations, admissions, and acknowledgments and the provisions of this Interim Order shall be deemed to constitute timely filed proofs of claim for the DIP Secured Parties and the Prepetition Secured Parties with regard to all claims arising under the DIP Documents and the Prepetition Loan Documents, and, as a result, the Prepetition Obligations shall be deemed allowed for all purposes in accordance with section 502(a) of the Bankruptcy Code.

45. Limitations on Use of DIP Proceeds, Cash Collateral and Carve-Out. Except as otherwise permitted in this Interim Order and the Approved Budget (including with respect to the Investigation Budget), or the DIP Credit Agreement, the DIP Collateral, the Prepetition Collateral, the Cash Collateral, and the Carve-Out may not be used in connection with: (a) preventing, hindering, or delaying the DIP Secured Parties or the Prepetition Secured Parties' enforcement or realization upon any of the DIP Collateral or Prepetition Collateral; (b) using or seeking to use Cash Collateral or selling or otherwise disposing of DIP Collateral outside the ordinary course of business without the prior written consent of the Required Lenders; (c) outside the ordinary course

of business, using or seeking to use any insurance proceeds constituting DIP Collateral without the prior written consent of the Required Lenders; (d) incurring any indebtedness without the prior written consent of the Required Lenders; (e) seeking to amend or modify any of the rights granted to the DIP Secured Parties or the Prepetition Secured Parties under this Interim Order, the DIP Documents, or the Prepetition Loan Documents; (f) objecting to or challenging in any way the DIP Liens, the DIP Obligations, the Prepetition Liens, the Prepetition Obligations, the DIP Collateral (including Cash Collateral) or, as the case may be, Prepetition Collateral, or any other claims or liens, held by or on behalf of any of the DIP Secured Parties or the Prepetition Secured Parties, respectively; (g) asserting, commencing, or prosecuting any claims or causes of action whatsoever, including, without limitation, any actions under chapter 5 of the Bankruptcy Code, applicable state law equivalents, any so-called "lender liability" claims and causes of action or other actions to recover or disgorge payments against the DIP Secured Parties, the Prepetition Secured Parties, or any of their respective affiliates, successors and assigns and the partners, shareholders, controlling persons, directors, officers, employees, agents, attorneys, advisors, and professionals); (h) litigating, objecting to, challenging, contesting in any manner, or raising any defenses to, the validity, extent, amount, perfection, priority, or enforceability of any of the DIP Obligations, the DIP Liens, the Prepetition Liens, the Prepetition Obligations, or any other rights or interests of the DIP Secured Parties or the Prepetition Secured Parties; or (i) seeking to subordinate, recharacterize, disallow, or avoid the DIP Obligations or the Prepetition Obligations.

46. Effect of Stipulations on Third Parties. The Debtors' Stipulations contained in paragraph G and releases in paragraph H hereof shall be binding in all circumstances upon the Debtors upon entry of this Interim Order, and upon their Estates and any successor thereto in all circumstances for all purposes immediately upon entry of the Final Order. The Debtors'

Stipulations shall be binding upon each other party-in-interest, including the Committee, except to the extent such party in interest *first* obtains standing (including any chapter 11 trustee or if the Chapter 11 Cases are converted to cases under chapter 7 prior to the expiration of the Challenge Period (as defined below), the chapter 7 trustee in such Successor Case), by no later than the earlier of (x) sixty (60) calendar days after the Petition Date and (y) the date established by the Court for the submission of Qualified Bids (as defined in the 363 Sale Motion) to purchase the Debtors' assets (such time period established by the earlier of clauses (x) and (y) shall be referred to as the "Challenge Period") and *second,* obtains a final, non-appealable order in favor of such party-in-interest sustaining any such Challenge (as defined below) in any such timely-filed contested matter or adversary proceeding (any such Challenge (as defined below) timely brought for which such a final and non-appealable order is so obtained, a "Successful Challenge"). For the purposes of this Interim Order, "Challenge" shall mean a timely and properly filed contested matter or adversary proceeding challenging or otherwise objecting to the admissions, stipulations, findings, or releases set forth in this Interim Order, including stipulation contained in the Debtors' Stipulations, including but not limited to, those in relation to (a) the amount, validity, extent, priority, or perfection of the mortgages, security interests, and liens of the Prepetition Agents with respect to prepetition collateral; (b) the validity, allowability and priority of the Prepetition Obligations; and (c) any releases set forth or agreed to pursuant to the DIP Documents. The Challenge Period shall terminate on the date that is the next calendar day after the expiration of the Challenge Period in the event that either (i) no Challenge is raised during the Challenge Period or (ii) with respect only to those parties who file a Challenge, such Challenge is fully and finally adjudicated (collectively, the "Challenge Period Termination Date"). The filing of a motion seeking standing to file a Challenge before expiration of the Challenge Period, which attaches a proposed Challenge, shall

extend the Challenge Period with respect to solely that party until two (2) business days after the Court approves the standing motion, or such other time period ordered by the Court in approving the standing motion. Except as otherwise expressly provided herein, from and after the Challenge Period Termination Date and for all purposes in these Chapter 11 Cases and any Successor Cases (and after the dismissal of these Chapter 11 Cases or any Successor Cases), and without further notice, motion, or application to, order of, or hearing before this Court, (i) any and all payments made to or for the benefit of the Prepetition Secured Parties or otherwise authorized by this Interim Order (whether made prior to, on, or after the Petition Date) shall be indefeasible and not be subject to counterclaim, set-off, subordination, recharacterization, defense, disallowance, recovery, or avoidance by any party in interest, (ii) any and all such Challenges by any party-in-interest shall be deemed to be forever released, waived, and barred, (iii) all of the Prepetition Obligations shall be deemed to be fully allowed claims within the meaning of section 506 of the Bankruptcy Code, and (iv) the Debtors' Stipulations shall be binding on all parties in interest in these Chapter 11 Cases or any Successor Cases, including any Committee or chapter 11 or chapter 7 trustee. Notwithstanding the foregoing, to the extent any Challenge is timely asserted, the Debtors' Stipulations and the other provisions in clauses (i) through (iv) in the immediately preceding sentence shall nonetheless remain binding and preclusive on any Committee and on any other party-in-interest from and after the Challenge Period Termination Date, except to the extent that such Debtors' Stipulations or the other provisions in clauses (i) through (iv) of the immediately preceding sentence were expressly challenged in such Challenge and such Challenge becomes a Successful Challenge. Notwithstanding any provision to the contrary herein, nothing in this Interim Order shall be construed to grant standing on any party in interest, including any Committee, to bring any Challenge on behalf of the Debtors' Estates. The failure of any party-in-

interest, including any Committee, to obtain an order of this Court prior to the Challenge Period Termination Date granting standing to bring any Challenge on behalf of the Debtors' estates shall not be a defense to failing to commence a Challenge prior to the Challenge Period Termination Date as required under this paragraph 46 or to require or permit an extension of the Challenge Period Termination Date. To the extent any such Challenge is timely and properly commenced, the Prepetition Agents and any other Prepetition Secured Party shall be entitled to payment of the related costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred in defending themselves and the other Prepetition Secured Parties in any such proceeding as adequate protection, except if a Challenge results in a determination that any part of the pre-petition secured liens or encumbrances are invalid. Notwithstanding anything to the contrary herein, Challenges may be brought against the Roll-Up Obligations prior to the Challenge Period Termination Date, and the Court may order appropriate relief in the event of any Successful Challenge to the Roll-Up Obligations.

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

48. No Lender Liability. In determining to make any loan (whether under the DIP Documents or otherwise) or to permit the use of Cash Collateral or in exercising any rights or remedies as and when permitted pursuant to this Interim Order or the DIP Documents or taking any other act permitted under this Interim Order and the DIP Documents, none of the DIP Secured Parties shall (i) be considered or deemed to be 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, state or local statute or regulation), (ii) shall be considered or deemed to be a joint employer with any of the Debtors, or (iii) owe any fiduciary duty to the Debtors, their respective creditors, shareholders, or estates. Furthermore, nothing in this Interim Order shall in any way be construed or interpreted to impose or allow the imposition upon any of the DIP Secured Parties or the Prepetition Secured Parties of any liability for any claims arising from the prepetition or postpetition activities of any of the Debtors and their respective affiliates (as defined in section 101(2) of the Bankruptcy Code).

49. Section 506(c) Claims. Subject to entry of a Final Order and the provisions of the Carve-Out and as a further condition of the DIP Facility and any obligation of the DIP Lenders to make credit extensions pursuant to the DIP Documents (and the prior written consent of the DIP Secured Parties to the payment of the Carve-Out to the extent provided herein and the prior written consent of the Prepetition Secured Parties of the priming of the Prepetition Liens by the DIP Facility and the use of Cash Collateral) (a) no costs or expenses of administration of the Chapter 11 Cases or any Successor Cases shall be charged against or recovered from or against any or all of the DIP Secured Parties or the Prepetition Secured Parties with respect to the DIP Collateral or the Prepetition Collateral, in each case pursuant to section 105 or section 506(c) of the Bankruptcy Code or otherwise, without the prior written consent of the DIP Secured Parties or the Prepetition Secured Parties, as applicable and (b) no such consent shall be implied from any other action, inaction, or acquiescence of any or all of the DIP Secured Parties or the Prepetition Secured Parties.

50. No Marshaling. Subject to entry of the Final Order, the DIP Secured Parties and the Prepetition Secured Parties shall not be subject to the equitable doctrine of "marshaling" or

any other similar doctrine with respect to any of the DIP Collateral or the Prepetition Collateral, as applicable.

51. Section 552(b). Subject to entry of the Final Order, the DIP Secured Parties and the Prepetition Secured Parties shall each be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code, and the "equities of the case" exception under section 552(b) of the Bankruptcy Code shall not apply to the DIP Secured Parties or the Prepetition Secured Parties, as applicable with respect to proceeds, product, offspring or profits of any of the DIP Collateral or Prepetition Collateral, as applicable.

52. Release of DIP Secured Parties. Upon entry of this Interim Order, the Debtors, on their own behalf and their Estates, forever and irrevocably: (i) release, discharge, and acquit each of the DIP Secured Parties and each of their former or current officers, employees, directors, agents, representatives, owners, members, partners, financial advisors, legal advisors, shareholders, managers, consultants, accountants, attorneys, affiliates, and predecessors-in-interest of and from any and all claims, demands, liabilities, responsibilities, disputes, remedies, causes of action, indebtedness and obligations, of every type, including, without limitation, any so-called "lender liability" or equitable subordination claims or defenses, solely with respect to or relating to the negotiation and entry into the DIP Documents; and (ii) waive, discharge and release any and all defenses (including, without limitation, offsets and counterclaims of any nature or kind) as to the validity, perfection, priority, enforceability, and avoidability of the DIP Liens and the DIP Obligations.

53. Limitation on Liability. Nothing in this Interim Order or the DIP Documents shall in any way be construed or interpreted to impose or allow the imposition upon the DIP Secured Parties or Prepetition Secured Parties any liability for any claims arising from the prepetition or

postpetition activities of the Debtors, including with respect to the operation of their businesses, in connection with their restructuring efforts or administration of these Chapter 11 Cases.

54. Insurance Proceeds and Policies. Upon entry of this Interim Order and to the fullest extent provided by applicable law, the DIP Agent (for the benefit of the DIP Lenders), shall be, and shall be deemed to be, without any further action or notice, named as additional insured and loss payee on each insurance policy maintained by the Debtors that in any way relates to the DIP Collateral.

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

56. Binding Effect of Interim Order. Immediately upon entry of this Interim Order by this Court, the terms and provisions of this Interim Order shall become valid and binding upon and inure to the benefit of the Debtors, the DIP Secured Parties, the Prepetition Secured Parties, all other creditors of any of the Debtors, any Committee (or any other court appointed committee) appointed in the Chapter 11 Cases, and all other parties-in-interest and their respective successors and assigns, including 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.

57. Discharge. Except as otherwise agreed in writing by the DIP Agent (acting at the direction of the Required Lenders) and the Prepetition Term Loan Agent (acting at the direction of the Required Lenders, as that term is defined in the Prepetition Credit Agreement), the DIP Obligations and the obligations of the Debtors with respect to the adequate protection provided herein shall not be discharged by the entry of an order confirming any plan of reorganization in

any of the Chapter 11 Cases, notwithstanding the provisions of section 1141(d) of the Bankruptcy Code, unless such obligations have been indefeasibly paid in full in cash (and, in the case of DIP Obligations, "payment in full" as provided by the DIP Documents), on or before the effective date of such confirmed plan of reorganization. If any of the Debtors propose or support any plan of reorganization or sale of all or substantially all of the Debtors' assets, or order confirming such plan or approving such sale, that is not conditioned upon the indefeasible payment (including by credit bid) of the DIP Obligations, and the payment of the Debtors' obligations with respect to the adequate protection provided for herein, in full in cash within a commercially reasonable period of time (and in no event later than the effective date of such plan of reorganization or sale) (a "Non-Consensual Plan or Sale") without the written consent of the DIP Agent (acting at the direction of the Required Lenders) and the Prepetition Term Loan Agent (acting at the direction of the Required Lenders, as defined in the Prepetition Credit Agreement), the Debtors' proposal or support of a Non-Consensual Plan or Sale, or the entry of an order with respect thereto, shall constitute an Event of Default hereunder and under the DIP Documents.

58. Zurich Reservation of Rights. For the avoidance of doubt, and notwithstanding anything to the contrary set forth in this Interim Order or the DIP Documents, (i) the Debtors shall not grant to any other party any liens and/or security interests in any property (or the proceeds thereof) held by Zurich American Insurance Company and/or any of its affiliates (collectively, and together with each of their successors, "Zurich") as collateral to secure obligations under any insurance policies and/or related agreements issued and/or entered into by Zurich (the "Zurich Collateral"); (ii) this Interim Order does not grant the Debtors any right to use any of the Zurich Collateral; (iii) without altering or limiting any of the foregoing, none of the insurance policies issued by Zurich to or providing coverage to any of the Debtors and any rights and claims

thereunder shall be nor shall constitute DIP Collateral nor shall be subject to any liens granted pursuant to this Interim Order, and further,, the proceeds of any insurance policy issued by Zurich shall only constitute DIP Collateral to the extent such proceeds are actually paid to the Debtors (as opposed to a third party claimant) pursuant to the terms of any such applicable insurance policy; and (iv) nothing, including the DIP Documents and/or this Interim Order , alters or modifies the terms and conditions of any insurance policies issued by Zurich and/or any agreements related thereto.

59. Joint and Several. The Debtors are jointly and severally liable for the DIP Obligations and all other obligations hereunder.

60. Survival. The provisions of this Interim Order and any actions taken pursuant hereto shall survive entry of any order which may be entered: (a) confirming any plan of reorganization in any of the Chapter 11 Cases; (b) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code; (c) dismissing any of the Chapter 11 Cases or any Successor Cases; or (d) pursuant to which this Court abstains from hearing any of the Chapter 11 Cases or Successor Cases. The terms and provisions of this Interim Order, including the claims, liens, security interests and other protections granted to the DIP Secured Parties and the Prepetition Secured Parties pursuant to this Interim Order and the DIP Documents, 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 Interim Order until: (i) in respect of the DIP Facility, all the DIP Obligations, pursuant to the DIP Documents and this Interim Order, have been indefeasibly paid in full in cash (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 are terminated; and (ii) in respect of

the Prepetition Facilities, all of the Prepetition Obligations pursuant to the Prepetition Loan Documents and this Interim Order, have been indefeasibly paid in full in cash. The terms and provisions concerning the indemnification of the DIP Secured Parties shall continue in the Chapter 11 Cases, in any Successor Cases, following dismissal of the Chapter 11 Cases or any Successor Cases, and following termination of the DIP Documents and/or the indefeasible repayment of the DIP Obligations. In addition, the terms and provisions of this Interim Order shall continue in full force and effect for the benefit of the Prepetition Secured Parties notwithstanding the repayment in full or termination of the DIP Obligations until such time as the Prepetition Obligations have been indefeasibly paid in full.

61. Final Hearing. **The Final Hearing on the Motion shall be held on [__], 2024, at [_]:00 [_].m. (Eastern Time) at the United States Bankruptcy Court, George C. Young Federal Courthouse, 400 W. Washington Street, Courtroom _____, Orlando, FL 32801**; *provided* that the Final Hearing may be adjourned or otherwise postponed upon the Debtors filing a notice of such adjournment with the consent of the DIP Agent (acting at the direction of the Required Lenders). The Debtors shall promptly serve copies of this Interim Order (which shall constitute adequate notice of the Final Hearing) to the parties having been given notice of the Interim Hearing, and to any other party that has filed a request for notices with this Court. **Any objections or responses to entry of the Final Order shall be filed on or before [_]:00 p.m. (Eastern Time), on [_], 2024.**

62. Necessary Action. The Debtors are authorized to take any and all such actions and to make, execute and deliver any and all instruments as may be reasonably necessary to implement the terms and conditions of this Interim Order and the transactions contemplated hereby.

63. Enforceability. This Interim Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 and shall take effect and be enforceable immediately upon entry thereof. Notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 6006(d), 7062, or 9014 of the Bankruptcy Rules, any applicable Local Rules, or Rule 62(a) of the Federal Rules of Civil Procedure, this Interim Order shall be immediately effective and enforceable upon its entry and there shall be no stay of execution or effectiveness of this Interim Order.

64. Headings. The headings in this Interim Order are for purposes of reference only and shall not limit or otherwise affect the meaning of this Interim Order.

65. Retention of Jurisdiction. This Court has and will retain jurisdiction to enforce this Interim Order according to its terms.

EXHIBIT A

DIP Credit Agreement

EXHIBIT B

Approved Budget

This is **Exhibit "C"** referred to in the

Affidavit of Jonathan Tibus

sworn before me by video conference
this 11th day of June, 2024

Jake Harris

A Commissioner, etc.

Jake Harris, LSO #85481T

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

IN RE:	Chapter 11 Cases
RED LOBSTER MANAGEMENT LLC, [1]	Case No. 6:24-bk-_____
RED LOBSTER RESTAURANTS LLC,	Case No. 6:24-bk-_____
RLSV, INC.,	Case No. 6:24-bk-_____
RED LOBSTER CANADA, INC.	Case No. 6:24-bk-_____
RED LOBSTER HOSPITALITY LLC	Case No. 6:24-bk-_____
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RL MARYLAND, INC.	Case No. 6:24-bk-_____
RED LOBSTER OF BEL AIR, INC.	Case No. 6:24-bk-_____
RL SALISBURY, LLC,	Case No. 6:24-bk-_____
RED LOBSTER INTERNATIONAL HOLDINGS LLC	Case No. 6:24-bk-_____

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are Red Lobster Management LLC (6889); Red Lobster Sourcing LLC (3075); Red Lobster Supply LLC (9187); RL Kansas LLC (2396); Red Lobster Hospitality LLC (5297); Red Lobster Restaurants LLC (4308); RL Columbia LLC (7825); RL of Frederick, Inc. (9184); RL Salisbury, LLC (7836); RL Maryland, Inc. (7185); Red Lobster of Texas, Inc. (1424); Red Lobster of Bel Air, Inc. (2240); RLSV, Inc. (6180); Red Lobster Canada, Inc. (4569); and Red Lobster International Holdings LLC (4661). The Debtors' principal offices are located at 450 S. Orange Avenue, Suite 800, Orlando, FL 32801.

Debtors. (Joint Administration Pending)

_____/

INTERIM ORDER GRANTING DEBTORS' EMERGENCY MOTION FOR INTERIM AND FINAL ORDERS AUTHORIZING DEBTORS TO (I) PAY PREPETITION WAGES, SALARIES, EMPLOYEE BENEFITS, AND OTHER EMPLOYEE OBLIGATIONS, (II) MAINTAIN EMPLOYEE BENEFIT PROGRAMS, AND (III) FOR RELATED RELIEF

THIS CASE came before the Court for consideration on _____ ___, 2024 at _____ ___ a.m./p.m. upon the hearing (the "Hearing") to consider the *Debtors' Emergency Motion for Interim and Final Orders Authorizing Debtors to (i) Pay Prepetition Wages, Salaries, Employee Benefits, and Other Employee Obligations, (ii) Maintain Employee Benefit Programs and (iii) For Related Relief* (the "Motion") filed by the above-captioned debtors and debtors-in-possession (collectively, the "Debtors"), pursuant to sections 105(a), 363(b), and 507(a) of title 11 of the United States Code (the "Bankruptcy Code"), Federal Rules of Bankruptcy Procedure 6003 (the "Bankruptcy Rules") and Local Rules 2081-1(g)(3) and 9013-1(d), seeking the entry of interim and final orders (i) authorizing, but not directing, the Debtors to (a) pay prepetition wages, salaries, reimbursable expenses, and other obligations on account of the Compensation and Benefits Programs[2] in the ordinary course of business as provided herein and (b) continue the Compensation and Benefits Programs, and (ii) granting related relief, as more fully set forth in the Motion. The Court, having considered the Motion and the First Day Declaration filed contemporaneously with the Motion, finding that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; (c) this matter is core pursuant to 28 U.S.C. § 157(b)(2); (d) the Court may

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

enter a final order consistent with Article III of the United States Constitution; (e) notice of the Motion and the Hearing thereon was sufficient under the circumstances and no other or further notice need be provided; (f) the Court having determined that the legal and factual bases set forth in the Motion, the First Day Declaration and at the Hearing establish just cause for the relief granted herein, and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003, and is in the best interests of the Debtors, their estates, their creditors, and all parties in interest; and upon the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor. Accordingly, it is

ORDERED as follows:

1. The Motion is **GRANTED** on an interim basis.

2. Subject to the entry of a final order on the Motion, the Debtors are authorized, but not directed, pursuant to sections 105(a), 363(b), and 507(a) of the Bankruptcy Code, to (i) pay Employee Obligations, (ii) maintain, honor, and continue the Compensation and Benefit Programs in the ordinary course of business and consistent with the Debtors' prepetition practices and (iii) modify, change, and discontinue any of their Compensation and Benefits Programs and to implement new programs, policies, and benefits for non-insider Employees in the ordinary course of business during these chapter 11 cases.

3. The Debtors are further authorized, but not directed, to remit all Payroll Taxes and Deductions to the appropriate third parties, as and when such obligations are due.

4. The Debtors are further authorized, but not directed, to continue the Non-Insider Severance Practice and honor post-petition severance obligations, but only with respect to non-Insider Employees whose employment with the Debtors terminates post-petition.

5. Subject to the entry of a final order on the Motion, the Debtors are further authorized, but not directed, to continue the Non-Insider Employee Incentive Programs and honor obligations with respect to non-Insider Employees to the extent provided in the Motion.

6. Nothing contained in the Motion or this Order, nor any payment made pursuant to the authority granted by this Order, is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors; (ii) an agreement or obligation to pay any claims; (iii) a waiver of any claims or causes of action that may exist against any creditor or interest holder; (iv) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim; or (v) an approval, assumption, or rejection of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code.

7. Except as otherwise set forth herein, nothing herein shall create, nor is intended to create, any rights in favor of or enhance the status of any claim held by any party.

8. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

9. To the extent the Debtors make any payments on account of prepetition claims incurred with respect to any self-insured Health Insurance Programs, such payments shall be made without regard to the current employment status of the Employee (or dependent), provided that such Employee (or dependent) was eligible for coverage on the date such claim was incurred.

10. Notwithstanding any other provision of this Order, nothing in this Order shall authorize the Debtors to make any payment to, or on behalf of, any Employee or Independent Contractor on account of wages and other compensation obligations in excess of the statutory caps set forth in sections 507(a)(4) and (5) of the Bankruptcy Code.

11. Notwithstanding anything to the contrary contained herein, (i) any payment made or to be made, or authorization contained, hereunder shall be subject to the requirements imposed

on the Debtors under any approved postpetition financing facility or any order regarding the use of cash collateral approved by the Court in these chapter 11 cases, including, without limitation, the *Interim Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral on a Limited Basis, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying The Automatic Stay, (VI) Scheduling A Final Hearing, and (VII) Granting Related Relief* (the "DIP Order"), and (ii) to the extent there is any inconsistency between the terms of the DIP Order and any action taken or proposed to be taken hereunder, the DIP Order and the Approved DIP Budget (as defined in the DIP Order) shall control. For the avoidance of doubt, the Debtors are not authorized to make payments pursuant to this Order except as permitted by the Approved DIP Budget (as defined in the DIP Order).

12. Notwithstanding any other provision of this Order, nothing in this Order shall authorize the Debtors to cash out unpaid PTO, unless applicable non-bankruptcy law requires such payment.

13. Notwithstanding any other provision of this Order, nothing in this Order shall authorize the Debtors to make payments on account of the Employee Incentive Programs, unless applicable non-bankruptcy law requires such payment.

14. Under the circumstances of these chapter 11 cases, notice of the Motion and Hearing are adequate under Bankruptcy Rule 6004(a).

15. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be immediately effective and enforceable upon its entry.

16. The Debtors are authorized to take all reasonable actions necessary or appropriate to effectuate the relief granted in this Order.

17. The final hearing on the Motion shall be held on [__], 2024, at [_]:00 [_].m. (Eastern Time) at the United States Bankruptcy Court, George C. Young Federal Courthouse, 400 W. Washington Street, Courtroom , Orlando, FL 32801. Any objections or responses to entry of a final order on the Motion shall be filed on or before [_]:00 p.m. (Eastern Time), on [_], 2024.

18. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

# # #

(Attorney Paul Steven Singerman is directed to serve a copy of this order on interested parties who do not receive service by CM/ECF and file a proof of service within three days of entry of the order.)

This is **Exhibit "D"** referred to in the

Affidavit of Jonathan Tibus

sworn before me by video conference
this 11th day of June, 2024

Jake Harris

A Commissioner, etc.

Jake Harris, LSO #85481T

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

IN RE:	Chapter 11 Cases
RED LOBSTER MANAGEMENT LLC,[1]	Case No. 6:24-bk-_____
RED LOBSTER RESTAURANTS LLC,	Case No. 6:24-bk-_____
RLSV, INC.,	Case No. 6:24-bk-_____
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[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are Red Lobster Management LLC (6889); Red Lobster Sourcing LLC (3075); Red Lobster Supply LLC (9187); RL Kansas LLC (2396); Red Lobster Hospitality LLC (5297); Red Lobster Restaurants LLC (4308); RL Columbia LLC (7825); RL of Frederick, Inc. (9184); RL Salisbury, LLC (7836); RL Maryland, Inc. (7185); Red Lobster of Texas, Inc. (1424); Red Lobster of Bel Air, Inc. (2240); RLSV, Inc. (6180); Red Lobster Canada, Inc. (4569); and Red Lobster International Holdings LLC (4661). The Debtors' principal offices are located at 450 S. Orange Avenue, Suite 800, Orlando, FL 32801.

Debtors. (Joint Administration Pending)

_____/

INTERIM ORDER GRANTING DEBTORS' EMERGENCY MOTION FOR INTERIM AND FINAL ORDERS (A) AUTHORIZING THE DEBTORS TO (I) CONTINUE TO USE EXISTING CASH MANAGEMENT SYSTEM, (II) MAINTAIN BANK ACCOUNTS AND CONTINUE USE OF EXISTING BUSINESS FORMS AND CHECKS, (III) HONOR CERTAIN RELATED PREPETITION AND POSTPETITION OBLIGATIONS, AND (IV) PERFORM INTERCOMPANY TRANSACTIONS, (B) GRANTING A WAIVER OF CERTAIN INVESTMENT AND DEPOSIT GUIDELINES, AND (C) GRANTING RELATED RELIEF

THIS CASE came before the Court on May [●], 2024, at [●] a.m./p.m., in Orlando, Florida for a hearing (the "Hearing") upon the *Debtors' Emergency Motion for Interim and Final Orders (A) Authorizing the Debtors to (I) Continue to Use Existing Cash Management System, (II) Maintain Bank Accounts and Continue Use of Existing Business Forms and Checks, (III) Honor Certain Related Prepetition and Postpetition Obligations, and (IV) Perform Intercompany Transactions, (B) Granting a Waiver of Certain Investment and Deposit Guidelines, and (C) Granting Related Relief* (the "Motion") [ECF No. [●]] filed by the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") for entry of an interim order (the "Interim Order") for authority, among other things, to maintain their existing Bank Accounts[2] and to continue to use their existing Business Forms, checks and Cash Management System and for a waiver of certain investment and deposit guidelines. The Court, having considered the Motion, finds that: (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; (c) this matter is core pursuant to 28 U.S.C. § 157(b)(2); (d) the Court may enter a final order consistent with Article III of the United States Constitution; (e) notice of the Motion and the Hearing thereon was sufficient under the circumstances and no other or further notice need

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

be provided; (f) the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and (g) upon a review of the record before the Court, including the legal and factual bases set forth in the Motion and the First Day Declaration and the statements made by counsel at the Hearing, and being otherwise fully advised in the premises, does for the reasons stated on the record of the Hearing, all of which are incorporated herein; and after due deliberation and sufficient cause appearing therefor, has determined that good and sufficient cause exists to grant the relief requested. Accordingly, it is

ORDERED THAT:

1. The Motion is **GRANTED**, on an interim basis, effective as of the Petition Date.

2. The Debtors are authorized to maintain and use their existing Cash Management System, as more fully set forth in the Motion. In connection with the ongoing utilization of the Cash Management System, the Debtors shall continue to maintain strict records with respect to all transfers of cash so that all transactions (including Intercompany Transactions) may be readily ascertained, traced, recorded properly and distinguished between prepetition and postpetition transactions.

3. The Debtors are authorized to maintain and use their existing Bank Accounts which are identified on the schedule attached as **Exhibit C** to the Motion in the names and with the account numbers existing immediately prior to the Petition Date.

4. The Banks are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course of business consistent with past practice, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, credit card payments, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or

makers thereof, as the case may be, 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 Interim Order; provided that, subject to paragraph 5, the Debtors shall only instruct or request any Bank to pay or honor any check, draft, or other payment item issued on a Bank Account prior to the Petition Date but presented to such Bank for payment after the Petition Date as authorized by an order of the Court.

5. The Banks are authorized to debit the Bank Accounts in the ordinary course of business, consistent with past practice, without the need for further order of this Court, for: (a) all checks drawn on the Bank Accounts that are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Petition Date; (b) all checks, automated clearing house entries, and other items deposited or credited to one of the Bank Accounts with such Bank prior to the Petition Date that have been dishonored, reversed, or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; and (c) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System.

6. Any existing deposit agreements between or among the Debtors, the Banks, and other parties shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and all of the provisions of such agreements, including, without limitation, the termination and fee provisions, rights, benefits, offset rights and remedies afforded under such agreements, shall remain in full force and effect unless otherwise ordered by the Court, and the Debtors and the Banks may, without further order of this Court, agree to and implement changes to the Cash Management System and cash management procedures in the

ordinary course of business, pursuant to the terms of those existing deposit agreements, including, without limitation, the opening and closing of bank accounts.

7. The Banks are authorized, without further order of this Court, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from ACH transactions, wire transfers, or other electronic transfers of any kind, regardless of whether such returned items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

8. Subject to the terms set forth herein, any bank, including the Banks, may rely upon the representations of the Debtors with respect to whether any check, draft, wire, transfer, or other payment order drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to any order of this Court, and no such bank shall have any liability to any party for relying on such representations by the Debtors as provided for herein.

9. Any banks, including the Banks, are further authorized to honor the Debtors' directions with respect to the opening and closing of any Bank Account and accept and hold, or invest, the Debtors' funds in accordance with the Debtors' instructions; provided that the Banks shall not have any liability to any party for relying on such representations to the extent such reliance otherwise complies with applicable law.

10. The Debtors are authorized, but not directed, to maintain and use their existing Corporate Credit Cards in the ordinary course of business consistent with prepetition practice, including honoring any outstanding obligations incurred related to the Corporate Credit Cards whether they arose prepetition or postpetition, subject to the limitations of this Interim Order and any other applicable interim and/or final orders of this Court. The issuers of the Corporate Credit

Cards are authorized to make advances pursuant to the terms of their existing agreements (in reliance upon Section 364(e) of the Bankruptcy Code) with the Debtors, including advancing funds secured by cash deposits held by the issuers, and the Debtors are authorized to incur credit in respect of such advances under section 364(a) and (c), as applicable, of the Bankruptcy Code. The Debtors are further authorized to continue to use the Corporate Credit Cards subject to the terms of the DIP Order (as defined below) and related loan documents pursuant to which the obligations in respect of the Corporate Credit Cards are included as obligations thereunder. Any Bank may rely on the representations of the Debtors with respect to its use of the Corporate Credit Cards, and such Bank shall not have any liability to any party for relying on such representations by a Debtor as provided for herein.

11. Any existing agreements between or among the Debtors and any bank in respect of the Corporate Credit Cards program shall continue to govern the postpetition relationship between the Debtors and such bank, and all of the provisions of such agreements, including, without limitation, the termination and fee provisions, rights, benefits, offset rights and remedies afforded under such agreements, shall remain in full force and effect unless otherwise ordered by the Court, and the Debtors and such bank may, without further order of this Court, agree to and implement changes related to the Corporate Credit Cards in the ordinary course of business, pursuant to the terms of those existing agreements.

12. The Debtors are authorized to pay all prepetition Processing Fees and Bank Fees and to continue to pay such Processing Fees and Bank Fees in the ordinary course of business postpetition. Likewise, the Payment Processing Companies are authorized to continue to process Chargebacks in the ordinary course of business; provided, however, that no Payment Processing Company may unilaterally alter the terms of the Chargeback and netting procedures that existed

prior to the Petition Date without consent of the Debtors and DIP Lenders or further Order of this Court.

13. Debtors are authorized to continue to use the commercial card program under the WellsOne Commercial Card Agreement, dated on or around August 8, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Card Agreement"), between Debtor Red Lobster Management LLC and Wells Fargo Bank, N.A. ("Wells Fargo") subject to the terms and conditions thereof. Wells Fargo is authorized to make advances pursuant to the Card Agreement from time to time to Debtors with a maximum exposure at any time up to $1,000,000, plus interest, fees, costs and other charges related thereto or accruing with respect thereto. All prepetition and postpetition interest, fees, costs and other charges under the Card Agreement are authorized and required to be paid. The indebtedness owed by Debtors to Wells Fargo in respect of the Card Agreement is secured by cash collateral held by Wells Fargo in a non-interest bearing account, in the amount of $1,100,000 and otherwise subject to documentation in form and substance satisfactory to Wells Fargo, the DIP Lenders, and the Debtors (the "Card Agreement Cash Collateral"). Wells Fargo has and shall continue to have a valid and perfected, non-avoidable first-priority lien in such Card Agreement Cash Collateral, and may use the Card Agreement Cash Collateral at any time to satisfy any portion of the indebtedness owed by the Debtors to Wells Fargo in respect of the Card Agreement; *provided that*, upon deposit of the Card Agreement Cash Collateral, the liens and security interests of Wells Fargo in the Prepetition Collateral (as defined in the DIP Order) shall automatically, irrevocably, and immediately be deemed released and terminated in accordance with the DIP Order. Solely with respect to the liens over the Card Agreement Cash Collateral, such lien shall not be primed by any lien granted to any post-petition lender or other person. The Card

Agreement Cash Collateral is not subject to turnover under section 543 of the Bankruptcy Code. The Debtors shall not use the Card Agreement Cash Collateral for any other purpose until the Card Agreement is terminated and all obligations thereunder or related thereto, including interest, fees, costs, and other charges, are paid in full in cash.

14. For purposes of this Interim Order, the requirements in the Guidelines promulgated by the Office of the United States Trustee are each separately and collectively excused pending a final hearing, including, for the avoidance of doubt, the requirements that the Debtors (i) close all existing bank accounts and open new debtor in possession ("DIP") bank accounts in certain financial institutions designated as authorized depositories by the U.S. Trustee, (ii) establish one DIP account for all estate monies required for the payment of taxes (including payroll taxes), (iii) maintain a separate DIP account for cash collateral (other than the Card Agreement Cash Collateral held by Wells Fargo), (iv) obtain checks for all DIP accounts that bear the designation, "debtor-in-possession," the bankruptcy case number, and the type of account, and (v) close their books and records as of the petition date and to open new books and records. The Debtors shall continue, pending such final hearing, to work with the Office of the United States Trustee for the Middle District of Florida to address the issues set forth herein, and, where feasible, to comply with the Guidelines.

15. The Debtors shall retain the authority to close certain of their Bank Accounts and open new debtor-in-possession accounts, or otherwise make changes to their Cash Management System as they deem necessary to facilitate their chapter 11 cases and operations, or as may be necessary to comply with the requirements of any debtor-in-possession financing facility or cash collateral usage approved by this Court. In the event that the Debtors open or close any additional bank accounts, such opening or closing shall be timely indicated on the Debtors'

monthly operating reports and/or notice of such opening or closing shall be provided to the Office of the United States Trustee for the Middle District of Florida and the DIP Lenders three (3) days prior to such opening or closure.

16. The Debtors are authorized to deposit funds in and withdraw funds from their Bank Accounts by all usual means including, but not limited to, checks, wire transfers, automated clearinghouse transfers, electronic funds transfers and other debits and to treat the Bank Accounts for all purposes as debtor-in-possession accounts.

17. The Debtors are authorized to continue to use their preprinted checks, correspondence and business forms, including, but not limited to, purchase orders, letterhead, envelopes, promotional materials and other business forms, substantially in the forms existing immediately prior to the Petition Date, without reference to the Debtors' debtor-in-possession status; provided that the Debtors will add the "Debtor-in-Possession" designation to any new checks that they obtain or create post-petition.

18. The Banks maintaining the Debtors' Bank Accounts that are listed on **Exhibit C** to the Motion, and any and all other financial institutions receiving or transferring funds from or to the Debtors, are authorized and directed to cooperate with respect to the Debtors' efforts to maintain and use their Cash Management System and accounts.

19. For purposes of this Interim Order, the Debtors are authorized to deposit funds in accordance with their established deposit practices in effect as of the commencement of these cases and, to the extent that such deposit practices are not consistent with the requirements of section 345(b) of the Bankruptcy Code or the Guidelines for chapter 11 cases, such requirements are waived, on an interim basis, until the final hearing, without prejudice to the Debtors' right to seek a further waiver.

20. The Debtors are authorized to continue to engage in the Intercompany Transactions in the ordinary course of business, including to (i) satisfy centrally-billed Expenses and allocate each Expense among the Debtors and, where applicable, any non-Debtor affiliates, (ii) purchase and/or sell products among the other Debtors; provided, that the Debtors shall maintain (x) records of any postpetition Intercompany Transactions that occur during these chapter 11 cases and (y) accounting procedures to identify and distinguish between prepetition and postpetition Intercompany Transactions. For the avoidance of doubt, the Debtors are authorized to continue to engage in Intercompany Transactions in the ordinary course of business with non-Debtor affiliates RL Cares, Billings, and Jonesboro.

21. All Intercompany Claims against a Debtor arising after the Petition Date shall be accorded administrative expense in accordance with sections 364(a), 503(b)(1) and 507(a)(2) of the Bankruptcy Code.

22. Notwithstanding anything to the contrary contained herein, (i) any payment made or to be made, or authorization obtained, hereunder shall be subject to the requirements imposed on the Debtors under any approved debtor-in-possession financing facility or any order regarding the use of cash collateral approved by the Court in these chapter 11 cases, including, without limitation, the *Interim Order (i) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral on a Limited Basis, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* (the "DIP Order"), and (ii) to the extent there is any inconsistency between the terms of the DIP Order and any action taken or proposed to be taken hereunder, the DIP Order and the Approved DIP Budget (as defined in the DIP Order) shall control. For the avoidance of doubt,

the Debtors are not authorized to make payments pursuant to this Order except as permitted by the Approved DIP Budget (as defined in the DIP Order).

23. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

24. The notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a).

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

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

27. The Court shall conduct a final hearing on the Motion on _____ **2024 at _____ a.m./p.m., United States Bankruptcy Court, George C. Young, Federal Courthouse, 400 West Washington Street, Courtroom ____, Orlando, Florida 32801.**

28. The Court retains jurisdiction to hear and determine all matters arising from or relating to the interpretation or implementation of this Order.

###

(Attorney Paul Steven Singerman is directed to serve a copy of this order on interested parties who do not receive service by CM/ECF and file a proof of service within three days of entry of the order.)

This is **Exhibit "E"** referred to in the

Affidavit of Jonathan Tibus

sworn before me by video conference
this 11th day of June, 2024

Jake Harris

A Commissioner, etc.

Jake Harris, LSO #85481T

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

IN RE:	Chapter 11 Cases
RED LOBSTER MANAGEMENT LLC,[1]	Case No. 6:24-bk-_____
RED LOBSTER RESTAURANTS LLC,	Case No. 6:24-bk-_____
RLSV, INC.,	Case No. 6:24-bk-_____
RED LOBSTER CANADA, INC.	Case No. 6:24-bk-_____
RED LOBSTER HOSPITALITY LLC	Case No. 6:24-bk-_____
RL KANSAS LLC	Case No. 6:24-bk-_____
RED LOBSTER SOURCING LLC	Case No. 6:24-bk-_____
RED LOBSTER SUPPLY LLC	Case No. 6:24-bk-_____
RL COLUMBIA LLC	Case No. 6:24-bk-_____
RL OF FREDERICK, INC.	Case No. 6:24-bk-_____
RED LOBSTER OF TEXAS, INC.	Case No. 6:24-bk-_____
RL MARYLAND, INC.	Case No. 6:24-bk-_____
RED LOBSTER OF BEL AIR, INC.	Case No. 6:24-bk-_____
RL SALISBURY, LLC,	Case No. 6:24-bk-_____
RED LOBSTER INTERNATIONAL HOLDINGS LLC,	Case No. 6:24-bk-_____

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are Red Lobster Management LLC (6889); Red Lobster Sourcing LLC (3075); Red Lobster Supply LLC (9187); RL Kansas LLC (2396); Red Lobster Hospitality LLC (5297); Red Lobster Restaurants LLC (4308); RL Columbia LLC (7825); RL of Frederick, Inc. (9184); RL Salisbury, LLC (7836); RL Maryland, Inc. (7185); Red Lobster of Texas, Inc. (1424); Red Lobster of Bel Air, Inc. (2240); RLSV, Inc. (6180); Red Lobster Canada, Inc. (4569); and Red Lobster International Holdings LLC (4661). The Debtors' principal offices are located at 450 S. Orange Avenue, Suite 800, Orlando, FL 32801.

Debtors. (Joint Administration Pending)
_____/

INTERIM ORDER GRANTING DEBTORS' EMERGENCY MOTION FOR INTERIM AND FINAL ORDERSAUTHORIZING DEBTORS TO PAY PREPETITION SALES, USE, TRUST FUND, PROPERTY, FOREIGN AND OTHER TAXES AND SIMILAR OBLIGATIONS

THIS MATTER came before the Court on [•] [•], 2024 at [•] [a.m./p.m.], in Orlando, Florida for a hearing (the "Hearing")[2], upon the *Debtors' Emergency Motion for Interim and Final Orders Authorizing Debtors to Pay Prepetition Sales, Use, Trust Fund, Property, Foreign, and Other Taxes and Similar Obligations* [ECF No. [•]] (the "Motion"). The Motion seeks entry of interim and final orders authorizing, but not directing, the Debtors to pay prepetition sales, use, trust fund, property foreign, and similar taxes, and related fees. The Court, having considered the Motion, finding that: (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; (c) this matter is core pursuant to 28 U.S.C. § 157(b)(2); (d) the Court may enter a final order consistent with Article III of the United States Constitution; (e) notice of the Motion and the Hearing thereon was sufficient under the circumstances and no other or further notice need be provided; (f) the Court having determined that the legal and factual bases set forth in the Motion, the First Day Declaration and at the Hearing 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, their creditors, and all parties in interest; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor. Accordingly, it is **ORDERED** that:

1. The Motion is **GRANTED** on an interim basis.

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

2. The Debtors are authorized, but not directed, in their sole discretion, to pay prepetition Taxes and Fees that will become due within thirty (30) days after the Petition Date in the amounts as set forth in the Motion, including Sales and Use Taxes, Franchise Taxes, Income Taxes, Property Taxes, Foreign Taxes and Other Taxes and Fees, to the applicable Taxing Authorities.

3. To the extent the Debtors have paid Taxes which should not have been paid, the Debtors are authorized to seek a refund of such Taxes. Likewise, to the extent the Debtors dispute any pre-petition Taxes, the Debtors are authorized to set aside, in a segregated account, funds to pay such Taxes until a final determination is made as to whether the Debtors are obligated to pay such Taxes.

4. The Debtors are authorized, but not directed, in their sole discretion, to pay Anybill Service Fees that are due or will become due within thirty (30) days after the Petition Date, in the approximate amount of $5,000.00, to Anybill.

5. The Debtors are authorized, but not directed, in their sole discretion, to pay Custom Broker Fees that are due or will become due within thirty (30) days after the Petition Date, if any, to the Custom Brokers.

6. Each of the Banks at which the Debtors maintain their accounts are authorized to (a) receive, process, honor and pay all checks presented for payment and electronic payment requests as directed by the Debtors on account of the relief granted herein, to the extent sufficient funds on deposit in those accounts, whether such checks were presented or electronic requests were submitted before, on or after the Petition Date; and (ii) accept and rely on the Debtors' designation of any particular check or electronic payment request as appropriate pursuant to the

Motion without any duty of further inquiry and without liability for following the Debtors' instructions.

7. Nothing in this Order precludes the Debtors from (i) contesting, in their sole discretion, the validity and amount of any Taxes and Fees under applicable bankruptcy or non-bankruptcy law, or (ii) seeking or not seeking approval or assumption of any agreement, contract, or lease under 11 U.S.C. § 365.

8. All depositories on which checks were drawn in payment of prepetition amounts to the Authorities shall honor such checks as and when presented for payment.

9. Notwithstanding the relief granted in this Order, any payment to be made, or authorization obtained, hereunder shall be subject to the requirements imposed on the Debtors under any approved debtor-in-possession financing facility, or budget in connection therewith, approved by the Court in these chapter 11 cases.

10. Notwithstanding anything to the contrary contained herein, (i) any payment made or to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under any approved postpetition financing facility or any order regarding the use of cash collateral approved by the Court in these chapter 11 cases, including, without limitation, the *Interim Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral on a Limited Basis, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying The Automatic Stay, (VI) Scheduling A Final Hearing, and (VII) Granting Related Relief* (the "DIP Order"), and (ii) to the extent there is any inconsistency between the terms of the DIP Order and any action taken or proposed to be taken hereunder, the DIP Order and the Approved DIP Budget (as defined in the DIP Order) shall control. For the avoidance of doubt, the Debtors

are not authorized to make payments pursuant to this Order except as permitted by the Approved DIP Budget (as defined in the DIP Order).

11. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

12. The notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a).

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

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

15. **The final hearing on the Motion shall be held on [__], 2024, at [_]:00 [_].m. (Eastern Time) at the United States Bankruptcy Court, George C. Young Federal Courthouse, 400 W. Washington Street, Courtroom , Orlando, FL 32801**. **Any objections or responses to entry of a final order on the Motion shall be filed on or before [_]:00 p.m. (Eastern Time), on [_], 2024**.

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

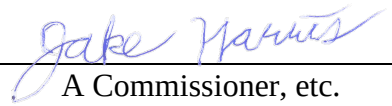
# # #

(Attorney Paul Steven Singerman is directed to serve a copy of this order on interested parties who do not receive service by CM/ECF and file a proof of service within three days of entry of the order.)

This is **Exhibit "F"** referred to in the

Affidavit of Jonathan Tibus

sworn before me by video conference
this 11th day of June, 2024



A Commissioner, etc.

Jake Harris, LSO #85481T

ASSET PURCHASE AGREEMENT

by and among

RED LOBSTER MANAGEMENT LLC
and certain of its subsidiaries named herein

as the Sellers

and

RL PURCHASER LLC

as Purchaser

Dated as of May 19, 2024

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SCHEDULE INDEX

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement, dated as of May 19, 2024 (this "**Agreement**"), is made and entered into by and among (i) RL Purchaser LLC, a Delaware limited liability company ("**Purchaser**"), and (ii) Red Lobster Management LLC, a Delaware limited liability company ("**RL Management**"), and certain of its direct and indirect subsidiaries that are signatories hereto (together with RL Management, but excluding any Purchased Entities (including any Seller that becomes a Purchased Entity pursuant to ARTICLE II), collectively, the "**Sellers**").

WHEREAS, the Sellers and certain of their affiliates (collectively, the "**Debtors**") have agreed to commence (the date of such commencement, the "**Petition Date**"), voluntary cases (the "**Bankruptcy Cases**") under chapter 11 of title 11, United States Code, 11 U.S.C. § 101 et seq. (the "**Bankruptcy Code**"), in the United States Bankruptcy Court for the Middle District of Florida (the "**Bankruptcy Court**"), which cases shall be jointly administered.

WHEREAS, in respect of any Debtor having assets or operations in Canada, the Bankruptcy Cases of such Debtor shall be recognized pursuant to Part IV of the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**");

WHEREAS, upon filing of the Bankruptcy Cases, the Debtors will continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code; and

WHEREAS, Purchaser desires to purchase and assume from the Sellers, and the Sellers desire to sell and transfer to Purchaser, pursuant to Sections 363 and 365 of the Bankruptcy Code, all of the Purchased Assets and Assumed Liabilities on the terms and subject to the conditions set forth in this Agreement (the "**Sale**").

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations and warranties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I
CERTAIN DEFINITIONS

Section 1.1 Certain Definitions. For purposes of this Agreement, the following terms shall have the respective meanings set forth below:

"**Accounts Receivables**" means as of the Closing Date, all accounts receivables, trade receivables (including distributor sales and seafood sales), notes receivables, and other miscellaneous receivables, whether current or overdue, of any Seller (or Purchased Entity) arising out of the Purchased Assets (and including all credit card receivables, funds in transit, deposits and other receivables from third party delivery services (*e.g.*, Grubhub and DoorDash), receivables from the sale of gift cards, franchisee royalty and other payments due under any Franchise Agreement, allowances due from landlords under (and rent accounts receivables with respect to) any Purchased Real Property Lease, and food, beverage and general vendor rebates, discounts and credits).

"**Action**" means any complaint, claim, charge, prosecution, indictment, action, suit, arbitration, audit, hearing, litigation, inquiry, investigation or proceeding (whether civil, criminal, administrative, investigative or informal) commenced, brought or asserted by any Person or group of Persons or Governmental Authority or conducted or heard by or before any Governmental Authority or any arbitration tribunal.

"**Administrative Expenses**" means, collectively, the expenses of the Sellers that are entitled to priority under Section 503 of the Bankruptcy Code.

"**Affiliate**" of any Person means any other Person who either directly or indirectly through one or more intermediaries is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, "**control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of securities, partnership interests or by contract, assignment, credit arrangement, as trustee or executor, or otherwise, and the terms "**controls**," "**controlling**" and "**controlled by**" shall have correlative meanings. With respect to Purchaser, the term "**Affiliate**" shall also include its managers or members or similar Persons, and any other entity controlled by the same managers or members or similar Persons as Purchaser (as the case may be); *provided* that such term shall not include any portfolio companies or managed accounts. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, Mubadala, members of the Mubadala Group and other direct or indirect owners of Fortress Investment Group LLC shall not be deemed Affiliates of Fortress Credit Corp. or of any of its Affiliates. As used in this definition, "**Mubadala**" means Mubadala Investment Company PJSC, and "**Mubadala Group**" means any Person controlling, controlled by or under common control with Mubadala that is not also controlled by Fortress Investment Group LLC.

"**Agent**" means Fortress Credit Corp., in its capacity as Administrative Agent and Collateral Agent under the Pre-Petition Credit Agreement or the DIP Financing Agreement, as the case may be.

"**Agreement**" has the meaning set forth in the Preamble.

"**Alcohol Licenses**" means any Permit held by the Sellers (or any Purchased Entity) related to the sale or distribution for on or off premises consumption of alcoholic beverages in connection with the operation of the Business.

"**Alcohol Licenses Services Agreement**" has the meaning set forth in Section 4.2(a)(xii).

"**Allocation Schedule**" has the meaning set forth in Section 3.2.

"**Alternative Restructuring Proposal**" means any inquiry, proposal, offer, bid, term sheet, discussion, or agreement with respect to a sale, disposition, new-money investment, restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, financing proposal, debt investment, equity investment, liquidation, tender offer, recapitalization, plan of reorganization, share exchange, business combination, or similar transaction or series of transactions involving any Seller (or Purchased Entity) or the Equity Securities or debt or other interests in any Seller (or Purchased Entity), in each case, that is inconsistent with or represents an alternative to one or more of the Restructuring Transactions or any part thereof.

"**Antitrust Law**" means the Sherman Act, the Clayton Act, the HSR Act, the Federal Trade Commission Act, the Competition Act, and all other Laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition.

"**Apportioned Obligations**" has the meaning set forth in Section 8.4.

"**Assignment Agreements**" has the meaning set forth in Section 4.2(a)(i).

"**Assumed Benefit Plans**" means those certain Benefit Plans that are designated by Purchaser in its sole and absolute discretion to be assumed and assigned pursuant to Section 2.5, each of which shall be set forth on Schedule 2.1(s), as finalized in accordance with the terms and conditions of this Agreement. For the avoidance of doubt, any Benefit Plan not set forth on Schedule 2.1(s) shall constitute an Excluded Asset.

"**Assumed Liabilities**" has the meaning set forth in Section 2.3.

"**Auction**" has the meaning set forth in the Sale Procedures.

"**Avoidance Actions**" means all claims and causes of action arising under Sections 542 through 553 of the Bankruptcy Code or any analogous state law.

"**Bankruptcy Cases**" has the meaning set forth in the Recitals.

"**Bankruptcy Code**" has the meaning set forth in the Recitals.

"**Bankruptcy Court**" has the meaning set forth in the Recitals.

"**Bankruptcy-Related Default**" means any default or breach of a Contract that is not entitled to cure under Section 365(b)(2) of the Bankruptcy Code, including a default or breach relating to the filing of the Bankruptcy Cases or the financial condition of the Sellers, or any default caused by the failure to pay amounts due under a Contract prior to the Petition Date.

"**Benefit Plan**" means (i) each "employee benefit plan" (as such term is defined in Section 3(3) of ERISA or any similar plan subject to Laws of a jurisdiction outside of the United States), whether or not subject to ERISA, (ii) each employment, consulting, contractor, advisor or other service agreement or arrangement, (iii) each severance, termination, pension, retirement, supplemental retirement, excess benefit, profit sharing, bonus, incentive, deferred compensation, tax gross-up, employee loan, retention, transaction, change in control and similar plan, program, arrangement, agreement, policy or commitment, (iv) each profits interest unit and each other compensatory unit option, restricted unit, performance unit, unit appreciation, deferred unit or and each other equity or equity-linked plan, program, arrangement, agreement, policy or commitment, and (v) each savings, life, health, disability, accident, medical, dental, vision, cafeteria, insurance, flex spending, adoption/dependent/employee assistance, tuition, vacation, paid-time-off, other welfare fringe benefit and each other compensation or employee benefit plan, program or arrangement of any kind, in each case whether written or unwritten, qualified or non-qualified, that is maintained, sponsored or contributed to by any Seller, a Purchased Entity, or any of their respective ERISA Affiliates, or with respect to which any of the foregoing has any Liability.

"**Bid Direction Letter**" means the Credit Bid Direction Letter, to be dated on or around the date hereof, by and among the Agent and the other parties thereto, in substantially the form attached hereto as Exhibit D.

"**Books and Records**" means all books, records, files, advertising materials, customer lists, cost and pricing information, business plans, catalogs, customer literature, quality control records and manuals, research and development files, records and credit records of customers (including all data and other information stored on discs, tapes or other media or in the cloud) to the extent used in or to the extent relating to the operation of the Business or the ownership of the Purchased Assets (including information relating to strategic plans and practices, accounting, financial or marketing plans, practices or programs, training practices and programs, salaries, bonuses, incentive plans and other compensation and benefits information and accounting and business methods), and including, for the avoidance of doubt, each of the foregoing to the extent owned or held by, or otherwise related to, any Purchased Entity, but excluding the Excluded Books and Records.

"**Business**" means the business of the Sellers (and the Purchased Entities), including the ownership and operation of corporate-owned and franchised restaurants operating under the "Red Lobster" brand.

"**Business Day**" means any day other than a Saturday, Sunday, or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, New York, New York or Orlando, Florida.

"**Canadian Purchased Assets**" means the Purchased Assets of RL Canada if RL Canada does not constitute a Purchased Entity.

"**CARES Act**" means the Coronavirus Aid, Relief, and Economic Security Act, which was enacted on March 27, 2020 (as it may be amended or modified).

"**CCAA**" has the meaning set forth in the Recitals.

"**CCAA Court**" means the Ontario Superior Court of Justice Commercial List.

"**Claim**" has the meaning set forth in Section 101(5) of the Bankruptcy Code.

"**Closing**" has the meaning set forth in Section 4.1.

"**Closing Date**" has the meaning set forth in Section 4.1.

"**Collective Bargaining Agreements**" means any collective bargaining agreements related to the Business between any Seller (or any Affiliate thereof (including RL Canada)) and any labor union or other representative of current Employees of any Seller or any Affiliate thereof (including RL Canada), and including local agreements, amendments, supplements, letters and memoranda of understanding of any kind.

"**COBRA**" means the continuation coverage provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as codified in IRC Section 4980B and ERISA Sections 601 et

seq., as amended from time to time, and the regulations and other guidance promulgated thereunder and any other similar provisions of state or local Law.

"**Competition Act**" means the *Competition Act* (Canada) and the rules and regulations thereunder.

"**Confidentiality Agreement**" means any confidentiality provision or agreement between or among one or more of the Sellers, on the one hand, and the Purchaser (or any of its Affiliates), on the other hand, which relates to the transactions contemplated by this Agreement.

"**Consent**" means any consent, approval, franchise, order, License, Permit, waiver, authorization, registration, declaration filing, exemption, notice, application, or certification, including all Regulatory Approvals, made with or granted by any Person.

"**Contract**" means any agreement, contract, instrument, commitment, lease (including all Leases), guaranty, indenture, License, or other arrangement or understanding (and all amendments, side letters, modifications and supplements thereto) between parties or by one party in favor of another party, whether written or oral. Notwithstanding anything contained in this Agreement to the contrary, for the purposes of the definition "Purchased Contract," Purchased Real Property Leases shall not constitute a Contract.

"**Controlled Group Liability**" means any and all liabilities under (i) Title IV of ERISA, (ii) Section 302 of ERISA, and (iii) Sections 412 and 4971 of the IRC.

"**Copyrights**" means (i) all copyrights and works of authorship (whether registered or unregistered), all registrations thereof; and all applications in connection therewith, including all registrations, and applications in the United States Copyright Office or in any similar office or agency of any other Governmental Authority, and (ii) all extensions or renewals thereof. "Copyrights" expressly excludes copyrights in commercially available computer software licensed under a shrink wrap, click wrap or other similar commercial license.

"**COVID-19 Relief Law**" means the CARES Act and any similar or successor legislation, together with any memoranda or executive orders relating to COVID-19.

"**CRA**" means the Canada Revenue Agency.

"**Credit Bid**" has the meaning set forth in Section 3.1.

"**Cure Costs**" means all amounts that must be paid and all obligations that otherwise must be paid or satisfied, pursuant to Sections 365(b)(1)(A) and (B) of the Bankruptcy Code to cure any defaults under any Purchased Real Property Lease or Purchased Contract in connection with the assumption thereof by, and/or assignment thereof to, Purchaser pursuant to Section 2.5.

"**Cure Costs Cap**" has the meaning set forth in Section 2.3(b).

"**Deeds**" means with respect to the conveyance of the applicable Owned Real Estate, a special warranty deed or limited warranty deed, or jurisdictional equivalents, as the case may be, in recordable form for the applicable jurisdiction, in form and substance reasonably acceptable to

Purchaser and Sellers, transferring title to the Owned Real Estate, subject only to the Permitted Liens.

"**Development Agreement**" means a Contract pursuant to which any Person has the right to develop one or more "Red Lobster" branded (or derivations thereof) franchise restaurants in a defined geographic area (whether on an exclusive or nonexclusive basis).

"**DIP Budget**" means the budget approved under the DIP Facility, as such may be amended or modified from time to time in accordance with the DIP Financing Agreement and/or the DIP Order.

"**DIP Charge**" means the charge granted by the CCAA Court in favour of the DIP Lenders pursuant to the DIP Order Recognition Order.

"**DIP Facility**" means the DIP Delayed Draw Term Facility and the Roll-up Term Facility, each as defined in the DIP Financing Agreement.

"**DIP Financing Agreement**" means that certain Secured Superpriority Debtor-In-Possession Financing Agreement, to be dated on our around the date hereof, by and among (i) RL Management, as Administrative Borrower (as defined therein), (ii) those subsidiaries of RL Management party thereto in their capacities as Borrowers, (iii) those subsidiaries and affiliates of RL Management party thereto in their capacities as Guarantors, (iv) the Agent and (v) the lenders from time to time party thereto.

"**DIP Lenders**" means all Persons who are lenders under the DIP Financing Agreement, each in its capacity as such.

"**DIP Obligations**" has the meaning ascribed to the term "Obligations" in the DIP Financing Agreement.

"**DIP Order**" means the Interim Order or Final Order, as then applicable, authorizing postpetition debtor in possession financing or the use of cash collateral to be entered by the Bankruptcy Court, substantially in the form attached hereto as Exhibit B.

"**DIP Order Recognition Order**" means an order issued under the CCAA giving full force and recognition to the DIP Order in Canada and granting the DIP Charge.

"**Employee Retention Credit**" means any employee retention credit provided for by the CARES Act (including as amended by the Consolidated Appropriations Act, 2021, and the American Rescue Plan Act of 2021) and any similar credit under state or local Law.

"**Employees**" has the meaning set forth in Section 5.8.

"**End Date**" has the meaning set forth in Section 10.1(c).

"**Environmental Claim**" means any Action, Governmental Order, Lien, fine, penalty, or, as to each, any settlement or judgment arising therefrom, by or from any Person alleging any Environmental Liability arising out of, based on, or resulting from: (i) Environmental Release of,

or exposure to, any Hazardous Materials; or (ii) any actual or alleged non-compliance with any Environmental Law or term or condition of any Environmental Permit.

"**Environmental Laws**" means any applicable Law, any Governmental Order, or binding agreement with any Governmental Authority (i) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety (to the extent relating to exposure to Hazardous Materials), or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata), or (ii) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials. The term "Environmental Law" includes the following (including their implementing regulations and any state analogs): the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et seq.; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 et seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 et seq.; the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 et seq.; *Canadian Environmental Protection Act, 1999*, *Environmental Protection Act* (Ontario), *Environmental Protection and Enhancement Act* (Alberta), *The Environmental Management and Protection Act, 2010* (Saskatchewan), and *The Environment Act* (Manitoba).

"**Environmental Liability**" means any direct, indirect, pending or threatened indebtedness, liability, claim, loss, damage, fine, penalty, cost, expense, or deficiency, whether known or unknown, arising under or relating to any Environmental Law, Environmental Permit, or Environmental Release, whether based on negligence, strict liability or otherwise, including costs and liabilities for investigation, removal, remediation, restoration, abatement, monitoring, personal injury, property damage, natural resource damages, and court costs (including costs of enforcement proceedings or government responses).

"**Environmental Notice**" means any written directive, written notice of violation or infraction, or other written notice with respect to any Environmental Claim relating to actual or alleged non-compliance with any Environmental Law or any term or condition of any Environmental Permit.

"**Environmental Permit**" means any Permit, letter, clearance, consent, waiver, closure, exemption, decision, or other action required under or issued, granted, given, authorized by, or made pursuant to Environmental Law.

"**Environmental Release**" means any release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing, or allowing to escape or migrate into the environment (including ambient air (indoor or outdoor), surface water, groundwater, land surface or subsurface strata or within any Structure, facility, or fixture and

including the abandonment or discarding of barrels, containers, and other closed receptacles containing any Hazardous Materials).

"**Equityholder Actions**" means any Action which is contemplated by Section 2.1(o) that may be asserted against any of: (i) Thai Union Group and all Affiliates ((a) including G GCOF RL Blocker, LLC, Thai Union Investments North America LLC, and Thai Union North America, Inc. but (b) excluding, for the avoidance of doubt, the Sellers and the Purchased Entities) thereof, (ii) Seafood Alliance Limited and all Affiliates ((a) including RL Co-Investor Blocker LLC, but (b) excluding, for the avoidance of doubt, the Sellers and the Purchased Entities) thereof, (iii) RL Intermediate, (iv) Red Lobster Holdings LLC, (v) Red Lobster Seafood Co, LLC, (vi) Red Lobster Master Holdings, L.P., (vii) Red Lobster Master Holdings GP, LLC, and (viii) the direct and indirect partners, shareholders, investors, controlling persons, directors, officers, employees, agents, trustees, administrators, managers, advisors, attorneys, representatives, and other professionals of the foregoing Persons set forth in the preceding clauses (i) through (vii), including any such persons who served as an officer or director of any of the Debtors prior to the Petition Date and who is no longer serving in such capacity as of the Petition Date.

"**Equity Securities**" means (i) with respect to any corporation, all shares, interests, participations or other equivalents of capital stock of such corporation (however designated), and any warrants, options or other rights to purchase or acquire any such capital stock and any securities convertible into or exchangeable or exercisable for any such capital stock, (ii) with respect to any partnership, all partnership interests, participations or other equivalents of partnership interests of such partnership (however designated), and any warrants, options or other rights to purchase or acquire any such partnership interests and any securities convertible into or exchangeable or exercisable for any such partnership interests and (iii) with respect to any limited liability company, all limited liability company interests or membership interests, participations or other equivalents of limited liability company interests or membership interests of such limited liability company (however designated), and any warrants, options or other rights to purchase or acquire any such membership interests and any securities convertible into or exchangeable or exercisable for any such membership interests.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto, and any regulations promulgated thereunder.

"**ERISA Affiliate**" means any Person other than a Seller that, together with any Seller, is required to be treated as a single employer for purposes of ERISA or the IRC (including under Section 414(b), (c), (m) or (o) of the IRC or Section 4001 of ERISA), at any relevant time.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the regulations promulgated thereunder.

"**Excluded Assets**" has the meaning set forth in Section 2.2.

"**Excluded Books and Records**" means (i) books and records relating solely to the Excluded Assets, (ii) the Sellers' Fundamental Documents and stock and minute books (provided that, the Purchased Entities' Fundamental Documents and stock minute books shall not constitute

Excluded Books and Records), and (iii) any documents which the Sellers' are prohibited by applicable Law from delivering to the Purchaser at Closing as a Purchased Asset.

"**Excluded Cash**" means, subject in all respects to the DIP Financing Agreement, the cash on hand and cash drawn by the Sellers under the DIP Facility in an amount equal to, without duplication, (i) after taking into account any amounts held by any the Sellers or estate professionals, or any funds of the Sellers held in escrow or reserve with respect to the fees and expenses of any the Sellers' estate professionals, an amount sufficient to satisfy the estimated accrued professional fees and expenses of estate professionals as of the Closing Date (but only to the extent that such fees of such the Sellers' estate professionals are included in the Carve-Out (as defined in the DIP Financing Agreement)), *plus* (ii) an amount sufficient to pay all Administrative Expenses that are accrued and unpaid as of the Closing Date in the Bankruptcy Cases (but only to the extent such Administrative Expenses are (a) not Assumed Liabilities, (b) not professional fees or expenses and (c) included in the DIP Budget), *plus* (iii) the Wind-Down Amount (which shall be used solely to fund the Wind-Down Expenses), *plus* (iv) a commitment to fund amounts required to perform the Sellers' obligations under the Transition Services Agreement, and *plus* (v) the amount, if any, as set forth in Section 7.6(e)(ii).

"**Excluded Employee Liabilities**" means the following Liabilities of the Sellers or any of their respective Affiliates or ERISA Affiliates (or any predecessors of any of the foregoing) relating to any current or former employee or other individual service provider (including any such individual service provider providing services through a personal services entity), or any spouse, dependent, or beneficiary thereof: (i) any Liability arising at any time under or in connection with any Benefit Plan (other than as expressly provided in Section 2.3(c)(ii) with respect to an Assumed Benefit Plan); (ii) any Liability that constitutes a Pre-Closing COBRA Liability or a Pre-Closing WARN Act Liability; (iii) any Controlled Group Liability; (iv) any Liability arising in connection with the actual or prospective employment or engagement, the retention and/or discharge by the Sellers or any of their respective Affiliates or ERISA Affiliates (or any predecessors of any of the foregoing) of any current or former employee or other individual service provider (including any such individual service provider providing services through a personal services entity) of any of the foregoing; and (v) any employment, labor, compensation, pension, employee welfare, and employee-benefits-related Liabilities relating to any current or former employee or other individual service provider (including any such individual service provider providing services through a personal services entity) of the Sellers or any of their respective Affiliates or ERISA Affiliates (or any predecessors of any of the foregoing), or any spouse, dependent, or beneficiary thereof, including but not limited to all Liabilities related to or arising out of claims made by any such Person (a) for any statutory or common law severance or other separation benefits, (b) for any contractual or other severance or separation benefits and any other legally-mandated payment obligations (including any compensation payable during a mandatory termination notice period and any payments pursuant to a judgment of a court, tribunal, or other authority having jurisdiction over the parties hereto), (c) with respect to any unfair labor practice charge, (d) under any unemployment compensation or workers' compensation Law, (e) under any federal, state, local, or non-U.S. employment Law or other Law relating to employment, discrimination, classification, wages and hours (including claims or Liabilities related to the Fair Labor Standards Act and any similar state, local, or non-U.S. Law), or immigration, or (f) relating to any obligation under applicable Law or Contract to inform or consult with employees, employee representatives, unions, works councils, or other employee representative bodies in connection with the transactions

contemplated by this Agreement and the other Transaction Documents (except, in the case of this clause (f), any such obligations under any Collective Bargaining Agreement with RL Canada, to the extent such obligations relate to periods following the Closing Date and solely to the extent that RL Canada is a Purchased Entity) in each case, (I) except as set forth in the following clause (II), associated with any current or former employee or other individual service provider (including any such individual service provider providing services through a personal services entity) of the Sellers or any of their respective Affiliates or ERISA Affiliates (or any predecessors of any of the foregoing), or any spouse, dependent, or beneficiary thereof, arising at any time, or (II) associated with any Transferred Employee, arising on or prior to the Closing Date (excluding, for the avoidance of doubt in the case of this clause (II), Liabilities in respect of go-forward compensation and benefits arrangements offered by Purchaser to Transferred Employees following their commencement of employment with Purchaser in accordance with Section 7.6).

"**Excluded Insurance Policies**" means all directors' and officers' insurance policies and any other insurance policy of the Sellers which (i) relates solely to the Excluded Assets, (ii) is required to cover claims or expenses in the Bankruptcy Cases or (iii) are required to be retained by the Sellers in connection with the wind-down of the Sellers' bankruptcy estate following the Closing.

"**Excluded Liabilities**" has the meaning set forth in Section 2.4.

"**Extended Contract Period Notice**" has the meaning set forth in Section 2.5(a).

"**Final Order**" means any order, ruling or judgment of the Bankruptcy Court or any other court of competent jurisdiction (including the CCAA Court), as to which the time to file an appeal, a motion for rehearing or a petition for writ of *certiorari* has expired and no such appeal, motion or petition is pending.

"**First Day Orders**" means the orders of the Bankruptcy Court entered based on the first day motions filed by the Debtors on the Petition Date.

"**Form NR303**" has the meaning set forth in Section 8.2.

"**Franchise Agreements**" means any Development Agreement or any other Contract pursuant to which any of the Sellers (or any Purchased Entity) has granted any Person the right to establish, develop or operate any "Red Lobster" branded (or derivations thereof) franchise restaurant, including a license agreement or right of first refusal with respect thereto.

"**Franchise System**" has the meaning set forth in Section 5.16(a).

"**Fundamental Documents**" means the documents of a Person (other than a natural person) by which such Person establishes its legal existence or which govern its internal affairs. For example, the Fundamental Documents of a corporation would be its charter and bylaws and the Fundamental Documents of a limited liability company would be its certificate of formation and limited liability company agreement or operating agreement.

"**GAAP**" means generally accepted accounting principles in the United States, consistently applied.

"**General Intangibles**" means all intangible assets now owned or hereafter acquired by any Seller (or any Purchased Entity), including all right, title and interest that such Seller (or Purchased Entity) may now or hereafter have in or under any Contract, all payment intangibles, rights in customer lists, Intellectual Property, interest in business associations, Licenses, permits, proprietary or confidential information, technical information, procedures, designs, knowledge, know-how, software, data bases, data, skill, expertise, experience, processes, rights in models, rights in drawings, goodwill, uncertificated securities, checking and other bank accounts, rights to receive Tax refunds and other payments, rights to receive dividends, distributions, cash, Instruments and other property in respect of or in exchange for pledged Equity Securities and investment property, and rights of indemnification.

"**Governmental Authority**" means any (i) nation, state, province, tribal, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, state, local, provincial, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any government agency, ministry, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body; or (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature.

"**Governmental Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, or award entered by or with any Governmental Authority, including, but not limited to, any order, writ, judgment, decree, stipulation, determination, award or guideline issued by a Governmental Authority restricting business operations.

"**GST/HST**" means the goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada).

"**Hazardous Materials**" means any substance, material or waste that is (i) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "hazardous constituent," "special waste," "toxic substance" or other similar term or phrase under any Environmental Laws, or (ii) petroleum or any fraction or by-product thereof, asbestos, asbestos-containing materials, polychlorinated biphenyls (PCBs), any radioactive substance, polyvinyl chloride, radon, lead-based paint or toxic mold, and otherwise excepting their safe and lawful use.

"**HSR Act**" means, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

"**Indebtedness**" means, with respect to any Person, without duplication:

(i) obligations of such Person for borrowed money, or otherwise evidenced by bonds, debentures, notes or similar instruments;

(ii) all obligations of such Person under conditional sale or other title retention agreements relating to property purchased by such Person, other than any such obligation made in the ordinary course of business;

(iii) all obligations of such Person issued or assumed as the deferred purchase price of property or services (excluding obligations of such Person to creditors for raw materials, inventory, services and supplies incurred in the ordinary course of such Person's business);

(iv) all obligations of such Person under Leases that have been or should be treated, in accordance with GAAP, as capitalized lease obligations of such Person;

(v) all obligations of others secured by any Lien on property or assets owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, other than any such obligation made in the ordinary course of business;

(vi) all obligations of such Person under interest rate or currency swap transactions (valued at the termination value thereof);

(vii) all letters of credit issued for the account of such Person (excluding letters of credit issued for the benefit of suppliers to support accounts payable to suppliers incurred in the ordinary course of business); and

(viii) all guarantees and arrangements having the economic effect of a guarantee of such Person of any Indebtedness of any other Person.

"**Indemnification Claims**" means claims for indemnification of any present or former officer, director, employee, partner or member of any Seller (or any Purchased Entity) whether arising under a Seller's Fundamental Documents or any other Contract arising prior to the Closing Date.

"**Instruments**" means all "instruments," as such term is defined in the UCC, now owned or hereafter acquired by any Seller, wherever located, and, in any event, including all certificated securities, all certificates of deposit, and all promissory notes and other evidences of indebtedness, other than instruments that constitute, or are a part of a group of writings that constitute, chattel paper.

"**Intellectual Property**" means any and all Patents, Copyrights, Trademarks, Trade Secrets, Software, and internet domain names and social media accounts, and other intellectual property, in each case, owned by any Seller or any Purchased Entity and used or held for use in connection with the operation of the Business, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"**Intellectual Property Agreements**" means all Contracts pursuant to which any Seller (or any Purchased Entity) is licensor or otherwise grants to any Person any license, sublicense, right or interest with respect to any Intellectual Property.

"**Inventory**" means all "inventory," as such term is defined in the UCC, now owned or hereafter acquired by any Seller or any Purchased Entity, wherever located, and, without limiting the foregoing, all (i) inventory, (ii) merchandise, (iii) goods and other personal property, (iv) raw materials, work or construction in process, (v) finished goods, returned goods, or materials or supplies of any kind, nature or description and (vi) products, equipment, and appliances, whether owned or on order, including all embedded software.

"**IP Assignment Agreements**" has the meaning set forth in Section 4.2(a)(ix).

"**IRC**" means the Internal Revenue Code of 1986, as amended.

"**IRS**" means the Internal Revenue Service.

"**Knowledge of the Sellers**" means the actual knowledge after reasonable inquiry of the individuals identified in Section 1.1(b) of the Seller Disclosure Schedule.

"**Law**" means any federal, state, provincial, local, foreign, international or supranational law (including common law), statute, treaty, ordinance, rule, regulation, Order, code, proclamation, or other similar authority enacted, adopted, promulgated, or applied by any Governmental Authority.

"**Leased Real Estate**" has the meaning set forth in Section 5.3(b).

"**Leases**" means each unexpired lease, sublease or license of real property leased, subleased or licensed to the Sellers (or any Purchased Entity), (including all written amendments, modifications, or extensions thereof thereto).

"**Liability**" means any liability (including any unknown, undisclosed, unmatured, unaccrued, unasserted, contingent, direct, conditional, implied, vicarious, derivative, joint, several or secondary liability), debt, obligation, deficiency, interest, Tax, penalty, fine, penalty, claim, demand, judgment, cause of action or other loss (including loss of benefit or relief), cost or expense of any kind or nature whatsoever, whether asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, and whether due or to become due and regardless of when asserted.

"**License**" means any licenses, franchises, Consents, approvals and any Permits, including Permits of or registrations with any Governmental Authority; but expressly excluding any license or sublicense of Intellectual Property.

"**License Approvals**" has the meaning set forth in Section 7.8.

"**Liens**" means any mortgage, pledge, hypothecation, security interest, encumbrance, easement, license, encroachment, servitude, consent, option, lien, put or call right, right of first refusal, voting right, charge, lease, sublease, right to possession or other restrictions or encumbrances of any nature whatsoever.

"**Mandatory Reporting Rules**" has the meaning set forth in Section 8.7.

"**Material Adverse Effect**" means any fact, condition, change, violation, inaccuracy, circumstance, effect, event, or occurrence that individually or in the aggregate has had, or would be reasonably likely to have, a material adverse change in or material adverse effect on the Purchased Assets, the Assumed Liabilities, the Business (excluding the Excluded Assets and the Excluded Liabilities), the Purchased Entities or the assets, liabilities and/or financial condition of the Purchased Entities, in each case taken as a whole, but excluding (i) any change or effect to the extent that it results from or arises out of (a) the filing and pendency of the Bankruptcy Cases or

the financial condition of the Sellers; (b) the execution and delivery of this Agreement or the announcement thereof or consummation of the transactions contemplated hereby; (c) changes in (or proposals to change) Law, generally accepted accounting principles, or other accounting regulations or principles; or (d) any action required by this Agreement; (ii) any change or effect generally applicable to (a) the industries and markets in which the Sellers operate or (b) economic or political conditions or the securities or financial markets in any country or region; (iii) any failure by the Business to meet any internal or published projections, forecasts or revenue or earnings predictions; *provided* that this clause (iii) shall not prevent a determination that any fact, condition, change, violation, inaccuracy, circumstance, effect, event, or occurrence underlying such failure to meet projections, forecasts or predictions has resulted in a "Material Adverse Effect" (to the extent such fact, condition, change, violation, inaccuracy, circumstance, effect, event, or occurrence is not otherwise excluded from this definition of "Material Adverse Effect"); (iv) any outbreak or escalation of hostilities or war or any act of terrorism; and (v) any occurrence, threat, or effects of a disease outbreak, epidemic or pandemic; *provided* that such change, event, occurrence or circumstance contemplated in the preceding clauses (i)(c), (ii), (iv) and (v) does not affect the Purchased Assets, the Assumed Liabilities, the Business, the Purchased Entities, or the assets, liabilities and/or financial condition of the Purchased Entities in a substantially disproportionate manner as compared to other similarly situated companies operating in the same geographic area (or market) or industries as the Sellers.

"**Material Contract**" and "**Material Contracts**" have the meanings set forth in Section 5.7(a).

"**Material Suppliers**" has the meaning set forth in Section 5.17.

"**Multiemployer Plan**" has the meaning as such term is defined in Section 3(37) or Section 4001(a)(3) of ERISA or section 147.1(a) of the Tax Act.

"Non-Union Employee" means an Employee who is not a member of a Union.

"**Omitted Contract**" has the meaning set forth in Section 2.5(d)(iii).

"**Order**" means any judgment, order, administrative order, writ, stipulation, injunction (whether permanent or temporary), award, decree or similar legal restraint of, or binding settlement having the same effect with, any governmental Action.

"**Owned Real Estate**" has the meaning set forth in Section 5.3(a).

"**Patents**" means (i) all letters patent, inventions, patents and patent rights of the United States or of any other country, all registrations thereof, and all applications for letters patent, inventions, patents and patent rights of the United States or of any other country, including registrations and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State, or any other country; and (ii) all reissues, continuations, continuations-in-part or extensions thereof.

"**Permits**" means all approvals, authorizations, certificates, consents, franchises, variances, and Licenses (including all Alcohol Licenses) issued by any Governmental Authority (including all applications, renewal applications, or documents filed, or fees paid, in connection therewith).

"**Permitted Liens**" means: (i) statutory Liens for current and future Taxes, assessments or other governmental charges, including water and sewage charges, that are not yet due and payable (or being contested in good faith) and for which adequate reserves have been taken in accordance with GAAP; (ii) all easements, covenants, conditions, restrictions and other similar matters affecting title to the Owned Real Estate that are reflected in the applicable real estate records, and other survey defects, which would be depicted on an accurate survey of such Owned Real Estate, in each instance (A) that does not interfere in any material respect with the ownership or operation of the applicable Owned Real Estate and (B) would not reasonably be expected to have, in each case, a Material Adverse Effect; (iii) present and future zoning, building codes and other land use Laws regulating the use or occupancy of any Owned Real Estate or Leased Real Estate or the activities conducted thereon which are imposed by any Governmental Authority having jurisdiction over such Owned Real Estate or Leased Real Estate which are not violated by the current use or occupancy of such Owned Real Estate or Leased Real Estate or the operation of the Business as currently contemplated, except where any such violation does not interfere in any material respect with the present use or occupancy of the applicable Leased Real Estate; and (iv) all easements, covenants, conditions, restrictions and other similar matters affecting title to the Leased Real Estate that are reflected in the applicable real estate records, and other survey defects, which would be depicted on an accurate survey of such Leased Real Estate, in each instance (A) that does not interfere in any material respect with the present use or occupancy of the applicable Leased Real Estate and (B) would not reasonably be expected to have, in each case, a Material Adverse Effect.

"**Person**" means any individual, partnership, corporation, limited liability company, association, joint stock company, estate, trust, joint venture, unincorporated organization, other entity, or a Governmental Authority.

"**Personal Information**" means any information: (i) about an identified or identifiable individual (including Employees); or (ii) that constitutes "personal information" under applicable Laws relating to privacy or data protection.

"**Petition Date**" has the meaning set forth in the Recitals.

"**Post-Closing Tax Period**" means (i) any Tax period beginning after the Closing Date and (ii) with respect to a Tax period that commences on or before but ends after the Closing Date, the portion of such period beginning after the Closing Date.

"**Post-Petition Payables**" has the meaning set forth in Section 2.3(h).

"**Pre-Closing COBRA Liability**" means any Liability arising under COBRA related to a "qualifying event" occurring at (including as a result of) or prior to the Closing in respect of any current or former Employee or other service provider of the Sellers or any of their respective Affiliates or ERISA Affiliates (or any predecessors of any of the foregoing), or any spouse, dependent, or beneficiary thereof.

"**Pre-Closing Tax Period**" means (i) any Tax period ending on or before the Closing Date and (ii) with respect to a Tax period that commences on or before but ends after the Closing Date, the portion of such period up to and including the Closing Date.

"**Pre-Closing WARN Act Liability**" means any Liability under the WARN Act, in any case arising at (including as a result of) or prior to the Closing.

"**Pre-Petition Credit Agreement**" means that certain Financing Agreement, dated as of January 22, 2021 (as previously amended, amended and restated, supplemented or otherwise modified from time to time, including pursuant to that certain (i) Amendment No. 1 to Financing Agreement, dated as of September 22, 2022, and (ii) Amendment No. 2 to Financing Agreement, dated as of February 29, 2024), by and among RL Intermediate, RL Management, each subsidiary of RL Intermediate from time to time party thereto, the Pre-Petition Secured Lenders and the Agent.

"**Pre-Petition Secured Lenders**" means the lenders under the Pre-Petition Credit Agreement.

"**Property Taxes**" means all real property Taxes, personal property Taxes and other Taxes levied with respect to the Purchased Assets for any taxable period.

"**PST**" means any provincial sales taxes imposed under the *Provincial Sales Tax Act* (British Columbia), the *Retail Sales Tax Act* (Manitoba) or the *Provincial Sales Tax Act* (Saskatchewan).

"**Purchase Price**" has the meaning set forth in Section 3.1.

"**Purchased Actions**" has the meaning set forth in Section 2.1(o).

"**Purchased Assets**" has the meaning set forth in Section 2.1.

"**Purchased Contracts**" means all Contracts designated by Purchaser to be assumed and assigned pursuant to Section 2.5 each of which shall be set forth on Schedule 2.1(f), as finalized in accordance with the terms and conditions of this Agreement. For the avoidance of doubt, any Contract not set forth on Schedule 2.1(f) shall constitute an Excluded Asset.

"**Purchased Entity**" means any Person whose Equity Securities constitute Purchased Equity Securities.

"**Purchased Equity Securities**" has the meaning set forth in Section 2.1(u).

"**Purchased Real Property Leases**" means each unexpired Lease which is designated by Purchaser to be assumed and assigned pursuant to Section 2.5 each of which shall be set forth on Schedule 2.1(e). For the avoidance of doubt, any Lease with respect to real property leased or otherwise granted to the Sellers not set forth on Schedule 2.1(e) shall constitute an Excluded Asset.

"**Purchaser**" has the meaning set forth in the Preamble.

"**Purchaser Advisors**" has the meaning set forth in Section 7.2.

"**Purchaser Disclosure Schedule**" means the schedules relating to ARTICLE VI to be finalized and delivered to Sellers on behalf of Purchaser in accordance with Section 7.12(b), a

copy of which upon the finalization thereof will be attached to this Agreement and incorporated into this Agreement by reference.

"**Purchaser Disclosure Schedules Delivery Date**" means the date that is no later than three (3) days prior to the Auction or such later date that the Purchaser may in its sole discretion determine, which date much be prior to the Closing Date.

"**QST**" means the Quebec sales tax imposed under Title I of *an Act respecting the Quebec sales tax.*

"**Registered Intellectual Property**" has the meaning set forth in Section 5.5(c).

"**Regulatory Approvals**" means all Consents and other authorizations reasonably required to be obtained from, or any filings required to be made with, any Governmental Authority that are necessary to consummate the transactions contemplated by this Agreement and the other Transaction Documents.

"**Rejection Damages Claims**" means all claims arising from or related to the rejection of a Contract under Section 365 of the Bankruptcy Code, including any administrative expense claims arising from the rejection of Contracts previously assumed, unless such Contract is a Purchased Real Property Lease or a Purchased Contract.

"**Related Parties**" means, with respect to any Person, such Person's affiliates, successors, predecessors, subsidiaries, parents and assigns, and with respect to each of the foregoing, such Person's respective current and former direct and indirect partners, shareholders, investors and potential investors, controlling persons, directors, officers, employees, agents, trustees, administrators, managers, advisors, attorneys, representatives, and other professionals (and with respect to any Person that is a natural person, shall also include such natural person's immediate family members).

"**Required DIP Lenders**" has the meaning ascribed to the term "Required Lenders" in the DIP Financing Agreement.

"**Responsible Officer**" means, with respect to any Person, the chief executive officer, president, chief operating officer, chief financial officer, controller and chief accounting officer, vice president of finance or treasurer of such Person.

"**Restructuring Support Agreement**" means that certain Restructuring Support Agreement, dated as of May 9, 2024, by and among the Debtors and the Consenting Lenders named therein.

"**Restructuring Transaction**" means (i) a recapitalization of any Seller (or Purchased Entity) effectuated through a consensual out-of-court restructuring or (ii) a sale of any Seller's (or Purchased Entity's) assets and business pursuant to Section 363 of the Bankruptcy Code in the Bankruptcy Cases.

"**RL Canada**" means Red Lobster Canada, Inc., a Delaware corporation.

"**RL Intermediate**" means Red Lobster Intermediate Holdings LLC, a Delaware limited liability company.

"**RL Management**" has the meaning set forth in the Preamble.

"**Sale**" has the meaning set forth in the Recitals.

"**Sale Hearing**" means the hearing scheduled by the Bankruptcy Court to approve the Sale.

"**Sale Motion**" has the meaning set forth in Section 7.5(b).

"**Sale Order**" means an Order of the Bankruptcy Court substantially in the form attached hereto as Exhibit C, approving the Sale.

"**Sale Order Recognition Order**" means an order issued under the CCAA giving full force and recognition to the Sale Order in Canada.

"**Sale Procedures**" means those bid procedures set forth on Exhibit A to the Sale Procedures Order.

"**Sale Procedures Order**" means an Order of the Bankruptcy Court approving procedures governing the solicitation of bids for the Sellers' assets and business and scheduling an auction and hearing on the Sale, substantially in the form attached hereto as Exhibit A.

"**Sale Procedures Order Recognition Order**" means an order issued under the CCAA giving full force and recognition to the Sale Procedures Order in Canada.

"**Section 116 Certificate**" means a Section 116(2) Certificate or a Section 116(5.2) Certificate.

"**Section 116(2) Certificate**" means a certificate issued under subsection 116(2) or 116(4) of the Tax Act.

"**Section 116(5.2) Certificate**" means a certificate issued under subsection 116(5.2) of the Tax Act.

"**Section 116 Property**" means the Section 116(2) Property and the Section 116(5.2) Property.

"**Section 116(2) Property**" means any portion of the Purchased Assets that is "taxable Canadian property", within the meaning of the Tax Act, other than Section 116(5.2) Property.

"**Section 116(5.2) Property**" means any portion of the Canadian Purchased Assets that is described in subsection 116(5.2) of the Tax Act.

"**Section 116 Remittable Amount**" with respect to a Section 116 Property, means (i) (a) in the case of a Section 116(2) Property, twenty-five percent (25%), and (b) in the case of a Section 116(5.2) Property, fifty percent (50%), of (ii) the amount, if any, by which (a) the portion of the Purchase Price allocated to such Section 116 Property exceeds (b) the certificate limit or other

amount fixed therein, as applicable, specified in a Section 116 Certificate delivered by RL Canada with respect to such Section 116 Property (or nil, if no such certificate has been delivered), and, for greater certainty, shall be nil if a Section 116 Certificate has been delivered with a certificate limit that is at least equal to the portion of the Purchase Price allocated to such Section 116 Property.

"**Section 116 Remittance Date**" has the meaning set forth in Section 8.9(e).

"**Section 116 Remittance Obligation**" has the meaning set forth in Section 8.9(e).

"**Section 116 Withheld Amount**" has the meaning set forth in Section 8.9(d).

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Selected Courts**" has the meaning set forth in Section 12.2(a).

"**Seller Disclosure Schedule**" means the schedules relating to ARTICLE V to be finalized and delivered to Purchaser on behalf of Sellers in accordance with Section 7.12(a), a copy of which upon the finalization thereof will be attached to this Agreement and incorporated into this Agreement by reference.

"**Seller Disclosure Schedules Delivery Date**" means May 31, 2024 or such later date that the Purchaser may in its sole discretion determine.

"**Seller Representatives**" means the Sellers' directors, officers, Employees, advisors, attorneys, accountants, consultants, financial advisors, bankers, or other agents or representatives.

"**Sellers**" has the meaning set forth in the Preamble.

"**Software**" means computer programs, operating systems, applications, firmware and other code, including all source code, object code, application programming interfaces, data files, databases, protocols, specifications, and other documentation thereof.

"**Structures**" means, collectively, buildings, structures, and fixtures on, and other improvements to, the Leased Real Estate and/or the Owned Real Estate.

"**Tax**" or "**Taxes**" means, whether disputed or not, (i) any federal, state, provincial, county, local or foreign taxes, charges, fees, levies or other assessments, including all net income, gross income, sales and use, goods and services, service, use, inventory, alcohol, mixed beverage, ad valorem, transfer, gains, profits, excise, franchise, real and personal property, gross receipts, value added, capital stock, capital gains, windfall profits, escheat, unclaimed or abandoned property, production, business and occupation, disability, employment, payroll, license, estimated, stamp, custom duties, severance, unemployment, lease, recording registration, social security, Medicare, alternative or add-on minimum, net worth, documentary, intangibles, conveyancing, environmental, premium, or withholding (including backup withholding) taxes, impost or charges or other compulsory payments imposed by any Governmental Authority, and includes any interest and penalties (civil or criminal) on or additions to any such taxes and (ii) liability for items in the preceding clause (i) of any other Person by Contract, operation of Law (including, but not limited to any tax sharing or allocation arrangement, any agreement to indemnify such other Person or

deemed agreement created by operation of law, and Treasury Regulation §1.1502-6 or otherwise as a result of being a successor or transferee of such other Person, or being (or ceasing to be) a member of the same affiliated, consolidated, combined, unitary or other group with such other Person) or otherwise.

"**Tax Act**" means the *Income Tax Act* (Canada), as amended.

"**Tax Proceeding**" has the meaning set forth in Section 8.3.

"**Tax Returns**" means any return, report, claim for refund (including any refund of a Section 116 Withheld Amount), election, declaration, statement, information return, schedule, or other document (including any related or supporting information) filed or required to be filed with any Governmental Authority in connection with the determination, assessment, collection or administration of any Taxes or the administration of any Laws, regulations or administrative requirements relating to any Taxes or any amendment thereof.

"**Taxing Authority**" means, with respect to any Tax, a Governmental Authority that imposes such Tax, and the agency (if any) charged with the collection of such Tax for such entity, including any Governmental Authority that imposes, or is charged with collecting, social security or similar charges or premiums.

"**TCP Declaration**" has the meaning set forth in Section 8.2.

"**Title Affidavit**" means, with respect to each Owned Real Estate and Purchased Real Property Lease, an affidavit from the applicable Seller or applicable Affiliate thereof that owns or leases such Owned Real Estate or Leased Real Estate to the Title Company, without indemnifications, in customary form for the Title Company to delete the so-called "standard exceptions" (excluding the standard survey exceptions) from the applicable Title Policies, and otherwise in form and substance reasonably acceptable to Sellers.

"**Title Company**" means a nationally recognized title insurance company selected by Purchaser.

"**Title Policy**" means an ALTA owner's or leasehold title insurance policy, and together with such endorsements and affirmative coverages as may be reasonably requested by Purchaser, insuring Purchaser's fee simple in each Owned Real Estate or leasehold interest in each Purchased Real Property Lease, as of the Closing Date, subject only to Permitted Liens and in such amount as Purchaser reasonably determines to allocate as the value of the Owned Real Estate or Purchased Real Property Lease insured thereunder and otherwise in form and substance reasonably acceptable to Purchaser.

"**Trade Secrets**" means all confidential and proprietary information, used in the Business for commercial advantage and not generally known or reasonably ascertainable, including know-how, trade secrets, manufacturing and production processes and techniques, research and development information, databases and data, including, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information.

"**Trademarks**" means (i) all trademarks, trade names, corporate names, business names, trade styles, service marks, logos, slogans, brand names, and other source or business identifiers (whether registered or unregistered), all registrations thereof, and all applications in connection therewith, including registrations and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof; (ii) all reissues, extensions or renewals thereof; and (iii) all goodwill associated with or symbolized by any of the foregoing.

"**Transaction Documents**" means this Agreement and any other agreements, documents, instruments or other Contracts to be executed and delivered or executed in connection with this Agreement.

"**Transfer Taxes**" has the meaning set forth in Section 8.2(a).

"**Transferred Employees**" has the meaning set forth in Section 7.6.

"**Transition Services Agreement**" has the meaning set forth in Section 7.13.

"**Treasury Regulations**" means one or more Treasury regulations promulgated under the IRC by the Treasury Department of the United States.

"**UCC**" means the Uniform Commercial Code.

"**Union**" means each of (i) United Food and Commercial Workers Canada Local 1006A and (ii) United Food and Commercial Workers Canada Union Local 401.

"**Union Employee**" means an Employee who is a member of a Union.

"**WARN Act**" means the federal Worker Adjustment and Retraining Notification Act or any similar Law.

"**Welfare Claims**" has the meaning set forth in Section 7.6(c).

"**Wind-Down Amount**" means an amount not to exceed $500,000; *provided* that such amount shall only be used to pay Wind-Down Expenses; *provided, further*, that to the extent there is any residual Wind-Down Amount remaining after the payment of the Wind-Down Expenses, such amount shall be promptly delivered to the Purchaser.

"**Wind-Down Budget**" means a budget for the payment of the Wind-Down Expenses, which shall be mutually agreed by the Sellers and Purchaser in good faith and attached as an exhibit to the Sale Order.

"**Wind-Down Expenses**" means the expenses required to conduct an orderly wind-down of the Sellers' bankruptcy estate following the Closing which are funded by the Wind-Down Amount and shall be paid solely in accordance with the Wind-Down Budget; *provided* that, for the avoidance of doubt, the Purchaser shall not be liable for any expenses in excess of the Wind-Down Amount, except as otherwise set forth in this Agreement or the Transition Services Agreement.

Section 1.2 **Schedules; Exhibits**. References to this Agreement shall include any Exhibits, Schedules and Recitals to this Agreement and references to Sections, Exhibits and Schedules are to Sections of, Exhibits to and Schedules to this Agreement.

Section 1.3 **Information**. References to books, records or other information mean books, records or other information in any form including paper, electronically stored data, magnetic media, film and microfilm.

Section 1.4 **Interpretation**. When a reference is made in this Agreement to an Article or Section, such reference shall be to an Article or Section of this Agreement unless otherwise indicated. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, unless the context otherwise requires. The word "or" shall not be deemed to be exclusive. The word "extent" and the phrase "to the extent" when used in this Agreement shall mean the degree to which a subject or other thing extends, and such word or phrase shall not mean simply "if." All terms defined in this Agreement shall have the same defined meaning when used in any certificate or other document made or delivered pursuant thereto unless otherwise defined therein. Any reference herein to "dollars" or "$" shall mean United States dollars. The words "as of the date of this Agreement" and words of similar import shall be deemed in each case to refer to the date this Agreement was first signed. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms. References in this Agreement to specific Laws or to specific provisions of Laws shall include all rules and regulations promulgated thereunder (and revisions thereof or successors thereto). Each of the parties to this Agreement has participated in the drafting and negotiation of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement must be construed as if it is drafted by all the parties to this Agreement, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement.

ARTICLE II
PURCHASED SALE OF ASSETS; ASSUMPTION OF LIABILITIES

Section 2.1 **Purchase and Sale of Assets**. On the terms and subject to the conditions set forth in this Agreement, at the Closing, Purchaser shall (or shall cause its designated Affiliate or Affiliates to) purchase, acquire and accept from the Sellers, and the Sellers shall sell, transfer, assign, convey and deliver to Purchaser (or its designated Affiliate or Affiliates), pursuant to and in accordance with the Sale Order, all of the Sellers' right, title and interest in, to and under the Purchased Assets, free and clear of all Liens (other than Permitted Liens), Claims, and interests other than the Assumed Liabilities. "**Purchased Assets**" means all or substantially all of the Sellers' assets (other than the Excluded Assets), including the assets set forth as follows (as well as, for the avoidance of doubt, in the case of each Purchased Entity, each of the following assets with respect thereto (other than the Excluded Assets)):

(a) all cash (including register cash), cash equivalents, funds-in-transit, prepayments (including all prepayments made to third party vendors), deferred assets, refunds, credits or overpayments, in each case, except for (i) the Excluded Cash, and (ii) any proceeds solely arising out of the Excluded Assets to the extent received by the Sellers after the Closing Date;

(b) all Accounts Receivables;

(c) all Inventory;

(d) to the extent transferable pursuant to applicable Law, all insurance policies of the Sellers and any claims thereunder to the extent such policies relate to the operation of the Business or to any Assumed Liabilities, other than any Excluded Insurance Policy;

(e) all Purchased Real Property Leases;

(f) all Purchased Contracts;

(g) to the extent transferable, any security deposits held by counterparties to the Purchased Real Property Leases or Purchased Contracts;

(h) all furniture, fixtures, equipment (including cooking and food storage equipment), marketing materials and other personal property used or usable in the operations of the Business, including, to the extent transferable, all rights to any software used in any computer equipment;

(i) all merchandise and other personal property used or usable in the operations of the Business;

(j) to the extent transferable pursuant to applicable Law, all Permits required for the Sellers to conduct business as currently conducted or for the ownership, operation, use, maintenance, or repair of any of the Purchased Assets;

(k) all Books and Records (including Tax records and Tax Returns (including working papers) relating to the Purchased Assets and of the Purchased Entities), other than the Excluded Books and Records; *provided* that Purchaser will provide the Sellers with reasonable access to the Books and Records (at no cost to the Sellers) for the purposes of conducting the wind-down of the Sellers' bankruptcy estate following the Closing;

(l) all Intellectual Property;

(m) all General Intangibles associated with the Business;

(n) all guarantees, representations, warranties, and indemnities associated with the operation of the Business to the extent related to any Purchased Assets or any Assumed Liabilities;

(o) all claims, causes of action, including Avoidance Actions and the proceeds thereof, choses in action, rights of recovery, rights of set off, and rights of recoupment and any other Action (including any such item relating to the payment of Taxes), other than counterclaims and defenses related to Excluded Assets and any proceeds thereof (collectively, the "**Purchased Actions**");

(p) all prepayments, deposits, deferred assets, rights to refunds (including pre and post-bankruptcy rights to Tax refunds), credits, rights to recover overpayments or other receivables, other than those related to Excluded Assets;

(q) all Owned Real Estate, together with (to the extent of the Sellers' (or any Purchased Entity's) interest therein) all improvements, facilities, fixtures, equipment (including cooking and food storage equipment), and appurtenances thereto and all rights in respect thereof and all servitudes, easements, rights-of-way and other surface use agreements and water use agreements, if any, related thereto;

(r) all funds owed to any Seller in connection with (or under) any COVID-19 Relief Law (including Employee Retention Credits);

(s) any Assumed Benefit Plan (and including all pre-payments, deposits, and refunds thereunder and any assets, trusts, or insurance policies maintained pursuant thereto or in connection therewith);

(t) all rights under non-disclosure or confidentiality, non-compete or non-solicitation agreements with employees and agents of any Seller or with third parties; and

(u) any Equity Securities set forth on Schedule 2.1(u) (collectively, the "**Purchased Equity Securities**").

Section 2.2 Excluded Assets. Notwithstanding anything in this Agreement to the contrary, Purchaser shall not purchase or assume, and shall not be deemed to have purchased or assumed, any Excluded Assets and the Sellers and their respective Affiliates shall retain all right, title and interest to, in and under the Excluded Assets. "**Excluded Assets**" means each Seller's properties and assets which are not Purchased Assets, including those assets set forth as follows:

(a) the Excluded Books and Records;

(b) Equity Securities in any Person, other than the Purchased Equity Securities;

(c) any Contracts that are not Purchased Real Property Leases or Purchased Contracts;

(d) any personnel or other records to the extent pertaining to any current or former employee who is not a Transferred Employee or records pertaining to any Transferred Employee that cannot be transferred under applicable Law;

(e) all equipment and other assets and items that are (i) owned by third parties or (ii) leased to any Seller or an Affiliate thereof, or are not freely assignable, saleable, and

transferable to the Purchaser, in each case, pursuant to a Contract that is not a Purchased Real Property Lease or a Purchased Contract;

(f) rights that accrue or will accrue to the Sellers under any of the Transaction Documents with respect to the Sale;

(g) the Excluded Cash;

(h) all Excluded Insurance Policies;

(i) all Benefit Plans and any assets of any Benefit Plan or any right, title, or interest in any of the assets, trusts, or insurance policies thereof or relating thereto (in each case, other than the Assumed Benefit Plans and any assets related thereto);

(j) all guarantees, representations, warranties and indemnities to the extent pertaining to any Excluded Asset or rights and defenses to the extent pertaining to any Excluded Liability;

(k) ten percent (10%) of the net proceeds of the Equityholder Actions; and

(l) all proceeds solely arising out of the foregoing Excluded Assets to the extent received by the Sellers after the Closing Date.

Section 2.3 **Assumed Liabilities**. On the terms and subject to the conditions set forth in this Agreement, at the Closing, Purchaser shall (or shall cause its designated Affiliate or Affiliates to) assume and be responsible for, effective as of the Closing, and thereafter pay, honor, perform and discharge as and when due, all of the Assumed Liabilities. "**Assumed Liabilities**" means the Liabilities and obligations of the Sellers set forth as follows:

(a) all Liabilities relating to, or arising in respect of, the Purchased Assets arising out of or relating to (i) events, occurrences, acts or omissions occurring or existing on or after the Closing Date or (ii) the operation of the Business or the Purchased Assets by Purchaser on or after the Closing Date;

(b) subject to the corresponding caps (collectively, the "**Cure Costs Cap**") set forth on Schedule 2.3(b) with respect to the Purchased Real Property Leases and the Purchased Contracts, all Liabilities of the Sellers under the Purchased Real Property Leases and the Purchased Contracts;

(c) (i) all Liabilities, solely to the extent incurred after the Closing relating to the employment, engagement, or performance of services, or termination of employment, engagement, or services, of any Transferred Employee; (ii) any Liabilities under each Assumed Benefit Plan, solely to the extent incurred after the Closing Date; and (iii) all Liabilities expressly assumed by Purchaser pursuant to Section 7.6;

(d) all Liabilities for gift cards or gift certificates issued by any Seller in the ordinary course of business prior to the Closing Date;

(e) to the extent transferable pursuant to applicable Law, all obligations, commitments and Liabilities under any Permits that are assigned to Purchaser pursuant to this Agreement as a Purchased Asset;

(f) all Liabilities with respect to Transfer Taxes;

(g) any and all costs and expenses necessary in connection with providing "adequate assurance of future performance" with respect to the Purchased Real Property Leases or Purchased Contracts (as contemplated by Section 365 of the Bankruptcy Code);

(h) all accounts payable of the Business incurred after the Petition Date in the ordinary course of business that are entitled to priority status under Section 503(b) of the Bankruptcy Code (it being understood that such accounts payable shall not include any fees or expenses due to any estate or other professionals involved in the Bankruptcy Case, including any creditors' committee) (collectively, the "**Post-Petition Payables**"); and

(i) the Liabilities set forth on Schedule 2.3(i).

Nothing contained in this Agreement shall require Purchaser to pay or discharge any Assumed Liabilities (A) prior to such Assumed Liabilities becoming due and payable in accordance with the underlying terms of any Purchased Real Property Lease or Purchased Contract giving rise to or governing such Assumed Liabilities or (B) so long as Purchaser shall in good faith contest the amount or validity thereof. The parties hereto acknowledge and agree that the disclosure of any obligation or other Liability on any schedule to this Agreement or the other Transaction Documents shall not create an Assumed Liability or liability of Purchaser, except where such disclosed Liability has been expressly assumed by Purchaser as an Assumed Liability in accordance with the provisions of this Section 2.3.

Section 2.4 Excluded Liabilities. Notwithstanding anything in this Agreement to the contrary, except for the Assumed Liabilities, Purchaser shall not assume, and shall be deemed not to have assumed, any Liabilities relating to the business of the Sellers or any Affiliate of the Sellers (other than the Purchased Entities) and the Sellers and their Affiliates shall be solely and exclusively liable with respect to all such Liabilities, (collectively, the "**Excluded Liabilities**"), including those Liabilities set forth as follows:

(a) any Liability of any Seller to the extent arising from any Excluded Asset;

(b) any Cure Costs in excess of the Cure Costs Cap;

(c) all Liabilities under Indebtedness of the Sellers (including any Indebtedness or accounts payable owing from any Seller to any Affiliate of any Seller);

(d) except as set forth in Section 8.2 with respect to Transfer Taxes, (i) all Tax Liabilities of the Sellers or their respective Affiliates (other than the Purchased Entities) for any taxable period, and (ii) all Tax Liabilities relating to the Purchased Assets or the Business attributable to a Pre-Closing Tax Period;

(e) all Excluded Employee Liabilities;

(f) all Liabilities relating to, or arising from, Rejection Damages Claims;

(g) any tort Liabilities of any Seller;

(h) all Liabilities relating to, or arising from, the CARES Act, including any obligation with respect to deferred payroll Taxes;

(i) all Environmental Liabilities relating to, resulting from, caused by or arising out of ownership, operation or control of the Business, to the extent accruing, arising out of or relating to events, occurrences, acts or omissions occurring or existing prior to the Closing Date;

(j) all Actions against each Seller, any of their respective assets, the Business and any of their past or present operations or activities (except to the extent (and only to such extent that) such actions relate to an Assumed Liability);

(k) all Liabilities relating to, or arising from, Indemnification Claims; and

(l) except for Post-Petition Payables, all accounts payable of any Seller.

Section 2.5 Contract, Benefit Plan and Asset Designation Rights.

(a) No later than thirty (30) days after the Petition Date, the Sellers shall deliver to Purchaser a list setting forth, to the Knowledge of the Sellers, all of the Contracts used in, or otherwise related to, the Business with the anticipated amount of the Cure Costs associated with each Contract (and such list shall also set forth the applicable Seller (or Sellers) or Affiliate(s) thereof which are party, or otherwise subject, to each such Contract). The Sellers shall cooperate with and provide such additional information to Purchaser as may be reasonably necessary in order to identify all Contracts (including the Material Contracts) used in, or otherwise related to, the Business (and the related Cure Costs associated therewith). Prior to the Closing Date, the Sellers shall supplement such list to add any Contracts (including any Material Contracts) used in, or otherwise related to, the Business that are entered into by the Sellers during the pendency of the Bankruptcy Cases. Notwithstanding any provision contained herein to the contrary, but subject in all respects to the Transition Services Agreement, in accordance with Section 2.5(d)(iii), Purchaser may elect by providing a written notice to the Sellers (an "**Extended Contract Period Notice**") that for a period of thirty (30) days following the Closing Date, Purchaser retains the right to assume any Contract or Benefit Plan that is not listed on Schedule 2.1(e), Schedule 2.1(f) or Schedule 2.1(s), as applicable, on the Closing Date.

(b) No later than the next Business Day following the Petition Date, the Sellers shall file the Sale Motion, seeking, among other things, to (i) cause notice to be provided regarding the potential assumption and assignment to Purchaser of all Contracts and (ii) fix the Cure Costs associated with each Contract. The Sellers shall obtain entry of a Final Order approving such Cure Costs no later than seven (7) days in advance of the Auction.

(c) From and after the date hereof through the Closing, no Seller shall (and the Sellers shall cause each Purchased Entity to not), directly or indirectly, reject or take any action (or fail to take any action that would (or would reasonably be likely to) result in rejection by operation of law) to reject, repudiate or disclaim any Contract used in, or otherwise related to, the

Business without the prior written consent (email being sufficient) of Purchaser (including by filing any motions with the Bankruptcy Court seeking authorization to assume or reject (or Orders with respect to the assumption or rejection of) any Contracts). The Sellers may not amend, modify or compromise with respect to Cure Costs or other material terms of any Contract without the prior written consent (email being sufficient) of Purchaser. Notwithstanding anything contained in the foregoing to the contrary, the Sellers shall be permitted to file a motion with the Bankruptcy Court seeking rejection of any Contract or Lease that is not ultimately a Purchased Real Estate Lease or Purchased Contract effective as of thirty (30) days following the Closing Date.

(d) For the purposes of determining whether a Contract or Benefit Plan of the Sellers shall be included as a Purchased Real Estate Lease, Purchased Contract or Assumed Benefit Plan, on the one hand, or an Excluded Asset, on the other hand, from and after the filing of the Sale Motion all Contracts shall be treated as follows:

(i) no later than three (3) days prior to the Auction, Purchaser shall notify the Sellers in writing of those Contracts and Benefit Plans which Purchaser desires to designate to be assigned to Purchaser on the Closing Date by providing the Sellers with Schedule 2.1(e), Schedule 2.1(f) and Schedule 2.1(s); *provided* that, such Schedules may be subsequently modified in accordance with Section 2.5(d)(iii);

(ii) promptly following any Seller's entry into any Contract used in, or otherwise related to, the Business or Benefit Plan during the pendency of the Bankruptcy Cases the Sellers shall provide written notice of such Contract or Benefit Plan and Purchaser shall notify the Sellers in writing (email being sufficient) prior to the Closing Date whether Purchaser shall (A) purchase such Contract or Benefit Plan as a Purchased Asset (in which case, such Contract or Benefit Plan, as applicable, shall be included on Schedule 2.1(e), Schedule 2.1(f) or Schedule 2.1(s), as applicable) or (B) not purchase such Contract or Benefit Plan (in which case, such Contract or Benefit Plan, as applicable, shall not be assigned to Purchaser and shall constitute an Excluded Asset);

(iii) until 11:59 PM (Orlando, Florida time) on the date that is thirty (30) days following the Closing Date, if it is discovered that a Benefit Plan or Contract should have been listed on Schedule 2.1(e), Schedule 2.1(f) and/or Schedule 2.1(s), as applicable, but was not listed thereon (each, an "**Omitted Contract**"), (A) the Sellers or Purchaser, as applicable, shall promptly following discovery thereof (but in no event later than three (3) Business Days after such discovery) notify the other party(ies) hereto of such Omitted Contract, (B) the Sellers shall promptly notify Purchaser in writing of the corresponding related Cure Costs thereof (if any), and (C) if Purchaser agrees (in its sole discretion), in writing (email being sufficient) to assume such Omitted Contract as a Purchased Contract, Purchased Real Property Lease or Assumed Benefit Plan hereunder, as applicable, the Sellers shall, if such schedule has been filed at the time of discovery of the Omitted Contract, file an amended schedule of Purchased Contracts, Purchased Real Property Leases or Assumed Benefit Plans, as applicable, with the Bankruptcy Court on notice to the counterparties to such Omitted Contract which shall provide that the Sellers are seeking entry of the Sale Order fixing the Cure Costs with respect thereto and approving the assumption and assignment of such Omitted Contract. Upon entry of the Sale Order by the Bankruptcy Court, such Omitted Contract shall become a Purchased Contract, Purchased Real Property Lease or Assumed Benefit Plan, as applicable, and be included on Schedule 2.1(e),

Schedule 2.1(f) or Schedule 2.1(s), as applicable. If there is a Cure Cost dispute or other dispute as to the assumption and assignment of such Omitted Contract that has not been resolved to the satisfaction of the Purchaser within thirty (30) days following the Closing Date, the Purchaser may elect to designate such Omitted Contract as an Excluded Asset pursuant to Section 2.5(d)(iv) (as applied *mutatis mutandis*) following the Bankruptcy Court's or the parties' resolution of such dispute;

(iv) at any time prior to the Closing Date (except as set forth in Section 2.5(d)(iii)), the Purchaser shall have the right to provide written notice (email being sufficient) to the Sellers of the Purchaser's election to designate any Contract previously included as a Purchased Contract, Purchased Real Property Lease, or Assumed Benefit Plan on Schedule 2.1(e), Schedule 2.1(f) or Schedule 2.1(s), as applicable, as an Excluded Asset, and upon such designation such Contract shall constitute an Excluded Asset;

(v) subject to Section 2.5(d)(iii), prior to the Closing Date, Purchaser shall provide the Sellers final versions of Schedule 2.1(e), Schedule 2.1(f) and Schedule 2.1(s), and accordingly all Contracts and Benefit Plans, as applicable, set forth thereon shall constitute Purchased Assets and be assigned to Purchaser at Closing, and all Contracts and Benefits Plans, as applicable, not set forth thereon shall not be assigned to Purchaser and shall constitute Excluded Assets; and

(vi) Purchaser shall provide, with respect to any Contract designated to be assumed and assigned hereunder as a Purchased Asset, such information or documentation related to "adequate assurance of future performance" as shall be reasonably required in connection with the assumption and assignment of such Contract, and upon Bankruptcy Court approval for the assumption and assignment thereof to Purchaser, any such Contract so designated shall constitute a Purchased Asset hereunder. Any Contract that is not assumed as provided above shall be an Excluded Asset, and shall not constitute a Purchased Asset hereunder. Notwithstanding anything to the contrary set forth in this Agreement, to the extent that, prior to Closing, any Assumed Benefit Plan, Purchased Real Property Lease or Purchased Contract is not subject to an order of the Bankruptcy Court with respect to the assumption and assignment of such Assumed Benefit Plan, Purchased Real Property Lease or Purchased Contract, any Liabilities of the Sellers related to such Assumed Benefit Plan, Purchased Real Property Lease or Purchased Contract shall be the sole responsibility of the Sellers unless such Assumed Benefit Plan, Purchased Real Property Lease or Purchased Contract is assigned to Purchaser as a Purchased Asset in accordance with this Agreement.

(e) At Closing, to the extent not previously paid, Purchaser shall pay or cause to be paid any and all Cure Costs (up to the Cure Costs Cap) in respect of all Contracts that are Purchased Contracts or Purchased Real Property Leases.

(f) Nothing in this Agreement shall be construed as an attempt by the Sellers to assign any Contract to the extent that such Contract is not assignable under the Bankruptcy Code or otherwise without the consent of the other party or parties thereto where the consent of such other party has not been given or received, as applicable.

(g) With respect to (i) any Purchased Contract or Purchased Real Property Lease for which the consent of a party thereto to the assignment thereof is required (notwithstanding the entry of the Sale Order) shall not have been obtained at Closing and (ii) any claim, right or benefit arising thereunder or resulting therefrom, in each case, to the extent Purchaser waives the condition set forth in Section 9.2(e) (to the extent applicable), prior to the Closing Date, the Sellers (and the Sellers shall cause each Purchased Entity to) and Purchaser shall use commercially reasonable efforts to obtain as expeditiously as possible the written consent of the other party or parties to such Purchased Contract or Purchased Real Property Lease necessary for the assignment thereof to Purchaser. Until any such consent, waiver, confirmation, novation or approval is obtained, the Sellers and Purchaser shall cooperate to establish an arrangement reasonably satisfactory to the Sellers and Purchaser under which Purchaser would obtain the claims, rights and benefits and assume the corresponding Liabilities and obligations thereunder (including by means of any subcontracting, sublicensing or subleasing arrangement). In such event, the Sellers will hold in trust for and promptly pay to Purchaser, when received, all monies received by them under any such Purchased Contract or Purchased Real Property Lease or any claim, right or benefit arising thereunder. Purchaser acknowledges that no adjustment to the Purchase Price shall be made for any Contracts that are not assigned. Until such written consent is obtained, Purchaser shall have the ability to designate any such Contract as an Excluded Asset. Nothing in this paragraph shall be deemed a waiver of Purchaser's right to receive an effective assignment of all of the Purchased Assets at Closing nor shall any Contracts covered by this paragraph be deemed to constitute Excluded Assets solely by virtue of this paragraph.

(h) As soon as reasonably practicable after the Closing, the Sellers shall file with the Bankruptcy Court a final list of Purchased Contracts, Purchased Real Property Leases and Assumed Benefit Plans.

(i) At any time prior to the Closing, the Purchaser may, in its sole discretion, elect to modify the designation of any Person that was previously designated as (i) a Seller to instead be designated as a Purchased Entity under this Agreement, in which case all of the provisions set out herein which apply to a Purchased Entity shall also apply to such Seller and such Seller shall cease to be a Seller for all purposes under this Agreement or (ii) a Purchased Entity by the Purchaser to instead be designated as a Seller under this Agreement, in which case all of the provisions set out herein which apply to a Seller shall also apply to such Purchased Entity and such Purchased Entity shall cease to be a Purchased Entity for all purposes under this Agreement. In the event that the Purchaser designates a (A) Seller as a Purchased Entity or (B) Purchased Entity as a Seller, in each case, the parties hereto acknowledge and agree that (I) they will, in good faith, promptly make any amendments or modifications to this Agreement that are required in order to give effect to such designation and (II) such designation shall not result in any adjustments to the Purchase Price.

(j) At any time prior to the Closing, Purchaser shall be entitled to designate (by delivery of written notice to Sellers of such designation) any assets (including Purchased Equity Securities) and liabilities to purchase, assume or exclude, which assets and liabilities will thereinafter constitute "Purchased Assets," "Excluded Assets," "Assumed Liabilities," and "Excluded Liabilities" hereunder, as applicable (including, for the avoidance of doubt, by amending or otherwise modifying the corresponding Schedules which apply with respect thereto, as applicable), *provided*, *however*, that items that constitute Excluded Assets pursuant to Sections

2.2(g), 2.2(h), 2.2(k) and 2.2(l) may not be designated by Purchaser as Purchased Assets pursuant to this Section 2.5(j) without the consent of the Sellers. For the avoidance of doubt, this Section 2.5(j) shall not (i) apply to the designation of Contracts or Benefit Plans as assumed or excluded, which shall occur in accordance with the procedures set forth in Sections 2.5(a) through 2.5(h) above and (ii) result in any adjustments to the Purchase Price.

(k) At any time prior to the Closing, Purchaser shall elect in writing (email being sufficient) to designate all Equityholder Actions either as (i) a Purchased Asset or (ii) an Excluded Asset (in which case, all claims, encumbrances and other Liens against the Equityholder Actions in favor of the Agent and the Pre-Petition Secured Lenders will remain attached to such Equityholder Actions); *provided* that in either case, ten percent (10%) of the net proceeds recovered from any Equityholder Actions shall constitute Excluded Assets (as set forth in Section 2.2(k)) and will be paid to the Sellers or their designee for distribution to creditors in order of priority under the Bankruptcy Code, applicable Orders of the Bankruptcy Court (including the DIP Order) or other applicable Law.

ARTICLE III
PURCHASE PRICE

Section 3.1 Purchase Price. On the terms and subject to the conditions hereof, at the Closing, the aggregate consideration for the Purchased Assets will be: (a) a credit bid (the "**Credit Bid**"), on a dollar-for-dollar basis, of the full amount of the DIP Obligations; (b) the assumption of the Assumed Liabilities; and (c) the Excluded Cash (the sum of clauses (a) through (c), collectively, the "**Purchase Price**").

Section 3.2 Allocation of Purchase Price. Purchaser and Sellers agree that the Purchase Price, as determined for U.S. federal income tax purposes, shall be allocated in accordance with Section 1060 of the IRC and the Treasury Regulations promulgated thereunder in accordance with an allocation schedule (the "**Allocation Schedule**"). Sellers agree to provide Purchaser promptly with any other information required to complete the Allocation Schedule. Within one hundred and twenty (120) calendar days after the Closing Date, Purchaser shall deliver to Sellers an allocation of the Purchase Price, as determined for U.S. federal income tax purposes. The Sellers and Purchaser shall (a) use the Allocation Schedule for the purpose of making the requisite filings under Section 1060 of the IRC, and the Treasury Regulations thereunder, (b) report, and cause their respective Affiliates to report, the federal, state, and local income and other Tax consequences of the transactions contemplated herein, and in particular to report the information required by Section 1060(b) of the IRC, and to jointly prepare Form 8594 (Asset Acquisition Statement under Section 1060 of the IRC) as promptly as possible following the Closing Date and in a manner consistent with the Allocation Schedule, and (c) promptly notify the other of the existence of any Tax audit, controversy, or litigation related to the Allocation Schedule. Notwithstanding the allocation of the Purchase Price agreed among the parties hereto pursuant to this Section 3.2 for the aforementioned Tax purposes, nothing in the foregoing shall be determinative of values ascribed to the Purchased Assets or the allocation of the value of the Purchased Assets for any other purpose.

Section 3.3 Withholding Rights. Purchaser and any other applicable withholding agent shall be entitled to deduct and withhold with respect to any payments made pursuant to this

Agreement such amounts that are required to be deducted and withheld with respect to any such payments under the IRC or any other provision of applicable Law. Notwithstanding the foregoing, Purchaser shall provide the Sellers with reasonable notice of any proposed deduction and withholding prior to making any deduction and withholding of any amount payable to the Sellers and shall consult in good faith with the Sellers to reduce or eliminate the amount of such deduction and withholding. Any such withheld amounts that are remitted to the appropriate Governmental Authority shall be treated for all purposes of this Agreement as having been paid to such Persons in respect of which such deduction and withholding was made.

Section 3.4 **Authorization to Credit Bid**. Notwithstanding anything else contained herein to the contrary, the holders of at least fifty-and-one-tenth percent (50.1%) of the outstanding principal amount of the DIP Facility (including any amounts under the Pre-Petition Credit Agreement that are rolled-up therein) and at least two (2) DIP Lenders who are not Affiliates or related funds of one another shall have provided authorization to the Agent before submitting a Credit Bid under Section 363(k) of the Bankruptcy Code on behalf of the DIP Lenders.

ARTICLE IV
CLOSING

Section 4.1 **The Closing**. The closing of the Sale (the "**Closing**") shall take place at the offices of King & Spalding, LLP, 1180 Peachtree Street NE, Suite 1600, Atlanta, Georgia 30309 (or remotely via the electronic or other exchange of documents and signature pages), at 10:00 a.m. (Orlando, Florida time), on the third (3rd) Business Day after the date upon which all conditions set forth in ARTICLE IX hereof have been satisfied or (if permissible) waived (other than those conditions which by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions), or at such other place, date and time as the parties hereto may agree; *provided*, *however*, that the parties hereto intend to, and will use reasonable efforts to, cause the Closing to occur on or prior to the End Date. The date on which the Closing occurs is referred to in this Agreement as the "**Closing Date**." Upon consummation of the Closing, the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities hereunder, and the Closing, shall be deemed to have occurred as of 12:01 a.m. (Orlando, Florida time) on the Closing Date.

Section 4.2 **Deliveries at the Closing**.

(a) The Sellers shall deliver or shall cause to be delivered to Purchaser the following at the Closing:

(i) Deeds, bills of sale, transfer tax forms, assignment agreements and other customary transfer documents necessary to transfer to Purchaser (or its Affiliate) all right, title and interest of the Sellers to or in the Purchased Assets (including all Owned Real Estate, Purchased Real Property Leases and Purchased Contracts), subject only to Permitted Liens (collectively, the "**Assignment Agreements**"), in each case, in form and substance reasonably acceptable to Sellers and Purchaser;

(ii) certificates of service evidencing that all notices of the assumption and assignment of the Purchased Contracts and the Purchased Real Property Leases and of the

assumption of the Assumed Liabilities have been given in accordance with the terms of this Agreement and the Sale Procedures Order;

(iii) physical possession of all of the Purchased Assets capable of passing by delivery with the intent that title in such Purchased Assets shall pass by and upon delivery;

(iv) a certificate signed by a Responsible Officer of each Seller (in form and substance reasonably satisfactory to Purchaser) certifying that the closing conditions set forth in Section 9.2(a), Section 9.2(b) and Section 9.2(c) have been satisfied;

(v) certificates signed by a Responsible Officer of each Seller to which is attached (A) a certificate reflecting the incumbency and true signatures of the officers of such Seller who execute this Agreement and other Transaction Documents on behalf of such Seller and (B) true and correct copies of the resolutions of the boards of directors (or other applicable governing body) of each Seller with respect to the transactions contemplated by this Agreement and the other Transaction Documents;

(vi) a certified copy of the Sale Order and the Sale Order Recognition Order;

(vii) a certified copy of the DIP Order and the DIP Order Recognition Order;

(viii) with respect to each Seller that is a "United States person" within the meaning of Section 7701(a)(30) of the Code, a valid, complete and accurate IRS Form W-9 in respect of such Seller, or, in the case of a Seller that is disregarded as separate from its owner for U.S. federal income tax purposes, in respect of such Seller's regarded owner;

(ix) assignment agreements, duly executed by an authorized officer of each applicable Seller, transferring the Intellectual Property included in the Purchased Assets to Purchaser, in form and substance reasonably acceptable to the Sellers and Purchaser (collectively, the "**IP Assignment Agreements**");

(x) the Books and Records;

(xi) all documentation reasonably necessary to effectuate the assumption of the Assumed Benefit Plans (if any) by Purchaser;

(xii) to the extent any Alcohol Licenses included in the Purchased Assets (including those held by a Purchased Entity) are not transferrable to Purchaser as a Purchased Asset pursuant to applicable Law, a transition services agreement (or other similar agreement), in form and substance reasonably acceptable to Purchaser and the Sellers, duly executed by an authorized officer of the applicable the Sellers, regarding the continued post-Closing use by the Purchaser of any such Alcohol Licenses such that the Business, to the extent not prohibited by Law, (with respect to the sale of alcoholic beverages) can continue to be operated by the Purchaser following the Closing in the ordinary course of business consistent with past practice (the "**Alcohol Licenses Services Agreement**");

(xiii) the Transition Services Agreement, duly executed by an authorized officer of the applicable the Sellers;

(xiv) with respect to each Owned Real Property and, to the extent that the Purchaser has elected to obtain one or more Title Policies with respect to any Purchased Real Property Lease, as applicable, a Title Affidavit for the Owned Real Estate or such Purchased Real Property Lease, as applicable, duly executed by an authorized officer of the applicable specific Seller (or Purchased Entity) that owns such Owned Real Estate or leases such Leased Real Estate;

(xv) duly executed letters of resignations, in form and substance reasonably acceptable to Purchaser and effective as of the Closing, of each of the directors of the Purchased Entities set forth on Schedule 4.2(a)(xv).

(xvi) the GST/HST and QST elections referred to in Section 8.2(a), if applicable;

(xvii) any assumption agreements that may be required to be signed and delivered by the Purchaser under any Permitted Lien, Purchased Contract or Purchased Real Property Lease;

(xviii) stock powers or other good and sufficient instruments of conveyance and assignment, in form and substance reasonably satisfactory to Purchaser and the Sellers, to vest in Purchaser or one (1) or more of its designees all right, title and interest in, to and under the Purchased Equity Securities, free and clear of all Liens; and

(xix) such other instruments as are reasonably requested by Purchaser and otherwise necessary to consummate the Sale.

(b) Purchaser shall deliver or cause to be delivered to the Sellers, or their designee(s), at the Closing:

(i) a certificate signed by a Responsible Officer of Purchaser certifying that the closing conditions set forth in Section 9.3(a) and Section 9.3(b) have been satisfied;

(ii) a certificate signed by a Responsible Officer of Purchaser to which is attached: (A) true and correct copies of the resolutions of the board of directors of Purchaser with respect to the transactions contemplated by this Agreement and the Transaction Documents and (B) a certificate reflecting the incumbency and true signatures of the officers of Purchaser who execute this Agreement and other Transaction Documents on behalf of Purchaser;

(iii) the Assignment Agreements, duly executed by an authorized officer of Purchaser;

(iv) the IP Assignment Agreements, duly executed by an authorized officer of Purchaser;

(v) if applicable, the Alcohol Licenses Services Agreement, duly executed by an authorized officer of Purchaser;

(vi) the Transition Services Agreement, duly executed by an authorized officer of Purchaser;

(vii) the GST/HST and QST elections referred to in Section 8.2(a), if applicable; and

(viii) such other instruments as are reasonably requested by the Sellers and otherwise necessary to consummate the Sale and reasonably acceptable to Purchaser.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF THE SELLERS

Except as set forth in the Seller Disclosure Schedule, the Sellers hereby jointly and severally represent and warrant to Purchaser as of the date of this Agreement and as of the Closing as follows:

Section 5.1 Organization, Standing and Power. Each Seller and Purchased Entity is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is formed and has the requisite corporate, limited liability company or other power and authority to carry on its business as now being conducted. Each Seller and Purchased Entity is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification or licensing necessary, other than in such jurisdictions where the failure to be so qualified or licensed (individually or in the aggregate) would not reasonably be expected to have a Material Adverse Effect.

Section 5.2 Authority; Noncontravention.

(a) Subject to the Bankruptcy Court's entry of the Sale Procedures Order and the Sale Order, and CCAA Court's entry of the Sale Procedures Order Recognition Order and Sale Order Recognition Order (i) each Seller and Purchased Entity has the requisite corporate, limited liability company or other power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement and (ii) the execution and delivery of this Agreement by the Sellers and the consummation by the Sellers of the transactions contemplated by this Agreement have been duly authorized by all necessary action on the part of each Seller (and, to the extent applicable, each Purchased Entity). This Agreement has been duly executed and delivered by each Seller and, assuming this Agreement constitutes a valid and binding agreement of Purchaser and subject to entry of the Sale Order, constitutes a valid and binding obligation of each Seller, enforceable against each Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, receivership, insolvency, reorganization, moratorium, fraudulent conveyance, equitable subordination or similar Laws of general application and other Laws affecting creditors' rights generally.

(b) Subject to the Bankruptcy Court's entry of the Sale Procedures Order and the Sale Order and CCAA Court's entry of the Sale Procedures Order Recognition Order and Sale Order Recognition Order, the execution, delivery and performance by the Sellers of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby do not and will not (i) violate any Seller's or Purchased Entities' Fundamental

Documents; (ii) assuming compliance with the matters referred to in Section 5.2(c), constitute or result in a default under or violate any applicable Law that would not reasonably be expected to be, individually or in the aggregate, materially adverse to the Business (including the Purchased Assets, the Assumed Liabilities, the Purchased Entities or the assets, liabilities and condition of the Purchased Entities); (iii) except as to matters that would not reasonably be expected to be, individually or in the aggregate, materially adverse to Business (including the Purchased Assets, the Assumed Liabilities, the Purchased Entities or the assets, liabilities and condition of the Purchased Entities), violate, conflict with, constitute a breach or a default under (or event which, with the giving of notice or lapse of time, or both, would become a default) or give rise to any right of termination, amendment, revocation, suspension, payment, cancellation or acceleration of (A) any Material Contract that constitutes a Purchased Asset or Assumed Liability or any Contract to which a Purchased Entity is a party, or (B) any material right or material obligation or to a loss of any material benefit relating to any Purchased Asset to which any Seller (or Purchased Entity) is entitled under any provision of any Contract binding upon a Seller (or Purchased Entity) except for breaches and defaults referred to in Section 365(b)(2) of the Bankruptcy Code; or (iv) result in the creation or imposition of any Lien on any Purchased Asset or on any asset of any Purchased Entity, except for Permitted Liens and Assumed Liabilities.

(c) No Consent of any Governmental Authority is required by or with respect to any Seller (or Purchased Entity) in connection with the execution and delivery of this Agreement by such Seller, or the consummation of the transactions contemplated by this Agreement or the other Transaction Documents, except for (i) the Consents set forth in Section 5.2(c) of the Seller Disclosure Schedule, (ii) the entry of the Sale Order by the Bankruptcy Court, and (iii) compliance with any applicable requirements of the Exchange Act or Securities Act.

Section 5.3 Real Properties.

(a) Section 5.3(a) of the Seller Disclosure Schedule sets forth the address and specific Seller (or Purchased Entity) which is the owner of each parcel of real property that is owned by the Sellers (or a Purchased Entity) (such real property, the "**Owned Real Estate**"). With respect to each parcel of Owned Real Estate: (i) a Seller (or Purchased Entity) has good and fee simple title to such Owned Real Estate free and clear of all Liens (other than Permitted Liens), (ii) to the Knowledge of the Sellers, no Seller has leased or otherwise granted to any Person the right to use or occupy such Owned Real Estate or any portion thereof, (iii) to the Knowledge of the Sellers, and other than the rights of Purchaser pursuant to this Agreement, there are no outstanding options, rights of first offer or rights of first refusal to purchase such Owned Real Estate or any portion thereof or interest therein and (iv) there are no pending or, to the Knowledge of the Sellers, threatened (in writing) condemnation, eminent domain or like proceedings concerning and adverse to the Owned Real Estate.

(b) Section 5.3(b) of the Seller Disclosure Schedule sets forth a complete and correct list of all of the real property leased, subleased or licensed to the Sellers (or a Purchased Entity) and each Lease with respect thereto (the "**Leased Real Estate**"), including the addresses thereof and all written amendments or modifications to such Leases through the date hereof. With respect to each Leased Real Estate, a Seller (or Purchased Entity) has good and leasehold title to such Leased Real Estate free and clear of all Liens (other than Permitted Liens). The Sellers have delivered to Purchaser correct and complete copies of all such Leases, including all written

amendments or modifications thereto through the date hereof. To the Knowledge of the Sellers, no Seller (or Purchased Entity) is a sublessor or grantor under any sublease or other instrument granting to another Person any right to the possession, lease, occupancy or enjoyment of the Leased Real Estate, except as set forth on Section 5.3(b) of the Seller Disclosure Schedule. With respect to each Lease relating to the Leased Real Estate, except as set forth in Section 5.3(b) of the Seller Disclosure Schedule and except with respect to any Bankruptcy-Related Default:

(i) such Leases are in full force and effect and represent binding and enforceable obligations against the applicable Seller (or Purchased Entity); and

(ii) no Seller (or Purchased Entity) has received any written notice (A) of an event of default (which has not been cured), offset or counterclaim under any such Lease, and, to the Knowledge of the Sellers, no event or condition has happened or presently exists which constitutes an event of default or, after notice or lapse of time or both, would constitute an event of default under any such Lease on the part of any Seller (or Purchased Entity), or (B) of any Action against any Seller (or Purchased Entity) under any such Lease which if adversely determined would result in such Lease being terminated.

(c) Except as set forth in Section 5.3(c) of the Seller Disclosure Schedule, (i) the Sellers (and the Purchased Entities) have good and valid leasehold interest in and to all Leased Real Estate except with respect to any Bankruptcy-Related Default, (ii) there are no pending or, to the Knowledge of the Sellers, threatened (in writing) condemnation proceedings by or before any Governmental Authority having jurisdiction over such Leased Real Estate and (iii) the Sellers (and the Purchased Entities) have valid title to all other Purchased Assets and assets of the Purchased Entities constituting Structures or otherwise have the right to use such other Purchased Assets and assets of the Purchased Entities pursuant to a valid and enforceable lease, license or similar contractual arrangement, in each case free and clear of any Liens, other than Permitted Liens.

(d) Except as set forth in Section 5.3(d) of the Seller Disclosure Schedule, the Leased Real Estate and the Owned Real Estate constitutes all of the real property assets used by Sellers (and the Purchased Entities) for the conduct of the Business in substantially the same manner as such Business is being operated as of the date hereof. The Structures included in the Purchased Assets are in good repair, working order and operating condition, subject only to wear and tear. Except as set forth in Section 5.3(d) of the Seller Disclosure Schedule, to the Knowledge of the Sellers, there are no use restrictions affecting any Owned Real Estate or Leased Real Estate that would reasonably be expected, individually or in the aggregate, to interfere in any material respect with the current use, occupancy or operation of such Owned Real Estate or Leased Real Estate.

(e) Except as set forth in Section 5.3(e) of the Seller Disclosure Schedule, no Seller (or Purchased Entity) has received any written notice from any Governmental Authority having jurisdiction over the applicable Leased Real Estate or Owned Real Estate of any zoning, ordinance, building, fire, health or safety code or other legal violation in respect of any Leased Real Estate or Owned Real Estate would reasonably be expected, individually or in the aggregate, to interfere in any material respect with the current use, occupancy or operation of such Leased Real Estate or Owned Real Estate.

Section 5.4 Assets; Sufficiency of and Title to the Purchased Assets. Except as set forth in Section 5.4 of the Seller Disclosure Schedule and other than the Excluded Assets, the Sellers (and the Purchased Entities) have good and valid title to, or have good and valid leasehold interests in, all tangible personal property that is included in the Purchased Assets, free and clear of all Liens other than Permitted Liens, except in each case as (individually or in the aggregate) would not reasonably be expected to have a Material Adverse Effect. Such owned and leased tangible personal property is in good working order, reasonable wear and tear excepted, except as (individually or in the aggregate) would not reasonably be expected to have a Material Adverse Effect. Except as set forth in Section 5.4 of the Seller Disclosure Schedule and other than the Excluded Assets, the Purchased Assets constitute all of the assets, rights, interests, claims and properties of every nature and kind whatsoever used in or held for use in the conduct of the Business, or otherwise necessary for Purchaser to conduct and operate the Business immediately after the Closing in all material respects as presently conducted by the Sellers (and the Purchased Entities).

Section 5.5 Intellectual Property.

(a) The operation of the Business as currently conducted and the use of the Intellectual Property in connection therewith, to the Knowledge of the Sellers, do not conflict with, infringe, misappropriate, dilute, misuse or otherwise violate the intellectual property rights of any third-party. No Action has been asserted or, to the Knowledge of the Sellers, is pending or threatened in writing against any Seller (or any Purchased Entity) with respect to the foregoing.

(b) The Sellers (or the Purchased Entities) own all right, title and interest in and to the Intellectual Property and, to the Knowledge of the Sellers, the Sellers (or the Purchased Entities) are entitled to use in the Business all Intellectual Property material to the Business subject only to the terms of the Intellectual Property Agreements, if applicable.

(c) Section 5.5(c) of the Sellers' Disclosure Schedule identifies all registrations and applications for the Intellectual Property owned by each Seller (or Purchased Entity) (the "**Registered Intellectual Property**"), specifying as to each item, as applicable: the title, mark, or patent (as applicable); the record owner and inventor(s), if any; the jurisdiction by or in which it has been issued, registered, or filed; the patent, registration, or application serial number; the issue, registration, or filing date; and the current status.

(d) The Registered Intellectual Property is subsisting and has not been adjudicated to be invalid or unenforceable in whole or part, and to the Knowledge of the Sellers, is valid and enforceable. To the Knowledge of the Sellers, there are no uses by the Sellers or any Purchased Entity of any item of Registered Intellectual Property in connection with the operation of the Business that would (or would reasonably) be expected to lead to such item becoming invalid or unenforceable.

(e) To the Knowledge of the Sellers, no Person is engaging in any activity that infringes, misappropriates, dilutes, misuses or otherwise violates the Intellectual Property that is material to the Business or any Seller's (or any Purchased Entity's) rights therein. Except as set forth on Section 5.5(e) of the Seller Disclosure Schedule, no Seller (or any Purchased Entity) has

granted any license in settlement of an infringement, release, covenant not to sue, or non-assertion assurance to any Person with respect to any Registered Intellectual Property.

(f) No Registered Intellectual Property is subject to any settlement agreement, consent agreement, decree, order, injunction, judgment or ruling materially restricting the use of any Registered Intellectual Property or that would materially impair the validity or enforceability of such Registered Intellectual Property.

(g) The internet domain names set forth on Section 5.5(c) of the Seller Disclosure Schedule are registered and controlled by one or more the Sellers (or Purchased Entities).

Section 5.6 Litigation. Except for the matters set forth on Section 5.6 of the Seller Disclosure Schedule, with respect to which the Purchased Assets are reasonably expected to be sold free and clear of pursuant to the Sale Order, there is no Action pending or, to the Knowledge of the Sellers, threatened against any Seller (or any Purchased Entity) that (individually or in the aggregate) would reasonably be expected to have a Material Adverse Effect, nor is there any Governmental Order outstanding against any Seller (or any Purchased Entity) that (individually or in the aggregate) would reasonably be expected to have a Material Adverse Effect.

Section 5.7 Material Contracts; Debt Instruments.

(a) Section 5.7(a) of the Seller Disclosure Schedule identifies all the following types of Contracts (each, a "**Material Contract**", and collectively, the "**Material Contracts**") in effect as of the date hereof that are related to the Purchased Assets or the Business generally and to which any Seller (or any Purchased Entity) is a party:

(i) any joint venture, partnership, limited liability company or other similar Contracts, other than the Fundamental Documents of any Seller;

(ii) any Contract relating to the Indebtedness (including, for the avoidance of doubt, any guaranty for borrowed money or otherwise) of any Seller (or any Purchased Entity) or to the mortgaging or pledging of, or otherwise placing a Lien on, any of the assets of any Seller (or any Purchased Entity) or any of the Equity Securities of any Seller (or any Purchased Entity);

(iii) any Lease for personal property which is material to the Business;

(iv) any Lease relating to the Leased Real Estate;

(v) any Franchise Agreement;

(vi) any Contract relating to any outstanding commitment for capital expenditures in excess of $250,000 individually or $500,000 in the aggregate;

(vii) any Contract (or series of related Contracts) relating to the acquisition or disposition of any Person, business or material real property or other assets (whether by merger, sale of stock, sale of assets or otherwise);

(viii) any Contract that (A) limits the freedom of any Seller (or any Purchased Entity) or the Business to compete in any line of business or with any Person or in any geographic area or (B) contains exclusivity obligations or restrictions binding on any Seller (or any Purchased Entity) or the Business;

(ix) any sales, distribution, agency or marketing Contract (or series of related Contracts) involving in excess of $250,000 in any annual period;

(x) any Contract (or series of related Contracts) relating to the purchase by any Seller (or any Purchased Entity) of any products or services under which amounts payable thereunder are prepaid and the undelivered balance of such products or services is in excess of $250,000;

(xi) any Contracts (including any "take-or-pay" or keepwell agreement) under which (A) any Person has directly or indirectly guaranteed any liabilities or obligations of any Seller (or any Purchased Entity) or (B) any Seller (or any Purchased Entity) has directly or indirectly guaranteed liabilities or obligations of any other Person;

(xii) Contracts with any current employee of any Seller (or any Purchased Entity) with aggregate payments of at least $75,000 remaining under such Contract or providing for any severance Liabilities;

(xiii) any Contract with any Material Supplier;

(xiv) any Contracts related to any gift card, store credit, customer loyalty and/or gift certificate program of any Seller (or any Purchased Entity);

(xv) any (A) Intellectual Property Agreement, other than (i) non-exclusive licenses granted by any Seller (or any Purchased Entity) to customers for use of Intellectual Property in the ordinary course of Business; (ii) non-exclusive licenses granted by any Seller (or any Purchased Entity) to service providers to use Intellectual Property for the limited purposes of providing services to any Seller (or any Purchased Entity) or the Business pursuant to the applicable Contract; (iii) non-exclusive licenses granted by any Seller (or any Purchased Entity) to service providers to use any Seller's (or any Purchased Entity's) Trademark for inclusion on customer lists; and (iv) non-disclosure agreements; and (B) any Contracts under which any Seller (or any Purchased Entity) is a licensee, sublicensee or otherwise granted any right or interest relating to any Patents, Copyrights, Trademarks, Trade Secrets, Software or other intellectual property of a third party in connection with the operation of the Business, other than (i) non-exclusive licenses for generally commercially available, off-the-shelf Software, (ii) open source software licenses, (iii) non-disclosure agreements, and (iv) immaterial non-exclusive licenses provided ancillary to the sale of products or provision of services; or

(xvi) any Collective Bargaining Agreements or other agreements or commitments with any unions, labor organizations or other employee representative of a group of Employees (including Employees of any Purchased Entity) relating to the Business.

(b) Except with respect to any Bankruptcy-Related Default or payment default, each Material Contract included in the Purchased Assets is a legal, valid, binding and enforceable

agreement of the applicable Seller (or Purchased Entity) and is in full force and effect, and none of the Sellers (nor any Purchased Entity) or, to the Knowledge of the Sellers, any other party thereto is in default or breach under the terms of, or has provided any written notice to terminate or modify, any such Material Contract. To the Knowledge of the Sellers, no Seller (nor any Purchased Entity) is a party to a Material Contract that is an oral Contract.

(c) Except as set forth in Section 5.7(c) of the Seller Disclosure Schedule, following the entry of the Sale Order and operation of Section 365 of the Bankruptcy Code, to the Knowledge of the Sellers, no Consent of any third party is required under any Material Contract included in the Purchased Assets or any other Contract to which any Purchased Entity is a party as a result of or in connection with, and the enforceability of any such Material Contract (or such other Contract to which any Purchased Entity is a party) will not be affected by, the execution, delivery and performance of this Agreement or any of the other Transaction Documents or the consummation of the transactions contemplated hereby and thereby. Complete and correct copies of (i) each Material Contract (including all waivers thereunder), (ii) all Contracts for Indebtedness, (iii) Contracts relating to any interest rate, currency or commodity derivatives or hedging transaction; and (iv) all form Contracts related to the Business have been made available to Purchaser.

Section 5.8 Employees; Labor Matters.

(a) Within the past three (3) years there has not occurred or been threatened any strike, slowdown, picketing, work stoppage, concerted refusal to work or other similar material labor protest by any employees employed by any Seller or any of its Affiliates (including RL Canada) ("**Employees**"). There are no material labor disputes currently subject to any grievance, arbitration, or Action threatened, by any Employees or any union or other labor organization representing Employees. Within the past three (3) years, no Seller or any Affiliate thereof (including RL Canada) has engaged in unfair labor practices (within the meaning of the National Labor Relations Act or applicable provincial labour relations legislation) that would (or would reasonably be expected to), individually or in the aggregate, directly or indirectly, result in a material Liability with respect to the Purchased Assets taken as a whole or RL Canada. Within the past three (3) years, no Seller or any Affiliate thereof (including RL Canada) has received written notice of the intent of any Governmental Authority responsible for the enforcement of labor and employment laws to conduct an investigation with respect to or relating to the Business which would (or would reasonably be expected to), individually or in the aggregate, directly or indirectly, result in a material Liability to the Sellers, the Purchased Assets taken as a whole or RL Canada and, to the Knowledge of the Sellers, no such investigation is in progress.

(b) Each Seller and its Affiliates (including RL Canada) is, and for the past three (3) years has been, in compliance in all material respects with all Laws governing labor and employment, including employment practices, employment standards, terms, and conditions of employment, wages and hours, equal opportunity, human rights, pay equity, privacy, accessibility, workers' compensation, worker and employee classification, temporary employees, civil rights, labor relations, and occupational health and safety, including the Immigration and Reform Control Act, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act, the Federal Age Discrimination in Employment Act, the *Employment Standards Act* (Ontario), the *Employment Standards Code* (Alberta), *The Saskatchewan Employment Act*, *The*

Employment Standards Code (Manitoba) and any other applicable Laws governing labor and employment. Within the past three (3) years, neither the Sellers nor any of their respective Affiliates (including RL Canada) have received a written complaint, warning, order, demand, or written charge issued by a Governmental Authority that alleges a material violation by any Seller or Affiliate thereof (including RL Canada) of any applicable Law governing their employment practices, employment standards, terms and conditions of employment, wages and hours, equal opportunity, human rights, pay equity, privacy, accessibility, workers' compensation, worker and employee classification, temporary employees, civil rights, labor relations, or occupational health and safety, and there are no Actions outstanding, threatened or anticipated, against or in respect of any Seller or Affiliate thereof (including RL Canada) under or in respect of any such applicable Laws. None of the Sellers or any of their respective Affiliates (including RL Canada) (i) have engaged in any plant closing, workforce reduction, mass termination, group termination, collective dismissal or other reduction in force that has resulted or would reasonably be expected to result in material Liability under the WARN Act, or (ii) have been issued any written notice that any such Action is to be brought in the future.

(c) The Sellers have delivered to Purchaser a true, correct and complete list, as of May 17, 2024, setting forth for each current Employee of each Seller (or any Affiliate thereof (including RL Canada), if such Employee provides services to the Business), in each case, as applicable and to the extent permitted under any applicable privacy Law: (i) name (or, if required by applicable Law, an anonymized identifying number), (ii) title, (iii) place of employment (including city and state/province), (iv) name of legal employer, (v) current annual salary or hourly wage rate, (vi) target bonus or commissions opportunity and total bonus paid in respect of the last completed fiscal year, (vii) deferred or contingent compensation, (viii) accrued vacation and sick days, (ix) severance benefits paid or payable (in cash or otherwise) for the last fiscal year, (x) start date of employment, and, (xi) for any Employee who is inactive or on a leave of absence, the reason for such leave or inactive status, the commencement date of the leave and the expected return to work date, if known.

Section 5.9 Benefit Plans.

(a) Section 5.9(a) of the Seller Disclosure Schedule contains a list of all Benefit Plans.

(b) Each Benefit Plan (and any related trust or other funding vehicle) has been established, registered, qualified, invested, communicated, maintained, funded, operated and administered in compliance in all material respects with its terms and all applicable requirements of ERISA, the IRC, the Tax Act, and other applicable Laws. No Benefit Plan is subject to any audit, investigation, or examination by any Governmental Authority and no such actions are pending or threatened with respect to any Benefit Plan. Each Benefit Plan which is intended to be qualified within the meaning of IRC Section 401(a) is so qualified and has received, or timely requested, a favorable determination letter from the Internal Revenue Service upon which it may rely, or is comprised of a master or prototype plan that has received a favorable opinion letter from the Internal Revenue Service, and its trust is exempt from federal taxation under IRC Section 501(a), and no event has occurred and no facts or conditions exist that would reasonably be expected to adversely affect the qualified or registered status of any such Benefit Plan or result in

the imposition of any liability, penalty, or Tax under ERISA, the IRC, the Tax Act, or other applicable Law.

(c) There does not now exist, and there are no existing circumstances that would reasonably be expected to result in, any Controlled Group Liability that would be a Liability of Purchaser or any of its Affiliates following the Closing.

(d) No Benefit Plan is a Multiemployer Plan or otherwise subject to Title IV of ERISA, Sections 412 or 4971 of the IRC, or Section 302 of ERISA, nor have any the Sellers (or RL Canada) or any of their respective ERISA Affiliates been obligated to contribute to, or have any Liability with respect to any of the foregoing within the preceding six (6) years. No Benefit Plan provides retiree or post-employment life insurance, medical, severance, or other employee welfare benefits to any participant, except as required by COBRA or any similar applicable Law and at the sole expense of the applicable participant. Except as set forth in Section 5.9(d) of the Seller Disclosure Schedules, none of the Benefit Plans is or is intended to be (i) a "registered pension plan" as such term is defined in subsection 248(1) of the Tax Act; (ii) a "retirement compensation arrangement" as such term is defined in subsection 248(1) of the Tax Act; (iii) a pension plan that has a "defined benefit provision" as defined in subsection 147.1(1) of the Tax Act, (iv) a "multi-employer plan" within the meaning of the Tax Act, (v) an "employee life and health trust" as such term is defined in subsection 248(1) of the Tax Act or (vi) a "health and welfare trust" within the meaning of the Canada Revenue Agency Income Tax Folio S2-F1-C1. No Benefit Plan is intended to be or has ever been found or alleged by a Governmental Authority to be a "salary deferral arrangement" as such term is defined in subsection 248(1) of the Tax Act.

(e) Except as set forth on Section 5.9(e) of the Seller Disclosure Schedule, neither the execution of this Agreement or nor the consummation of the transactions contemplated therein, either alone or in combination with another event, will: (i) result in any payment or benefit becoming due to any current or former Employee, independent contractor or consultant of any of the Sellers or their respective Affiliates, (ii) increase the amount or value of any compensation or benefits payable under any Benefit Plan, result in any acceleration of the time of payment or vesting of any compensation or benefits, or provide any additional compensatory rights or benefits (including funding of compensation or benefits through a trust or otherwise) to any current or former Employee, independent contractor or consultant of any of the Sellers or their respective Affiliates, or (iii) give rise to payments or benefits that, separately or in the aggregate, could be nondeductible to the payor under Section 280G of the IRC or would result in an excise Tax on any recipient under Section 4999 of the IRC.

(f) Section 5.9(f) of the Seller Disclosure Schedule contains a list of each Benefit Plan subject to Section 409A of the IRC. Each Benefit Plan subject to Section 409A of the IRC is, and has been operated, in compliance in all material respects with Section 409A of the IRC.

Section 5.10 Licenses. Section 5.10 of the Seller Disclosure Schedule contains a true and correct list of all Licenses that are held by the Sellers (or any Purchased Entity) as of the date hereof and that are used by the Sellers (or any Purchased Entity) to operate the Business in all material respects. To the Knowledge of the Sellers, all such Licenses are in full force and effect, as of the date hereof, and the Sellers (or any Purchased Entity) are not, as of the date hereof, in

default (or with the giving of notice or lapse of time or both, would be in default) under any such Licenses, except for any Bankruptcy-Related Defaults or as would not reasonably be expected to have a Material Adverse Effect. There are no Actions pending or, to the Knowledge of the Sellers, threatened in writing that seek the revocation, cancellation, suspension or adverse modification of any such Licenses. All required filings with respect to such Licenses have been timely made and any required applications for renewal thereof have been timely filed except where the failure to make any such filing or application would not reasonably be expected to have a Material Adverse Effect.

Section 5.11 Restrictions on Business Activities. There is no Contract or Order binding upon any Seller (or any Purchased Entity) or to which any Seller (or any Purchased Entity) is a party, that by its terms prohibits or impairs any business practice of any Seller (or any Purchased Entity), any acquisition of property by any Seller (or any Purchased Entity) or the conduct of the Business in any geographic region. No Seller (nor any Purchased Entity) has entered into any Contract under which it is restricted from selling, licensing or otherwise distributing any of its products or providing any of its services to, customers or potential customers or any class of customers, in any geographic area, during any period of time or in any segment of the market.

Section 5.12 Insurance. Section 5.12(a) of the Seller Disclosure Schedule sets forth all insurance policies maintained by the Sellers (and any Purchased Entity) as of the date hereof with respect to the Purchased Assets or the Business. All such policies are in full force and effect and the Sellers (and the Purchased Entities) have complied with the terms thereof in all material respects. Except as set forth on Section 5.12(b) of the Seller Disclosure Schedule, there are no claims, by or with respect to any Seller (or any Purchased Entity), pending under any of the insurance policies listed on Section 5.12(a) of the Seller Disclosure Schedule, or disputes with insurers with respect thereto. No Seller (nor any Purchased Entity) has received any written notice (or to the Knowledge of the Sellers, oral notice) regarding (i) a termination or material reduction of coverage with respect to any insurance policy set forth on Section 5.12(a) of the Seller Disclosure Schedule, (ii) a refusal of any coverage or rejection of any claim under any insurance policy set forth on Section 5.12(a) of the Seller Disclosure Schedule, (iii) a change in coverage of any insurance policy set forth on Section 5.12(a) of the Seller Disclosure Schedule, (iv) a premium audit with respect to any insurance policy set forth on Section 5.12(a) of the Seller Disclosure Schedule, or (v) an adjustment in the amount of the premiums payable with respect to any insurance policy set forth on Section 5.12(a) of the Seller Disclosure Schedule. The Sellers have made available to Purchaser true, complete and accurate copies of all insurance policies set forth on Section 5.12(a) of the Seller Disclosure Schedule.

Section 5.13 Environmental Matters. Except as set forth in Section 5.13 of the Seller Disclosure Schedule:

(a) To the Knowledge of the Sellers (i) the operation of the Business is in compliance in all material respects with all applicable Environmental Laws and all Environmental Permits, and (ii) except as would not have a Material Adverse Effect, there is no condition, event or circumstance at any of the Leased Real Estate that contravenes any Environmental Law or that will reasonably be expected to result in an Environmental Notice or an Environmental Claim;

(b) To the Knowledge of the Sellers, the Sellers (and the Purchased Entities) have obtained all required Environmental Permits necessary to operate the Business and possess and use the Purchased Assets, subject to renewal of such Environmental Permits in the ordinary course of business in all material respects;

(c) To the Knowledge of the Sellers, except as would not have a Material Adverse Effect, the Sellers (and the Purchased Entities) are not the subject of any outstanding Environmental Claim with respect to violation of Environmental Laws, or any Action based thereon or arising therefrom;

(d) The Sellers (and the Purchased Entities) have not received any Environmental Claim or other written communication alleging that any Seller (or any Purchased Entity), the Business, or any Purchased Assets is in violation in any material respect of any applicable Environmental Law or any Environmental Permit that was received in the last two (2) years prior to the date of this Agreement or, without regard to date of receipt, remains pending or unresolved or is the source of ongoing obligations or requirements as of the date hereof; and

(e) Except as would not have a Material Adverse Effect, there has been no Environmental Release of Hazardous Materials by any Seller, any Affiliates of any Seller (including the Purchased Entities), or to the Knowledge of the Sellers by any other Person at, to, or from the Business or Purchased Assets, in contravention of Environmental Law that would (or would reasonably be expected to), after the Closing Date, materially prevent, impede, or increase the costs associated with the ownership, lease, operation, performance, or use of the Purchased Assets, the Business, or any of the Leased Real Estate or any other assets of the Sellers (and the Purchased Entities) as currently conducted. The Sellers (and the Purchased Entities) have not received an Environmental Notice that any of the Purchased Assets, the Business, or real property currently or formerly owned, leased or operated by any Seller in connection with its business operations (including soils, groundwater, surface water, and Structures located thereon) has been contaminated with any Hazardous Materials which would reasonably be expected to result in an Environmental Claim against, or a violation of Environmental Law or the terms of any Environmental Permit by, the Sellers (or the Purchased Entities) or any of the Purchased Assets.

Section 5.14 No Brokers. Except as set forth in Section 5.14 of the Seller Disclosure Schedule, no Person has acted, directly or indirectly, as a broker or financial advisor for the Sellers (or any Purchased Entity) in connection with the transactions contemplated by this Agreement and no Person is entitled to any fee or commission or like payment in respect thereof.

Section 5.15 Taxes.

(a) Except as set forth in Section 5.15 of the Seller Disclosure Schedule, (i) all material Tax Returns required to be filed by or on behalf of any Seller (or Purchased Entity) have been filed, and all such Tax Returns are true, correct and complete in all material respects, (ii) all material Taxes due and payable by any Seller (or Purchased Entity), whether or not shown on any such Tax Return, have been timely paid, and (iii) there are no Liens for Taxes with respect to the Purchased Assets or any Purchased Entity, other than Permitted Liens.

(b) No Seller (or Purchased Entity) is the subject of any Action with respect to Taxes or its Tax Returns nor has any such Action been threatened in writing (or, to the Knowledge of the Sellers, otherwise).

(c) Each Seller (and Purchased Entity) has timely withheld and paid, or caused to be paid, all material Taxes required to have been withheld and paid in connection with any amounts paid or owing to any Person and has complied in all material respects with any Tax reporting requirements relating thereto (including timely and properly distributing all IRS Forms W-2 and Forms 1099).

(d) No Purchased Entity has participated in any "listed transaction" within the meaning of Treasury Regulation Section 1.6011-4(b)(2) or a "reportable transaction" or "notifiable transaction" within the meaning of section 237.3 and 237.4 of the Tax Act, respectively.

(e) No Purchased Entity or Seller (with respect to the Purchased Assets) has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency which waiver or extension remains outstanding. There are no pending or threatened audits, investigations, disputes, notices of deficiency, claims or other proceedings for or relating to any liability for Taxes with respect to any Purchased Asset or Purchased Entity.

(f) No Purchased Entity has any Liability for Taxes of any other Person as a transferee or successor, by Law or by Contract other than any Contract that (i) does not generally address Tax sharing, Tax indemnities or Tax allocation and (ii) was entered into in the ordinary course of business or pursuant to commercial lending arrangements.

(g) No Purchased Entity or Seller (with respect to the Purchased Assets) is a party to any "closing agreement" as described in Section 7121 of the IRC (or any similar provision of state, local or foreign Law) or any other agreement with any Governmental Authority with respect to Taxes. No private letter ruling, technical advice memoranda or similar rulings have been requested or issued by any Governmental Authority with respect to any Purchased Entity or Purchased Assets.

(h) No Purchased Entity or Seller (with respect to the Purchased Assets) is a party to any Tax allocation, indemnification or sharing agreement. No Purchased Entity or (with respect to the Purchased Assets) Seller (i) has been a member of an affiliated group filing a consolidated federal income Tax Return, or (ii) has liability for the Taxes of any Person under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign Law), as a transferee or successor, by Contract, or otherwise.

(i) No claim has been made in writing by any Governmental Authority in a jurisdiction where a Seller (or Purchased Entity) does not file Tax Returns that such Seller (or Purchased Entity) is or may be subject to taxation by that jurisdiction.

(j) Each Seller (and Purchased Entity) has properly (i) collected and remitted sales and similar Taxes with respect to sales made to its customers, and (ii) for all sales that are exempt from sales and similar Taxes that were made without charging or remitting sales or similar

Taxes, received and retained any appropriate Tax exemption certificates and other documentation qualifying such sale as exempt.

(k) No Purchased Entity will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any Post-Closing Tax Period as a result of any (i) change made prior to the Closing in the method of accounting for a Tax period ending prior to the Closing Date, (ii) "closing agreement" as described in Section 7121 of the IRC (or any corresponding or similar provision of state, local or foreign income Tax law) or any agreement with a Governmental Authority entered into or executed prior to the Closing, (iii) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the IRC (or any corresponding or similar provision of state, local or foreign Tax law) made or established prior to the Closing, (iv) installment sale or open transaction disposition made on or prior to the Closing Date, (v) prepaid amount or advance payments received or deferred revenue received or accrued prior to the Closing outside of the ordinary course of business, (vi) use of an improper method of accounting for a taxable period ending on or prior to the Closing Date, (vii) application of Section 952(c)(2) of the IRC, (viii) application of Section 951 or Section 951A of the IRC with respect to income earned or recognized or payments received prior to the Closing, or (ix) a "gain recognition agreement" under Section 367(a) of the IRC.

Section 5.16 Franchise Restaurants.

(a) The Sellers have not operated any franchise system other than the "Red Lobster" brand (or derivations thereof) franchise systems developed and operated by the Sellers, including all rights of the Sellers in and to said franchise system, through which one or more of the Sellers franchise to others the right to establish, develop and operate "Red Lobster" brand (or derivations thereof) restaurants, using certain distinctive types of equipment, supplies, confidential information, business techniques, methods and procedures, and sales promotion programs, as the Sellers periodically may modify and further improve (collectively, the "**Franchise System**"). As used herein, the term "franchisee" shall be deemed to include area developers, area directors, and franchisees.

(b) With respect to the Franchise System, Section 5.16(b) of the Seller Disclosure Schedule sets forth:

(i) all present franchisees of the Franchise System, together with a list of the Franchise Agreements and any other agreements material to the Franchise System to which any Seller is a party. With respect to each such franchisee, Section 5.16(b)(i) of the Seller Disclosure Schedule includes: (A) the name of the franchisee; (B) the date and agreement number or other identifier of the Franchise Agreement governing the franchisee's Franchise Restaurant; and (C) any territorial or development rights granted to such franchisee;

(ii) all current Actions or other disputes between any Seller, on the one hand, and any present or former franchisee of the Franchise System, on the other hand, including a brief description of the nature of any such dispute or other Action;

(iii) as of the date of this Agreement, all franchisees in the Franchise System that are financially in arrears over thirty (30) days under their respective Franchise

Agreements or who are otherwise in material default under, or not in material compliance with, their respective Franchise Agreements; and

(iv) all outstanding loans to franchisees by any Seller or loans to franchisees guaranteed by any Seller.

(c) Section 5.16(c) of the Seller Disclosure Schedule contains a list of the jurisdictions in which any Seller is currently registered or authorized to offer and sell franchises and the jurisdictions in which any Seller has sold a franchise since January 1, 2018.

(d) The Sellers are presently in compliance, and have been in compliance since January 1, 2018, with all territorial restrictions in each of the Franchise Agreements.

(e) The Sellers are presently in compliance in all material respects with all obligations under any applicable franchise, business opportunity or other Laws relating to the offer and sale of franchises for the Franchise Systems.

(f) The Sellers are presently in material compliance with any obligations or requirements they have with respect to advertising funds or fees paid by franchisees.

(g) The execution of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby will not affect the validity of any of the Franchise Agreements with franchisees and will not entitle any franchisee to terminate or rescind any Franchise Agreement. No consent or approval of any Person is needed in order that the Franchise Agreements remain in full force and effect.

(h) To the Knowledge of the Sellers, no franchisee of the Franchise Systems intends to cease being a franchisee or a supplier or otherwise modify its relationship with the Business following the Closing, whether as a result of the transactions contemplated hereby or otherwise.

(i) No Seller has assigned or pledged any Franchise Agreement or its rights thereunder, and the Sellers have good and valid marketable title to all Franchise Agreements.

(j) No Purchased Entity has ever operated any franchise system or been party to any Franchise Agreement.

Section 5.17 Material Suppliers. Section 5.17 of the Seller Disclosure Schedule sets forth a list of the top twenty (20) suppliers of the Business by dollar volume of purchases for each of (a) the fiscal period beginning on May 29, 2023 and ended on April 30, 2024, and (b) the fiscal year ended May 28, 2023, as well as the corresponding dollar volumes for such periods (collectively, the "**Material Suppliers**"). Except as set forth on Section 5.17 of the Seller Disclosure Schedule, the relationships of the Business with the Material Suppliers are good commercial working relationships and, in the last three (3) years, no Seller nor any of its Affiliates (including any Purchased Entity) has received any notice from any Material Supplier that any such Material Supplier has or may stop, materially decrease the rate of, or materially change the terms (whether related to payment, price or otherwise) with respect to supplying materials, products or services to the Business, whether as a result of the consummation of the transactions contemplated

by this Agreement or otherwise, nor during the last twelve (12) months has any Material Supplier canceled, materially modified, or otherwise terminated (or threatened in writing (or to the Knowledge of the Sellers, orally) to do the same) its relationship with the Business or materially decreased its services, supplies or materials (or threatened to do the same) to the Business. There are no disputes between any Seller (or any Purchased Entity or the Business), on the one hand, and any Material Supplier, on the other hand.

Section 5.18 Transactions with Related Parties. Except as set forth on Section 5.18 of the Seller Disclosure Schedule, to the Knowledge of the Sellers, no Related Party (a) is a party to any Contract or transaction involving the Purchased Assets or the Business other than (i) loans and other extensions of credit to directors and officers of any Seller (and/or the Business) for travel or business expenses or other employment-related purposes in the ordinary course of business, none of which are material, individually or in the aggregate and (ii) employment arrangements, or (b) owns, directly or indirectly, any interest in, or is an officer, director, employee or consultant of, any Person which is, or is engaged in business as a material supplier, lessor, lessee, franchisee or any other Person with a material commercial relationship with the Business.

Section 5.19 Contract and Permits of the Purchased Entities; Liabilities of the Purchased Entities.

(a) Section 5.19(a) of the Seller Disclosure Schedule sets forth each Contract and Permit to which a Purchased Entity is a party or by which it is bound, and with respect to each such Contract, all Cure Costs (as applies *mutatis mutandis*) applicable to such Contracts. The execution, delivery and performance by the Sellers of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby do not and will not violate, conflict with, constitute a breach or a default under (or event which, with the giving of notice or lapse of time, or both, would become a default) or give rise to any right of termination, amendment, revocation, suspension, payment, cancellation or acceleration of any Contract or Permit set forth on Section 5.19(a) of the Seller Disclosure Schedule.

(b) Except for liabilities set forth on Section 5.19(b) of the Seller Disclosure Schedule, the Purchased Entities do not have any Liabilities and there is no basis for any Action with respect to any Liability against any Purchased Entity.

Section 5.20 No Other Representations. Except as and to the extent set forth in this Agreement or any other Transaction Document, Sellers do not make any representation or warranty whatsoever to Purchaser, and Sellers hereby disclaim all liability and responsibility for any representation, warranty, statement or information not included in this Agreement or any other Transaction Document that was made, communicated or furnished (orally or in writing) to the Purchaser or any of its Affiliates or representatives.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Except as set forth in the Purchaser Disclosure Schedule, Purchaser represents and warrants to the Sellers as of the date of this Agreement and as of the Closing as follows:

Section 6.1 Organization, Standing and Power. Purchaser is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has the requisite limited liability company power and authority to carry on its business as now being conducted. Purchaser is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification or licensing necessary, other than in such jurisdictions where the failure to be so qualified or licensed would not prevent or otherwise have a material adverse effect, individually or in the aggregate, on Purchaser's ability to consummate the transactions contemplated by this Agreement.

Section 6.2 Authority; Noncontravention.

(a) Subject to the Bankruptcy Court's entry of the Sale Procedures Order and the Sale Order and CCAA Court's entry of the Sales Procedures Order Recognition Order and Sale Order Recognition Order, (i) Purchaser has the requisite limited liability company power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement and (ii) the execution and delivery of this Agreement by Purchaser and the consummation by Purchaser of the transactions contemplated by this Agreement have been duly authorized by all necessary action on the part of Purchaser. This Agreement has been duly executed and delivered by Purchaser and, assuming this Agreement constitutes a valid and binding agreement of each Seller and subject to entry of the Sale Order, constitutes a valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, receivership, insolvency, reorganization, moratorium, fraudulent conveyance, equitable subordination or similar Laws of general application and other Laws affecting creditors' rights generally.

(b) Subject to the Bankruptcy Court's entry of the Sale Procedures Order and the Sale Order and CCAA Court's entry of the Sales Procedures Order Recognition Order and Sale Order Recognition Order, the execution, delivery and performance by Purchaser of this Agreement and the other Transaction Documents to which Purchaser is a party and the consummation of the transactions contemplated hereby and thereby do not and will not (i) violate Purchaser's Fundamental Documents; (ii) assuming compliance with the matters referred to in Section 6.2(c), constitute or result in a default under or violate any applicable Law; or (iii) violate, conflict with, constitute a breach or a default under (or event which, with the giving of notice or lapse of time, or both, would become a default) or give rise to any right of termination, amendment, revocation, suspension, payment, cancellation or acceleration of any material Contract to which Purchaser is a party, except in the cases of the preceding clauses (ii) and (iii) as to matters which would not prevent or otherwise have a material adverse effect, individually or in the aggregate, on Purchaser's ability to consummate the transactions contemplated by this Agreement.

(c) No Consent of any Governmental Authority is required by or with respect to Purchaser in connection with the execution and delivery of this Agreement by Purchaser, or the consummation of the transactions contemplated by this Agreement or the other Transaction Documents, except for (i) the Consents set forth in Section 6.2(c) of the Purchaser Disclosure Schedule, (ii) the entry of the Sale Order by the Bankruptcy Court, and (iii) compliance with any applicable requirements of the Exchange Act or Securities Act.

Section 6.3 Financial Ability.

(a) On the Closing Date the Purchaser will have sufficient cash on hand to allow Purchaser to perform all of its obligations under this Agreement, including (i) payment or satisfaction of Cure Costs and other Assumed Liabilities and (ii) all fees and expenses to be paid by Purchaser related to the transactions contemplated by this Agreement. The Purchaser is capable of satisfying the conditions contained in Sections 365(b)(1)(C) and 365(f) of the Bankruptcy Code with respect to adequate assurance of future performance under the Purchased Contracts.

(b) The Purchaser was formed for the benefit and at the direction of the DIP Lenders for the purpose of assisting with the Credit Bid, and the Purchaser has the legal right to direct the Agent and has directed (or caused to be directed) the Agent, on behalf of the DIP Lenders, to make a credit bid pursuant to Section 363 of the Bankruptcy Code in order to pay the Credit Bid portion of the Purchase Price, pursuant to the Bid Direction Letter.

Section 6.4 No Brokers. With respect to any broker or financial advisor engaged directly or indirectly by the Purchaser in connection with the transactions contemplated by this Agreement, no Seller shall be responsible for any fees, commissions or like payments with respect thereto.

Section 6.5 No Other Representations. Except as and to the extent set forth in this Agreement or any other Transaction Document to which Purchaser is a party, Purchaser does not make any representation or warranty whatsoever to any Seller (or any other Person), and Purchaser hereby disclaims all liability and responsibility for any representation, warranty, statement or information not included in this Agreement or any other Transaction Document that was made, communicated or furnished (orally or in writing) to any Seller or any of its Affiliates or representatives (or any other Person).

ARTICLE VII
COVENANTS

Section 7.1 Conduct of Business Pending Closing.

(a) Except (i) as otherwise expressly contemplated by this Agreement, the other Transaction Documents or Section 7.1(a) of the Seller Disclosure Schedule, (ii) as required by any Governmental Order relating to COVID-19, (iii) with the prior written consent of Purchaser or approval of the Bankruptcy Court, during the period from and after the date hereof until the earlier of termination of this Agreement or the Closing Date, the Sellers shall conduct (and cause the Purchased Entities to conduct) the Business in all material respects in the ordinary course of business, including meeting all postpetition obligations relating to the Business as they become due. Except (A) as otherwise expressly contemplated by this Agreement, the other Transaction Documents or Section 7.1(a) of the Seller Disclosure Schedule, (B) except as may be required in connection with or as a result of the Bankruptcy Cases or any Governmental Order, or (C) with the prior written consent of Purchaser, during the period from and after the date hereof until the earlier of termination of this Agreement and the Closing Date, the Sellers shall (and shall cause the Purchased Entities to) (I) use commercially reasonable efforts to preserve and maintain their relationships with their customers, suppliers, unions, partners, lessors, licensors, licensees,

franchisees, contractors, distributors, agents, officers, employees and other Persons with which they have business relationships that are material to the Business; (II) preserve and maintain in all material respects the Purchased Assets (including the assets of the Purchased Entities), ordinary wear and tear excepted; (III) preserve in all material respects the ongoing operations of the Business; (IV) maintain the Books and Records in all material respects in the ordinary course of business; (V) comply in all material respects with all applicable Laws (including Environmental Laws); (VI) not enter into any business, arrangement or otherwise take any action that would reasonably be expected to have a material adverse effect on the ability of the Sellers or Purchaser to obtain any approvals of any Governmental Authority (including with respect to Alcohol Licenses and any Alcohol Licenses Services Agreement) related to this Agreement and the transactions contemplated hereby; (VII) not voluntarily dispose of any Owned Real Estate or, any Leased Real Estate and, except in the ordinary course of business, not modify or amend in any material respect, or terminate any of the Leases or any other Material Contract; and (VIII) to the extent permitted after the filing of the Bankruptcy Cases or by Order of the Bankruptcy Court, pay all applicable Taxes as such Taxes become due and payable.

(b) Without limiting the generality of the foregoing, except as otherwise expressly required by this Agreement, the other Transaction Documents, Section 7.1(b) of the Seller Disclosure Schedule or with the prior written consent of Purchaser or approval of the Bankruptcy Court, during the period from and after the date hereof until the earlier of termination of this Agreement and the Closing Date, each Seller shall (and shall cause the Purchased Entities to) not do (or otherwise cause) any of the following:

(i) with respect to the Equity Securities of RL Management, declare, set aside or pay any dividends (payable in cash, stock, property or otherwise) on, or make any other distributions in respect of such Equity Securities;

(ii) issue, deliver, sell, pledge or otherwise encumber or subject to any Lien the Equity Securities of any Seller (or any Purchased Entity);

(iii) amend any of their respective Fundamental Documents;

(iv) acquire or agree to acquire by merging or consolidating with, or by purchasing a substantial equity interest in or a substantial portion of the assets of, or by any other manner, any business of another Person;

(v) sell, assign, license, transfer, convey, lease or otherwise dispose of any Purchased Assets (including the assets of the Purchased Entities), other than in the ordinary course of business consistent with past practice;

(vi) other than with respect to the DIP Facility, incur any Indebtedness for borrowed money;

(vii) pay, loan or advance any amount to, or sell, transfer or lease any properties or assets (real, personal or mixed, tangible or intangible) to, purchase any properties or assets from, or enter into any (A) Material Contract, (B) Contracts for Indebtedness, or (C) Contract relating to any interest rate, currency or commodity derivatives or hedging transaction with any of the Sellers' (or any Purchased Entity's) executive officers or directors (or immediate

family members thereof), other than payment of compensation and benefits in the ordinary course of business consistent with past practice;

(viii) other than in accordance with Section 2.5 hereof, assume, reject or amend, restate, supplement, modify, waive or terminate any (A) Material Contract, (B) Contracts for Indebtedness, (C) Contract relating to any interest rate, currency or commodity derivatives or hedging transaction or (D) material Permit;

(ix) enter into any settlement of any claim that (A) is outside the ordinary course of business, (B) would (or would reasonably be expected to) delay (or otherwise impede or prevent) the Closing, (C) arises under a Material Contract or (D) subjects any Seller (or any Purchased Entity) to any material non-compete or other similar material restriction on the conduct of its business that would be binding following the Closing;

(x) adopt or change any method of accounting (except as required by changes in GAAP), make, change or revoke any Tax election, change any annual Tax accounting period, file any amended Tax Return, enter into any closing agreement, request any Tax ruling with or from a Governmental Authority, settle or compromise any Tax claim or assessment, surrender any right to claim a Tax refund, offset, or other reduction in Tax Liability, consent to the extension or waiver of the limitations period applicable to any Tax claim or assessment, or take or omit to take any other action if such action or omission (A) would (or would reasonably be expected to) have a material effect on any Seller (or any Purchased Entity) or (B) could have an adverse effect on Purchaser, in each case, except as required by applicable Law;

(xi) except as may be required by applicable Law or by the applicable Benefit Plan as in effect on the date of this Agreement: (A) grant any increase or acceleration in compensation or benefits; (B) grant any increase in severance or termination pay (including the acceleration in the exercisability of any options or in the vesting of Equity Securities (or other property)); (C) enter into, amend, or terminate any Benefit Plan or other employment, deferred compensation, severance, or termination agreement with or for the benefit of any Employees or other service providers; (D) establish, adopt, enter into, terminate or amend any Collective Bargaining Agreement or other labor union contract (except as required by applicable Law or except as may be expressly required by the terms of this Agreement); (E) take any action to accelerate or dilute any rights or benefits, including vesting and payment, under any Collective Bargaining Agreement; or (F) hire or terminate (other than for cause) the employment of any Employee or other service provider, other than (I) any Employee receiving annualized total compensation of less than $100,000, or (II) restaurant-level Employees, in each case, of the preceding clauses (I) and (II) in the ordinary course of business consistent with past practice; or

(xii) agree to take any of the foregoing actions.

Section 7.2 Access to Information. Until the Closing Date, the Sellers shall (and shall cause the Purchased Entities to) (a) afford to the officers, employees, attorneys, financial advisors, financing sources, Related Parties and other representatives of Purchaser (collectively, the "**Purchaser Advisors**"), access during normal business hours and upon reasonable advance notice to the Purchased Assets and the Sellers' (and the Purchased Entities') properties, Books and Records (including access to existing environmental reports) and Contracts; (b) make available to

the Purchaser Advisors copies of all such Contracts, Books and Records and other existing documents and data in the Sellers' (and the Purchased Entities') possession or control as the Purchaser Advisors may reasonably request, including any financial data filed with the Bankruptcy Court or otherwise provided to any lender under any Indebtedness of the Sellers; and (c) make available to the Purchaser Advisors during normal business hours and upon reasonable advance notice the appropriate management personnel of the Sellers and the Purchased Entities (and the Sellers shall use commercially reasonable efforts to cause their respective attorneys, accountants and other professionals to be made available to the Purchaser Advisors) for discussion of the Business, the Purchased Assets, the Assumed Liabilities, the assets and liabilities of each Purchased Entity and personnel as Purchaser may request, in each case so long as such access does not unreasonably interfere with the operations of the Sellers or the Business; *provided, however,* that nothing in this Section 7.2 shall require the Sellers to provide access to or furnish to the Purchaser Advisors any information or materials if such access or disclosure would jeopardize the attorney-client privilege of any Seller or Purchased Entity with respect to such information or materials or violate any Laws to which a Seller or Purchased Entity is subject. Any Personal Information related to Employees of RL Canada shall be maintained in compliance with the *Personal Information Protection and Electronic Documents Act* (Canada) and provincial equivalents, including the *Personal Information Protection Act* (Alberta), as they may be amended or succeeded from time to time, as applicable.

Section 7.3 Consents. The Sellers shall (and shall cause the Purchased Entities to) use commercially reasonable efforts to cooperate with Purchaser's efforts to solicit and obtain all Consents, waivers, approvals, authorizations or Orders required for the consummation of the transactions contemplated by this Agreement and the other Transaction Documents, including with respect to any Contracts designated to be Purchased Contracts in accordance with Section 2.5 hereof (including any Contracts to which a Purchased Entity is party or otherwise subject); *provided* that (a) neither the Sellers nor the Purchased Entities shall be required to make any payments to any such third party in connection with obtaining any such Consent, waivers, approvals, or authorizations from such third party and (b) the Sellers shall not be required to incur any liability with respect to any such third party in connection with obtaining any such Consent, waivers, approvals, authorizations or Orders from such third party.

Section 7.4 Further Assurances; Support of Transaction.

(a) At any time and from time to time after the date hereof, the Sellers (and the Sellers shall cause the Purchased Entities to) and Purchaser agree to use commercially reasonable efforts to cooperate with each other and (i) at the reasonable request of the other party, execute and deliver any instruments or documents and (ii) take, or cause to be taken, all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder as promptly as practicable.

(b) Each of the parties hereto shall, and shall cause its Affiliates (including, with respect to the Sellers, each of the Purchased Entities) to use reasonable best efforts to assemble, prepare and file any information (and, as needed, to supplement such information) as may be reasonably necessary or advisable to obtain as promptly as practicable all governmental

and regulatory Consents (including any Consents from Governmental Authorities) required to be obtained in connection with the transactions contemplated hereby.

(c) Following the Closing, for the purposes of the Sellers (i) preparing or reviewing Tax Returns, (ii) monitoring or enforcing rights or obligations under this Agreement, (iii) defending third-party lawsuits or complying with the requirements of any Governmental Authority, or (iv) pursuing any other reasonable business purpose, including assistance with the administration, wind-down and closing of the Bankruptcy Cases, the dissolution of the Sellers, and related tax and other administrative matters, (A) upon reasonable notice, Purchaser shall permit the Sellers, their counsel, and their other professionals reasonable access to all premises, properties, personnel, Books and Records, and Contracts or Leases, which access shall include (I) the right to copy such documents and records as they may reasonably request, and (II) Purchaser's copying and delivering such documents or records as reasonably requested, and (B) Purchaser shall provide reasonable access to Purchaser's personnel during regular business hours to assist the Sellers in their post-Closing activities (including preparation of Tax Returns and requirements in the Bankruptcy Cases), *provided* that such access does not unreasonably interfere with Purchaser's and its Affiliates' operations.

Section 7.5 Bankruptcy Covenants.

(a) Bankruptcy Filing. No later than the date that is one (1) Business Day following the date hereof, the Sellers shall commence the Bankruptcy Cases by filing petitions for each Seller under the Bankruptcy Code with the Bankruptcy Court. No later than five (5) Business Days from the date that the First Day Orders are entered, the Sellers shall obtain recognition of the Bankruptcy Cases from the CCAA Court.

(b) Sale Procedures. Not later than the date that is one (1) Business Day following the Petition Date, the Sellers shall file a motion seeking entry of the Sale Procedures Order and Sale Order with the Bankruptcy Court (the "**Sale Motion**"), which Sale Motion shall be in form and substance reasonably acceptable to Purchaser. The Sellers shall use commercially reasonable efforts to obtain entry by the Bankruptcy Court of the Sale Procedures Order (with such changes thereto as Purchaser shall approve or request in its sole discretion) within thirty (30) days after the Petition Date. No later than five (5) Business Days from the Sales Procedures Order is entered by the Bankruptcy Court, the Sellers shall obtain the Sale Procedures Order Recognition Order from the CCAA Court. Subject to entry of and in accordance with any provisions of the Sale Procedures Order, the Sellers shall hold an Auction on the Sale no later than sixty-five (65) days after the Petition Date, obtain a Sale Order no later than seventy (70) days after the Petition Date and consummate the Sale transaction no later than seventy-five (75) days after the Petition Date. No later than two (2) Business Days after the date on which the Sale Order is entered by the Bankruptcy Court, the Sellers shall obtain the Sale Order Recognition Order from the CCAA Court. The Sellers shall comply with all of the terms and conditions contained in the Sale Procedures, including the occurrence of the events by the dates and times listed therein which terms and conditions are expressly incorporated by reference herein as if set forth in full. From the time of execution and delivery by each Seller and Purchaser of this Agreement until its termination, the Sellers and the Seller Representatives shall not be subject to any restrictions with respect to the solicitation or encouragement of any entity concerning an Alternative Restructuring Proposal in accordance with the Sale Procedures.

(c) Bankruptcy Court Approval.

(i) The Sellers shall serve a copy to each applicable Taxing Authority of the Sale Motion, proposed Sale Order and Sale Procedures Order, or notice of such motion and orders in addition to instructions on how to obtain such motion and orders, in each jurisdiction where the Purchased Assets are subject to Tax at least twenty-five (25) days prior to the Sale Hearing.

(ii) The Sellers shall use commercially reasonable efforts to obtain entry by the Bankruptcy Court of the Sale Order no later than seventy (70) days after the Petition Date.

(iii) If the Sale Procedures Order, the Sale Procedures Order Recognition Order, Sale Order or Sale Order Recognition Order or any other Orders of the Bankruptcy Court or the CCAA Court relating to this Agreement shall be appealed by any party (or a petition for certiorari or motion for reconsideration, amendment, clarification, modification, vacation, stay, rehearing or reargument shall be filed with respect to any such order), the Sellers shall diligently defend against such appeal, petition or motion and shall use their commercially reasonable efforts to obtain an expedited resolution of any such appeal, petition or motion; *provided* that the Sellers consult with Purchaser at Purchaser's request regarding the status of any such proceedings or other Actions.

(iv) The Sellers shall consult with Purchaser and its representatives concerning the Sale Procedures Order, the Sale Procedures Order Recognition Order, the Sale Order and the Sale Order Recognition Order, any other Orders of the Bankruptcy Court and the CCAA Court, and the Bankruptcy Cases in connection therewith and provide Purchaser with copies of requested applications, pleadings, notices, proposed Orders and other documents relating to such proceedings as soon as reasonably practicable prior to any submission thereof to the Bankruptcy Court or the CCAA Court. The Sellers further covenant and agree that, after the Closing, the terms of any reorganization plan it submits to the Bankruptcy Court and if applicable, the CCAA Court for confirmation or sanction shall not conflict with, supersede, abrogate, nullify or restrict the terms of this Agreement, or in any way prevent or interfere with the consummation or performance of the transactions contemplated by this Agreement, including any transaction contemplated by or approved pursuant to the Sale Procedures Order, the Sale Procedures Order Recognition Order, the Sale Order or the Sale Order Recognition Order.

Section 7.6 Employee Matters.

(a) Except as otherwise expressly set forth in Section 7.6(h), no later than five (5) days prior to the Closing Date, Purchaser shall offer (or cause its applicable Affiliate to offer) at-will employment effective as of the Closing Date to such Employees that Purchaser intends to employ post-Closing (with such Employees, and any applicable terms and conditions of employment, each selected in Purchaser's sole and absolute discretion, and which offers may be made in the form of an "opt-out" or "deemed acceptance" transfer letter). Each Employee who is offered and accepts such offer of employment with Purchaser (or its applicable Affiliate) and further then actually commences employment with Purchaser as of the Closing Date will become a "**Transferred Employee**," with such employment with Purchaser (or its applicable Affiliate) to commence at 10:01 AM (Orlando, Florida time) on the Closing Date. The Sellers shall terminate,

or shall cause to be terminated, effective as of immediately prior to 10:01 AM (Orlando, Florida time) on the Closing Date the employment of all Transferred Employees. The Sellers will reasonably cooperate with any reasonable requests by Purchaser in order to facilitate the offers of employment and delivery of such offers. Neither Purchaser nor any of its Affiliates shall have any Liability for any pay, benefits, or similar claims of any (i) Employees or other service providers who are not Transferred Employees or (ii) Transferred Employees earned or accrued prior to the Closing Date, which Liabilities in each case, shall remain the sole responsibility of the Sellers and their respective Affiliates, as applicable, and Purchaser (and its Affiliates) shall not be required to maintain any minimum benefit or compensation levels or prevent any change in the employee benefits provided to any Transferred Employees, except as required by Law. Neither Purchaser nor any of its Affiliates shall have any obligation to provide any severance, payments, or benefits to any other Employees of the Sellers and their respective Affiliates. Purchaser and its Affiliates shall have no Liability whatsoever for, and the Sellers shall retain, any and all Liabilities (including statutory or contractual severance benefits) with respect to, (A) any compensation or other obligations owing or purported to be owing to any current or former Employee or other service provider by any Seller, including any severance (including statutory or contractual severance benefits), separation pay, change of control payments or benefits, retention payments, or any other payments or benefits arising in connection with the termination of such Employee's employment by or such service provider's services to any Seller or any of their respective Affiliates (whether occurring or arising prior to, upon or after the Closing Date) or (B) any cause of action under the WARN Act by any past or present Employee or other service provider (whether or not a Transferred Employee) in connection with such Employee's employment with or such service provider's services to any Seller or any of their respective Affiliates (or any other "employment loss" or similar action identified in the WARN Act), except in each case as otherwise expressly provided in Section 2.3(c). As soon as reasonably practicable following Purchaser's request, and in any event no later than five (5) Business Days prior to the Closing Date, the Sellers shall provide Purchaser with a written schedule of each "employment loss" (as defined in the WARN Act) experienced by any employee or other service provider of the Sellers during the ninety (90) day period prior to the Closing Date (including the location of employment of such employee, and the reason for the employment loss) and such other information as Purchaser may reasonably request to determine whether any actions taken by the Sellers prior to, upon, or after the Closing Date, or any actions taken by Purchaser or its Affiliates upon or after the Closing Date, is reasonably likely to require the delivery of notice or payment in lieu of notice (under the WARN Act or otherwise) to any individuals (it being understood that any notices or filings required under the WARN Act with respect to any "employment loss" with the Sellers or their Affiliates shall remain the sole obligation of the Sellers). The Sellers and Purchaser intend that the consummation of the transactions contemplated by the Transaction Documents shall not alone constitute a severance or termination of employment of any Employee or other service provider prior to or upon the Closing for purposes of any severance or termination benefit plan, program, policy, agreement or arrangement of the Sellers, and that Transferred Employees shall have continuous and uninterrupted employment immediately before and immediately after the Closing.

(b) The Sellers and Purchaser hereby agree to follow the standard procedure relating to employment Tax reporting as provided in Section 4 of Rev. Proc. 2004-53, I.R.B. 2004-35 or other applicable Law. Accordingly, the Sellers shall have employment Tax reporting responsibilities for the wages and other compensation paid by or on behalf of the Sellers to Employees and Purchaser shall have employment tax reporting responsibilities for the wages and

other compensation paid by or on behalf of Purchaser (or its applicable Affiliate) to Transferred Employees.

(c) The Sellers shall be liable for all workers' compensation, short- and long-term disability, medical, prescription drug, dental, vision, life insurance, accidental death and dismemberment, and other welfare benefit claims ("**Welfare Claims**") incurred (i) at any time by their Employees and other service providers and their eligible dependents who are not Transferred Employees, or (ii) prior to the Closing Date by the Transferred Employees and their eligible dependents. With respect to Welfare Claims incurred on or after the Closing Date by the Transferred Employees and their eligible dependents, Purchaser shall be solely responsible. For these purposes, a Welfare Claim shall be deemed to be incurred: (A) in the case of workers' compensation and short-term disability benefits, at the time of the injury, sickness, or other event giving rise to the claim for such benefits; (B) in the case of medical, prescription, drug, dental, or vision benefits, at the time the professional services, equipment, or prescription drugs covered by the applicable plan are obtained; (C) in the case of life insurance benefits, upon death; and (D) in the case of accidental death and dismemberment benefits, at the time of the accident. In the case of workers' compensation claims arising out of injuries with an identifiable date of occurrence sustained prior to the Closing Date, including injuries sustained on or after the Closing Date that are aggravations, exacerbations, or re-injuries of medical conditions or diagnoses resulting from injuries that were sustained before the Closing Date or arising out of injuries or occupational diseases without an identifiable date of occurrence or exposure, originating from within the Sellers' facilities and which are alleged to have been sustained or contracted on or prior to the Closing Date, such workers' compensation claims shall be deemed to be incurred prior to the Closing Date.

(d) The Sellers shall be solely responsible for compliance with the requirements of Section 4980B of the IRC and Part 6 of Subtitle I of ERISA, including provision of continuation coverage (within the meaning of COBRA), with respect to all Employees and other service providers, and their respective eligible spouses and dependents, for whom a "qualifying event" (within the meaning of COBRA) occurs at any time prior to the Closing Date (including a qualifying event that occurs in connection with the transactions contemplated by this Agreement). Purchaser shall be responsible for compliance with such health care continuation requirements with respect to all Transferred Employees and their respective eligible spouses and dependents for whom a "qualifying event" (within the meaning of COBRA) occurs after the Closing Date.

(e) At its election, Purchaser shall either (i) assume or cause its applicable Affiliate(s) to assume each Transferred Employee's accrued but unused vacation days or other paid time off as of the Closing Date, to be used in accordance with Purchaser's (or its applicable Affiliate's) corresponding vacation or paid time off policy, or (ii) to the extent that applicable Law requires that a Transferred Employee be paid for any vacation days or paid time off that is accrued or earned but not yet taken by such Transferred Employee as of the Closing Date, then Excluded Cash shall be increased by an amount sufficient to pay such Transferred Employee all amounts owed in respect of such vacation days and other paid time off that is accrued but not taken by such Transferred Employee on or prior to the Closing Date and the Sellers shall promptly make such payments. Purchaser shall have no obligation to honor any accrued vacation days or paid time off after the Closing Date that are contemplated by the preceding clause (ii).

(f) The parties hereto shall reasonably cooperate in good faith to assign to the Purchaser (or its designee) all Assumed Benefit Plans, including all related pre-payments, deposits, and refunds thereunder and any assets, trusts, or insurance policies maintained pursuant thereto or in connection therewith, in each case, effective as of the Closing. Further, the parties hereto shall reasonably cooperate in good faith to obtain any required regulatory approvals in connection with the foregoing assignment. If the Purchaser's (or its designee's) assumption of one (1) or more Assumed Benefit Plans is not practicable, the parties hereto shall reasonably cooperate in good faith to permit the transfer of the applicable assets of the applicable Benefit Plan(s) related to the Transferred Employees and that are intended to be Assumed Benefit Plans to the corresponding Purchaser employee benefit plan(s) in accordance with the intent of this Agreement. The parties hereto shall cooperate in good faith to enter into such amendments to this Agreement as are necessary to effectuate the actions contemplated pursuant to this Section 7.6(f).

(g) If requested by Purchaser in a writing delivered to the Sellers following the date hereof and no later than thirty (30) days following the date hereof, the Sellers shall adopt resolutions to terminate, effective as of no later than the day before the Closing Date, any Benefit Plan that is a defined contribution plan that includes a qualified cash or deferred arrangement within the meaning of Section 401(k) of the IRC (a "**Seller 401(k) Plan**"). The Sellers shall provide Purchaser with a copy of the resolutions and any plan amendments, notices, and other documents prepared to effectuate the termination of the Seller 401(k) Plans in advance and give Purchaser a reasonable opportunity to comment on such documents in advance (which comments shall be considered in good faith), and prior to the Closing Date, the Sellers shall provide Purchaser with the final documentation evidencing that the Seller 401(k) Plans have been terminated effective as of no later than the day before the Closing Date.

(h) Notwithstanding anything contained in this Agreement to the contrary (including Sections 7.6(a) to 7.6(g)), solely to the extent that RL Canada constitutes a Purchased Entity, RL Canada shall, effective as of the Closing Date, continue to employ all Canadian-based Employees (including Canadian-based Non-Union Employees and Canadian-based Union Employees) in accordance with applicable Law (and for greater certainty, the offers of employment contemplated in Section 7.6(a) of this Agreement shall not apply to such Canadian-based Employees), and the Benefit Plans of all Canadian-based Employees that are sponsored or maintained by RL Canada shall continue in accordance with applicable Law.

(i) Following the date of this Agreement, the Sellers and Purchaser shall reasonably cooperate in all matters reasonably necessary to effect the transactions contemplated by this Section 7.6, including (i) exchanging information and data relating to workers' compensation, employee benefits, and employee benefit plan coverages and any information that is reasonably necessary to affect their respective Tax withholding, accounting, and reporting obligations under applicable Law, (ii) obtaining any governmental approvals required hereunder, (iii) responding to reasonable questions posed by Employees, the Unions, Employee representatives, or any other Persons, (iv) providing offers of employment to the Employees selected by Purchaser in accordance with Section 7.6(a), and (v) transferring to Purchaser, no later than the Closing Date, all employee records of the Transferred Employees (to the extent permitted by applicable Law), including all current employment eligibility verification forms of the Transferred Employees (*provided*, that, the Sellers shall be entitled to retain copies of any

personnel or similar records of Transferred Employees in their sole discretion, including where required by Law).

(j) The parties hereto shall reasonably cooperate in good faith with respect to any communications to Employees and other individual service providers regarding the transactions contemplated by this Agreement and the other Transaction Documents. The Sellers will provide Purchaser with a reasonable opportunity to review and comment on any communications intended for the employees and other individual service providers that it desires or has to send to Employees or other individual service providers prior to the Closing Date. Purchaser will provide the Sellers with a reasonable opportunity to review and comment on any communications intended for the Employees, the Unions, and other individual service providers (including regarding its offers of employment) that it desires or has to send to Employees, the Unions, and other individual service providers prior to the Closing Date or to terminate the services of any service provider of any Seller or any of its Affiliates.

(k) The parties hereto acknowledge and agree that all provisions contained in this Section 7.6 are included for the sole benefit of the parties to this Agreement, and that nothing in this Agreement, whether express or implied, shall create any third party beneficiary or other rights (i) in any other Person, including any Employee, former Employee, or other service provider of the Sellers (including the Employees or Transferred Employees), any participant in any employee benefit plan maintained by any of the parties, or any dependent or beneficiary thereof, or (ii) to continued employment or engagement with any of the parties hereto or any of their respective Affiliates. Nothing contained in this Section 7.6 is intended to be or shall be considered to be an amendment or adoption of any Benefit Plan or any other plan, program, Contract, arrangement, or policy of the parties hereto or any of their respective Affiliates. In addition, nothing contained in this Section 7.6 shall interfere with the parties' or any of their respective Affiliates' right to amend, modify, or terminate any Benefit Plan in accordance with its provisions or to terminate the employment or engagement of any Employee or other service providers of the Sellers (including the Employees) or, following the Closing, of the Transferred Employees.

Section 7.7 Use of Name. Each Seller agrees, and agrees to cause each of its Affiliates, within sixty (60) calendar days after the Closing Date, to (a) amend its Fundamental Documents (including in connection with the Bankruptcy Cases or in any other legal case or other Action in which any Seller is a party and for the purpose of winding up the Sellers and their respective estates) that are required to change their respective entity names to a new name that is sufficiently dissimilar to each Seller's respective present name so as to avoid confusion and make their respective present name available to Purchaser and (b) not use the name "Red Lobster" or any name confusingly similar thereto for any purpose. Notwithstanding anything to the contrary, the Sellers shall not be deemed to have violated this Section 7.7 or to have infringed the rights of Purchaser by reason of (i) the reference to or appearance of "Red Lobster" in or on (A) any third party's publications, marketing materials, brochures, instruction sheets, packaging or products that were distributed in the ordinary course of business or pursuant to a Contract prior to the Closing, and that generally are in the public domain, or (B) any other similar uses by any such third party over which none of the Sellers have control, or (ii) the use of "Red Lobster" in a non-trademark manner or as otherwise required by or permitted as fair use or otherwise under applicable Law, including for purposes of (A) conveying to any Person or the general public that the names of the

Sellers have changed or there was a change in ownership of the Business or (B) referencing the historical ownership of the Business.

Section 7.8 License Approvals. At Purchaser's sole cost and expense, the Sellers (and each Purchased Entity) shall use commercially reasonable efforts to assist Purchaser with the preparation, filing and prosecution of each application, petition or other filing with any Governmental Authority with respect to obtaining the necessary consents and approvals pertaining to transfer of any Licenses (including all Alcohol Licenses) to Purchaser (collectively, the "**License Approvals**"), including (a) making reasonably available to the Purchaser the Sellers' (and Purchased Entities') Employees responsible for managing the Licenses and the Sellers' (and Purchased Entities') License counsel (subject to compliance with ethical rules) to assist and consult with Purchaser on the License Approvals, and (b) with respect to the Alcohol Licenses, participating in any legal proceedings or other Actions reasonably requested by Purchaser to obtain such Alcohol Licenses in connection with the transactions contemplated by this Agreement. The Sellers shall (and shall cause the Purchased Entities to) provide to Purchaser any necessary information in their possession or control for obtaining the Licenses, and shall direct all persons employed by, related to or under control of the Sellers (or any Purchased Entity) whose cooperation is reasonably necessary or convenient to Purchaser's application for licenses in Purchaser's name to so cooperate, and shall provide any Licenses of the Sellers for surrender when directed by Purchaser to do so. To the extent allowed under applicable Law, the Sellers shall further cooperate with Purchaser at Purchaser's request and at Purchaser's sole cost and expense to allow any Licenses to be used by Purchaser until Purchaser is able to secure its own Licenses. With respect to any Alcohol License or other License related to any alcoholic beverage inventory conveyed hereunder, the parties hereto shall comply with the applicable Laws (including those of any State), including the creation of any necessary escrow and the disbursement or release of any funds held in such escrow.

Section 7.9 Access to Insurance Policies. Following the Closing, to the extent that any insurance policy that constitutes a Purchased Asset covers any Excluded Liabilities (including tort liabilities, operational liabilities, and environmental liabilities), if requested by the Sellers in writing (email being sufficient), Purchaser shall take commercially reasonable efforts to make such insurance policies available to the Sellers to satisfy bona fide claims of any third party with respect to Excluded Liabilities that are covered by such insurance policies.

Section 7.10 Planning Act Compliance. If (a) RL Canada does not constitute a Purchased Entity and (b) the Purchaser is purchasing directly from a Seller any Owned Real Estate situated in the Province of Ontario, Canada, then the completion of the purchase and sale of such Owned Real Estate shall be subject to compliance with Section 50 of the *Planning Act* (Ontario).

Section 7.11 Title Insurance Policies. Sellers and their respective Affiliates shall use commercially reasonable efforts and shall otherwise reasonably cooperate with Purchaser in connection with Purchaser's efforts to cause the Title Company to issue to Purchaser or its designee at Closing a Title Policy in favor of Purchaser or its designee showing (a) good and valid fee simple title to each Owned Real Estate and (b) good and valid leasehold title to each Purchased Real Property Lease identified by Purchaser, which cooperation shall include, to the extent that the Title Company is prepared and irrevocably committed to issue to Purchaser or its designee a Title Policy for such Owned Real Estate and Purchased Real Property Lease, as applicable, the

delivery by Sellers or their applicable Affiliates of a Title Affidavit with respect to each Owned Real Estate and each applicable Purchased Real Property Lease at Closing. Notwithstanding the foregoing, in no event shall the failure of the Title Company to issue to Purchaser or its designee at Closing all or any Title Policy with respect to a Purchased Real Property Lease constitute a failure of any condition precedent in favor of Purchaser under this Agreement other than if such failure is due to a breach of the obligations of any of the Sellers or their respective Affiliates hereunder. Furthermore, in no event shall Purchaser have a termination right or be entitled to any credit under this Agreement or have any claim against Sellers as a result of the failure of Purchaser to cause the Title Company to issue all or any Title Policy other than if such failure is due to a breach of the obligations of any of the Sellers or their respective Affiliates hereunder.

Section 7.12 Disclosure Schedules and Additional Schedules.

(a) The Sellers shall in good faith prepare and deliver to Purchaser for Purchaser's review proposed final versions of the Seller Disclosure Schedules as promptly as reasonably practicable after the date hereof. A final version of the Seller Disclosure Schedule shall be delivered by the Sellers to Purchaser no later than the Seller Disclosure Schedule Delivery Date. The Seller Disclosure Schedules delivered to Purchaser shall comply with the applicable terms set forth in this Agreement with respect thereto in all material respects.

(b) Purchaser shall in good faith prepare and deliver to the Sellers final versions of the Purchaser Disclosure Schedules no later than the Purchaser Disclosure Schedule Delivery Date. The Purchaser Disclosure Schedules delivered to Sellers shall comply with the terms set forth in this Agreement with respect thereto in all material respects.

(c) All other Schedules contemplated by this Agreement shall be delivered by the applicable party or parties hereto in accordance with the applicable terms of this Agreement, including that: (i) Schedule 2.3(i) will be delivered in accordance with Section 2.5(j); (ii) Schedule 2.3(b) (including the Cure Costs Caps set forth therein) will be determined by Sellers in good faith and delivered in accordance with Section 2.5(a); (iii) Schedule 4.2(a)(xv) will be delivered to the Sellers by the Purchaser no later than three (3) Business Days prior to the Closing Date; (iv) Schedule 9.1(f) will be mutually agreed upon by the parties hereto in good faith no later than thirty (30) days prior to the Closing Date; and (v) Purchaser will use commercially reasonable efforts to deliver to the Sellers Schedule 9.2(e) no later than thirty (30) days from the date hereof, and, for avoidance of doubt, the scope of Contracts set forth on the Schedule 9.2(e), will include only Purchased Contracts, Purchased Real Property Leases and Assumed Benefit Plans which the Purchaser has determined in good faith require consent, notice or approval of a third party which is triggered or otherwise implicated by the transactions contemplated by this Agreement (including the consummation thereof).

Section 7.13 Transition Services Agreement. As promptly as practicable following the date hereof and, in any event, prior to the Closing, Purchaser and the Sellers shall negotiate in good faith and use their respective commercially reasonable efforts to mutually agree on the form of a transition services agreement regarding the mutual provision of services following the Closing between the Purchaser, on the one hand, and the Sellers, on the other hand (the "**Transition Services Agreement**"), it being understood and agreed that the Purchaser shall fund or cause to be funded, upon the terms and subject to the conditions set forth therein, such amounts as may be

required to enable the Sellers to perform their respective obligations under the Transition Services Agreement during the period for which services are contemplated to be provided thereunder and, if an Extended Contract Period Notice is provided under Section 2.5(a), such amount shall include all administrative expenses arising under Contracts and Benefit Plans that are not Purchased Contracts, Purchased Real Property Leases or Assumed Benefit Plans during the period contemplated by such Extended Contract Period Notice or until such earlier time as they become Purchased Contracts, Purchased Real Property Leases or Assumed Benefit Plans.

Section 7.14 No Pursuit of Certain Purchased Actions. Neither the Purchaser nor its successors or assigns, shall prosecute, file suit or bring any cause of action with respect to any of the Purchased Actions against the following Persons or their employees, partners, officers, directors, or estates: (a) Alvarez & Marsal, (b) King & Spalding LLP, and (c) Lawrence Hirsh.

ARTICLE VIII
TAX MATTERS

Section 8.1 Purchased Asset Taxes. Purchaser shall not be obligated to pay any Taxes imposed by any Governmental Authority with respect to the Purchased Assets due or owing for (or otherwise with respect to) any Pre-Closing Tax Period.

Section 8.2 Transfer Taxes.

(a) Notwithstanding Section 8.1 above, any and all stamp, duty, stamp duty, transfer, land transfer, documentary, registration, business and occupation, GST/HST, QST, PST and other similar Taxes (other than taxes imposed on or measured by net income or profits, capital gains, capital taxes, franchise taxes and branch taxes of any Seller) imposed by any Governmental Authority in connection with the Sale contemplated by this Agreement (the "**Transfer Taxes**") shall be paid one hundred percent (100%) by Purchaser.

(b) If RL Canada constitutes (or is anticipated to constitute (as indicated by Purchaser)) a Purchased Entity, unless and until the Seller of the Equity Securities in RL Canada provides either (i) a properly completed Form NR303 "Declaration of Eligibility for Benefits (Reduced Tax) Under a Tax Treaty for a Hybrid Entity" (a "**Form NR303**") certifying that 100% of any gain recognized by the Seller of the Equity Securities of RL Canada (as determined for purposes of the Tax Act) is exempt from tax under Part I of the Tax Act by virtue of a Canadian tax treaty, or (ii) a statutory declaration (a "**TCP Declaration**") that the Equity Securities of RL Canada are not "taxable Canadian property" within the meaning of the Tax Act (including confirming that such Equity Securities have not at any time in the sixty (60) month period ending on the date hereof derived more than fifty percent (50%) of their fair market value from directly or indirectly from any combination of (A) real or immovable property situated in Canada, (B) Canadian resource properties (as defined in the Tax Act), (C) timber resource properties (as defined in the Tax Act), and (D) options in respect of, or interests in, or for civil law, a right in, property described in any of the preceding clauses (A) through (C), whether or not the property exists), the Seller of the Equity Securities in RL Canada shall as promptly as practicable (but in any event no later than June 3, 2024), in consultation with the Purchaser (including as to the portion of the Purchase Price that will be allocated to the Equity Securities of RL Canada, which allocation shall

be determined by the Purchaser in accordance with Section 3.2 hereof), apply to the Canada Revenue Agency for a Section 116(2) Certificate in respect of such Seller's disposition of the Equity Securities of RL Canada and such Seller shall use reasonable commercial efforts to obtain and deliver such certificate on or before Closing and the provisions of Section 8.9(c) through Section 8.9(g) shall apply to the sale of the Equity Securities in RL Canada as applied *mutatis mutandis*.

(c) If RL Canada does not constitute a Purchased Entity and to the extent available, in connection with the Closing, Purchaser and RL Canada will execute jointly an election under section 167 of the *Excise Tax Act* (Canada) and section 75 of *an Act respecting the Quebec sales tax* to relieve the sale of certain of the Canadian Purchased Assets from GST/HST and QST. Purchaser shall file such elections no later than the filing date for its GST/HST and QST returns for the reporting period in which the Closing Date occurs.

(d) If RL Canada does not constitute a Purchased Entity, Purchaser may provide any purchase exemption certificates or equivalent documents to the Sellers to exempt the sale of the Canadian Purchased Assets from any PST, if applicable, on the basis that such Purchased Assets are purchased for resale or any other applicable exemption.

Section 8.3 Cooperation on Tax Returns and Tax Proceedings. Purchaser and the Sellers shall cooperate fully as and to the extent reasonably requested by the other party, in connection with the preparation and filing of Tax Returns and any Action with respect to Taxes (each a "**Tax Proceeding**") imposed on or with respect to the Purchased Assets or Business, as well as the making of any election relating to Taxes and the determination of liability for Taxes. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information which are reasonably relevant to any such Tax Return or Tax Proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. In furtherance of the foregoing, the Sellers and any court-appointed Chapter 7 trustee or other fiduciary charged with the wind-down of the Sellers' bankruptcy estate following the Closing shall have reasonable access to any Tax Returns and working papers which constitute Purchased Assets, as applicable, upon prior written request (email being sufficient) therefor by the Sellers. A Seller's obligations under this Section 8.3 shall terminate upon the dissolution of such Seller. The Sellers and their respective Affiliates shall (a) abide by all record retention agreements entered into with any Governmental Authority and (b) give Purchaser thirty (30) days' written notice prior to transferring, destroying or discarding any Tax records, or taking action to dissolve and terminate a Seller, and, if Purchaser so requests, shall allow Purchaser to take possession of such Tax records.

Section 8.4 Property Taxes. All Property Taxes for a Tax period which includes (but does not end on) the Closing Date (collectively, the "**Apportioned Obligations**") shall be apportioned between the Sellers, on the one hand, and Purchaser, on the other hand, based on the number of days of such Tax period included in the Pre-Closing Tax Period and the number of days of such Tax period included in the Post-Closing Tax Period. The Sellers shall be liable for the proportionate amount of the Apportioned Obligations that is attributable to the Pre-Closing Tax Period, and Purchaser shall be liable for the proportionate amount of the Apportioned Obligations that is attributable to the Post-Closing Tax Period.

Section 8.5 Apportionment. Apportioned Obligations shall be timely paid, and all applicable filings, reports and Tax Returns shall be filed, as provided by applicable Law. The paying party shall be entitled to reimbursement from the non-paying party for Apportioned Obligations for which the non-paying party is liable pursuant to Section 8.4. Upon payment of any such Apportioned Obligation, the paying party shall present a statement to the non-paying party setting forth the amount of reimbursement to which the paying party is entitled under Section 8.4, together with such supporting evidence as is reasonably necessary to calculate the amount to be reimbursed. The non-paying party shall make such reimbursement promptly, but in no event later than ten (10) days after the presentation of such statement.

Section 8.6 Bulk Sales Laws. Pursuant to Section 363(f) of the Bankruptcy Code, the transfer of the Purchased Assets shall be free and clear of any and all Liens (other than Permitted Liens), including any Liens or claims arising out of any bulk transfer Laws, and the parties shall take such steps as may be necessary or appropriate to so provide in the Sale Order.

Section 8.7 Mandatory Reporting Rules. The parties hereto agree to reasonably cooperate in good faith to determine whether any transaction set out in this Agreement, or any transaction that may be considered to be part of a series of transactions which includes the transactions set out in this Agreement, is a "reportable transaction" (as defined in section 237.3 of the Tax Act) or a "notifiable transaction" (as defined in section 237.4 of the Tax Act) or is otherwise required to be reported to any applicable Governmental Authority under any analogous provisions of any comparable Law (the "**Mandatory Reporting Rules**") and, if any such transaction is mutually determined to be required to be so reported, to cooperate to make any such report on a timely basis. Sellers and Purchaser agree to reasonably cooperate in good faith in the preparation of any such report and the information to be reported therein. Notwithstanding the foregoing, no party to this Agreement shall be under any obligation not to report a transaction under the Mandatory Reporting Rules that it determines, acting reasonably, to be subject to a reporting requirement thereunder. Each party hereto agrees to notify the other parties if it determines that any transaction contemplated by this Agreement, or any of the transactions contemplated by this Agreement, is required to be reported pursuant to the Mandatory Reporting Rules or if such party otherwise intends to file any information return in connection with this Agreement or the transactions contemplated hereby pursuant to the Mandatory Reporting Rules.

Section 8.8 Canadian Income Tax Elections.

This Section 8.8 shall only apply, but only to the extent applicable, if RL Canada does not constitute a Purchased Entity, and in such case:

(a) If available, Purchaser and RL Canada shall elect jointly under section 22 of the Tax Act (and the corresponding provisions of an applicable provincial Tax statute) as to the sale of the Accounts Receivable of RL Canada and designate in such election an amount equal to the portion of the Purchase Price allocated to such Accounts Receivable hereunder. Such election or elections shall be made in the form and within the time prescribed for such elections.

(b) If applicable, Purchaser and RL Canada shall jointly execute and file an election under subsection 20(24) of the Tax Act in the manner required by subsection 20(25) of the Tax Act and under the equivalent or corresponding provisions of any other applicable

provincial Tax statute, in the prescribed forms and within the time period permitted under such statutes, as to such amount paid by RL Canada to Purchaser for assuming future obligations. In this regard, to the extent applicable, Purchaser and RL Canada acknowledge that a portion of the Purchased Assets transferred by RL Canada to Purchaser pursuant to this Agreement and having a value equal to the amount elected under subsection 20(24) of the Tax Act and the equivalent provisions of any applicable provincial Tax statute is being transferred by RL Canada as a payment for the assumption of such future obligations by Purchaser.

Section 8.9 Section 116 of the Tax Act

(a) If RL Canada does not constitute a Purchased Entity, the Purchase Price payable to RL Canada on Closing under this Section with respect to the Canadian Purchased Assets shall be determined in accordance with Section 3.2 (including that such allocation shall allocate an amount to each applicable province of Canada in which such Canadian Purchased Assets are located).

(b) If RL Canada does not constitute (or is not anticipated to constitute, as indicated by Purchaser) a Purchased Entity, RL Canada shall take all reasonable steps to obtain and deliver to Purchaser on or before Closing a Section 116(2) Certificate in respect of its disposition of the Section 116(2) Property and a Section 116(5.2) Certificate in respect of its disposition of the Section 116(5.2) Property hereunder.

(c) If, prior to Closing, Purchaser receives a Section 116 Certificate with respect to a Section 116 Property, the Purchaser shall be entitled to withhold from the Purchase Price payable to RL Canada on Closing the Section 116 Remittable Amount with respect to such Section 116 Property and shall promptly remit such amount to the Receiver General of Canada (the "**Receiver General**"). For greater certainty, the delivery of such withheld amount to the Receiver General shall constitute payment of such amount to RL Canada for the purposes of satisfying that portion of the Purchase Price equal to such amount.

(d) If RL Canada has not delivered to Purchaser a Section 116 Certificate with respect to a Section 116 Property, in each case on or before Closing, then Purchaser shall withhold from the Purchase Price payable to RL Canada hereunder an amount equal to: (i) in the case of Section 116(2) Property, twenty-five percent (25%), or (ii) in the case of Section 116(5.2) Property, fifty percent (50%), of the Purchase Price allocated to such Section 116 Property (the aggregate amount so withheld in respect of all Section 116 Property being the "**Section 116 Withheld Amount**"), such withheld amount to be paid to RL Canada or remitted to the Receiver General for Canada in accordance with the provisions of this Section 8.9.

(e) If RL Canada (i) delivers a Section 116 Certificate for a Section 116 Property to Purchaser at any time after the Closing Date and prior to the 28th day following the end of the month in which the Closing Date occurs (the "**Section 116 Remittance Date**"), or (ii) does not deliver a Section 116 Certificate to Purchaser for a Section 116 Property prior to the Section 116 Remittance Date, then Purchaser shall promptly remit to the Receiver General the Section 116 Remittable Amount (the "**Section 116 Remittance Obligation**") in respect of such Section 116 Property out of the Section 116 Withheld Amount. Purchaser shall promptly thereafter pay to RL Canada the balance of the Section 116 Withheld Amount, if any, in respect of such

Section 116 Property in such manner as the Purchase Price payable to RL Canada is otherwise contemplated to be satisfied hereunder.

(f) Notwithstanding the foregoing, if RL Canada has obtained and, prior to the Section 116 Remittance Date, provided to Purchaser a "comfort letter" from the CRA confirming that the Purchaser is not required to make payment under the Section 116 Remittance Obligation in respect of such Section 116 Property and will not be subject to any interest or penalties under the Tax Act for failure to satisfy the Section 116 Remittance Obligation (or the applicable portion thereof) on or before the Section 116 Remittance Date unless and until such letter shall be revoked (or such other form of "comfort letter" as may be acceptable to Purchaser acting reasonably), then Purchaser shall not remit any amount on account of the Section 116 Remittance Obligation for which a "comfort letter" has been provided on the Section 116 Remittance Date. Where, subsequent to the delivery of such letter, RL Canada delivers a Section 116 Certificate to Purchaser, Purchaser shall: (i) remit to the Receiver General the applicable Section 116 Remittance Obligation, if any; and (ii) promptly deliver to RL Canada an amount equal to the balance of the Section 116 Withheld Amount, if any in such manner as the Purchase Price payable to RL Canada is otherwise contemplated to be satisfied hereunder. For greater certainty, Purchaser shall not remit any portion of the Section 116 Withheld Amount to the Receiver General before the Section 116 Remittance Date or, in the event that RL Canada provides to Purchaser a comfort letter as contemplated by this Section 8.9(f), until such time as RL Canada delivers a Section 116 Certificate to Purchaser in accordance with this Section 8.9(f) unless such comfort letter is revoked by the CRA.

(g) For greater certainty, any delivery of the Section 116 Remittable Amount to the Receiver General hereunder in satisfaction of a portion of the Purchase Price payable to RL Canada shall be made in lieu of the satisfaction of such portion of the Purchase Price payable to RL Canada as otherwise contemplated hereunder. For greater certainty, the Section 116 Withheld Amount may be evidenced by a retention of an amount owing by RL Canada under the DIP Facility equivalent to the Section 116 Withheld Amount.

(h) For greater certainty, the parties acknowledge and agree that if RL Canada constitutes a Purchased Entity, the Equity Securities in RL Canada shall not be Section 116(2) Property provided the Seller of the Equity Securities in RL Canada provides Purchaser with either (i) a Form NR 303 certifying that 100% of any gain from the disposition of the Equity Securities of RL Canada (as determined for purposes of the Tax Act) is exempt from Tax under Part I of the Tax Act by virtue of a Canadian tax treaty, or (ii) a TCP Declaration in accordance with Section 8.2(b).

ARTICLE IX
CONDITIONS

Section 9.1 Conditions to Each Party's Obligations. The respective obligations of Purchaser and the Sellers to consummate the Sale shall be subject to the satisfaction at or prior to the Closing of each of the following conditions unless waived (to the extent waivable under applicable Law), by both the Sellers, on the one hand, and Purchaser, on the other hand, in writing:

(a) No Injunctions or Restraints. No Governmental Order or other Law preventing consummation of the Sale shall be in effect or shall not have become final and

non-appealable and remain in effect for five (5) Business Days after notice of such Governmental Order or other Law has been received by the Sellers and Purchaser.

(b) No DIP Facility Default. No Default or Event of Default (as each is defined in the DIP Financing Agreement) under the DIP Financing Agreement shall have occurred and be continuing.

(c) No Restructuring Support Agreement Termination Event. No Termination Event (as defined in the Restructuring Support Agreement) under the Restructuring Support Agreement shall have occurred and be continuing.

(d) Continuing Effectiveness. This Agreement shall continue to remain in full force and effect.

(e) Entry of Orders. (i) The Bankruptcy Court shall have entered the Sale Procedures Order, the Sale Order, and the DIP Order, and each shall be a Final Order and reasonably acceptable to Purchaser and the Required DIP Lenders; and (ii) the CCAA Court shall have entered the Sale Procedures Order Recognition Order, the Sale Order Recognition Order and the DIP Order Recognition Order, and each shall be a Final Order and reasonably acceptable to the Purchaser and Required DIP Lenders.

(f) Consents of Governmental Authorities. (i) All waiting periods under the HSR Act, the Competition Act (or any other Antitrust Law) applicable to the transactions contemplated by this Agreement shall have expired or been terminated and (ii) the Purchaser and the Sellers have received the Consents from Governmental Authorities set forth on Schedule 9.1(f).

Section 9.2 Conditions to the Obligations of Purchaser. The obligation of Purchaser to consummate the Sale shall be subject to the satisfaction, at or prior to the Closing, of each of the following conditions unless waived in writing, in whole or in part, by Purchaser:

(a) Representations and Warranties of the Sellers. The representations and warranties of the Sellers set forth in this Agreement shall be true and correct as of the date of this Agreement and as of the Closing as though made at and as of the Closing (without giving effect to any "material", "materiality" or "Material Adverse Effect" qualification contained in such representations and warranties), except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct as of such earlier date), except where the failure of any such representations and warranties to be so true and correct has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Performance of Obligations. Each Seller shall have performed and complied in all material respects with all of the covenants, obligations and agreements required by this Agreement to be performed or complied with by such Seller at or prior to the Closing.

(c) No Material Adverse Effect. Since the date of this Agreement, no Material Adverse Effect shall have occurred.

(d) Deliverables. The Purchaser shall have been furnished with the documents set forth in Section 4.2(a).

(e) Consents of Third Parties. Purchaser shall have received all Consents set forth on Schedule 9.2(e).

(f) Post-Petition Payables Amount. As of the Closing, the amount of Post-Petition Payables which are thirty (30) days or more past due shall not exceed twenty five percent (25%) of the total amount of Post-Petition Payables at such time.

Section 9.3 Conditions to the Obligations of the Sellers. The obligation of the Sellers to consummate the Sale shall be subject to the satisfaction at or prior to the Closing of each of the following conditions unless waived in writing, in whole or in part, by the Sellers:

(a) Representations and Warranties of Purchaser. The representations and warranties of Purchaser set forth in this Agreement shall be true and correct as of the date of this Agreement and as of the Closing as though made at and as of the Closing, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct as of such earlier date), in each case, except for such failure to be so true and correct that, individually or in the aggregate, has not had, or would not reasonably be expected to have, a material adverse effect on the ability of Purchaser to consummate, or would not otherwise materially impair or prevent Purchaser from consummating, the transactions contemplated by this Agreement.

(b) Performance of Obligations. Purchaser shall have performed and complied in all material respects with all of the covenants, obligations and agreements required by this Agreement to be performed or complied with by Purchaser at or prior to the Closing.

(c) Excluded Cash. The Sellers shall have received the Excluded Cash, free and clear of all Liens and claims, including the Liens and claims of the Purchaser, DIP Lenders, and Pre-Petition Secured Lenders.

(d) Deliverables. The Sellers shall have been furnished with the documents set forth in Section 4.2(b).

ARTICLE X
TERMINATION PROCEDURES

Section 10.1 Termination. This Agreement may be terminated and the Sale contemplated in this Agreement may be abandoned at any time prior to the Closing Date, notwithstanding the fact that any requisite authorization and approval of the Sale shall have been received, as follows:

(a) by the mutual written consent of Purchaser, on the one hand, and the Sellers, on the other hand;

(b) by the Sellers, if Purchaser has (i) materially breached any of its material obligations under the Sale Order or (ii) breached any of its obligations under this Agreement and

such breach contemplated by this clause (ii) would result in a failure of conditions set forth in Section 9.1 and Section 9.3 to be satisfied and such breach cannot be cured or has not been cured within ten (10) Business Days after the delivery of written notice by the Sellers to Purchaser of such breach;

(c) by Purchaser or the Sellers, if the Closing has not occurred by August 18, 2024 (the "**End Date**"); *provided*, that Purchaser and the Sellers may mutually agree to extend such date; *provided, further*, that the right to terminate this Agreement under this Section 10.1(c) shall not be available to any party whose breach of this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur by such date;

(d) by Purchaser or the Sellers, if there shall be any Governmental Order or other Law that makes consummation of the Sale illegal or otherwise prohibits restrains, or enjoins the consummation of the Sale and such Governmental Order or other Law shall have become final and non-appealable and remain in effect for five (5) Business Days after notice of such Governmental Order or other Law has been received by the Sellers and Purchaser; *provided*, that the right to terminate this Agreement under this Section 10.1(d) shall not be available to any party whose breach of this Agreement shall have been the cause of, or shall have resulted in the Governmental Order or other Law prohibits, restrains, or enjoins of the Sale;

(e) by Purchaser or the Sellers upon the Bankruptcy Court's approval of the Sellers' entry into or pursuit of an Alternative Restructuring Proposal; *provided*, that the Sellers shall have the right to terminate this Agreement pursuant to this Section 10.1(e) only if they have complied in all material respects with the requirements of Section 7.5(c) hereof;

(f) by Purchaser, if any Seller has (i) materially breached any of its material obligations under the Sale Order or the Sale Order Recognition Order or (ii) breached any of its obligations under this Agreement and such breach contemplated by this clause (ii) would result in a failure of conditions set forth in Section 9.1 and Section 9.2 to be satisfied and such breach cannot be cured or has not been cured within ten (10) Business Days after the delivery of written notice by the Purchaser to the Sellers of such breach;

(g) by Purchaser, if the Bankruptcy Cases are converted to cases under Chapter 7 of the Bankruptcy Code, a trustee or examiner with expanded powers is appointed pursuant to the Bankruptcy Code or the Bankruptcy Court enters an Order pursuant to Section 362 of the Bankruptcy Code lifting the automatic stay with respect to any material portion of the Purchased Assets;

(h) by Purchaser, if the Sellers have not commenced the Bankruptcy Cases by 11:59 PM (Orlando Time) on May 21, 2024;

(i) by Purchaser or the Sellers, upon the occurrence of a Termination Event (as defined in the Restructuring Support Agreement) under the Restructuring Support Agreement, *provided* that occurrence of such Termination Event was not a result of such party's default under the Restructuring Support Agreement;

(j) by Purchaser, (i) if an Event of Default (as defined in the DIP Financing Agreement) under the DIP Financing Agreement has occurred and is continuing or (ii) if the DIP

Order (including the DIP Financing Agreement) or DIP Order Recognition Order is modified in any material respect without the consent of the Purchaser;

(k) by Purchaser, if for any reason whatsoever, Purchaser is unable to Credit Bid as part of the Purchase Price, in any amount Purchaser deems fit up to the full amount of the DIP Obligations and amounts owed by Sellers under the Pre-Petition Credit Agreement for the Purchased Assets;

(l) by Purchaser, if the Sale Procedures Order (including the Sale Procedures), the Sale Order, the Sales Procedure Order Recognition Order or the Sale Order Recognition Order is modified in any material respect without the consent of Purchaser; or

(m) by Purchaser, if a final version of the Seller Disclosure Schedules is not delivered by the Sellers to Purchaser by the Seller Disclosure Schedule Delivery Date as required by Section 7.12(a).

In the event of termination of this Agreement as permitted by Section 10.1, this Agreement shall become void *ab initio* and of no further force and effect, except for the provisions of this sentence of Section 10.1, Section 10.2 (relating to Fees and Expenses) and ARTICLE XII, which shall remain in full force and effect, and nothing in this Agreement shall be deemed to release or relieve any party from any Liability for any fraud or willful breach by such party of the terms and provisions of this Agreement.

Section 10.2 Fees and Expenses.

(a) Except as otherwise provided herein, all fees and expenses incurred in connection with this Agreement and the other Transaction Documents shall be paid by the party incurring such expenses, whether or not the Sale is consummated, subject to any provision of the DIP Order providing for the Sellers' payment of the fees and expenses of the Purchaser.

(b) This Section 10.2, and the rights and obligations created hereunder, shall survive termination of this Agreement.

ARTICLE XI
NO SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND CERTAIN COVENANTS

Section 11.1 No Survival of Representations and Warranties and Certain Covenants. None of the representations and warranties of the Sellers or Purchaser contained in ARTICLE V and ARTICLE VI hereof, respectively, including the Seller Disclosure Schedule or any certificate or instrument delivered in connection herewith at or prior to the Closing, and none of the covenants contained in ARTICLE VII to be performed on or prior to the Closing shall survive the Closing. The parties' respective covenants and agreements set forth herein that by their specific terms contemplate performance after Closing shall survive the Closing indefinitely unless otherwise set forth herein.

ARTICLE XII
MISCELLANEOUS

Section 12.1 Governing Law. This Agreement shall be governed by, and construed in accordance with, the Bankruptcy Code and, to the extent not inconsistent with the Bankruptcy Code, the laws of the State of Delaware, without giving effect to conflict of laws principles thereof to the extent that the application of the laws of another jurisdiction would be required thereby.

Section 12.2 Jurisdiction; Forum; Service of Process; Waiver of Jury. With respect to any Action (whether in contract, tort or otherwise) arising out of or relating to this Agreement or the transaction contemplated hereby, each Seller, on the one hand, and Purchaser, on the other hand, hereby irrevocably:

(a) consents to the exclusive jurisdiction of the Bankruptcy Court, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement. After the Sellers are no longer subject to the jurisdiction of the Bankruptcy Court, each Seller, on the one hand, and Purchaser, on the other hand, irrevocably submits to the exclusive jurisdiction of the Delaware Court of Chancery in and for New Castle County, or in the event (but only in the event) that such Delaware Court of Chancery does not have subject matter jurisdiction over such dispute, the United States District Court for the District of Delaware, or in the event (but only in the event) that such United States District Court also does not have jurisdiction over such dispute, any Delaware State court sitting in New Castle County ("**Selected Courts**") for any Action arising out of or relating to this Agreement or the other Transaction Documents and the transactions contemplated hereby and thereby (and agrees not to commence any Action relating hereto or thereto except in such courts) and waives any objection to venue being laid in the Selected Courts whether based on the grounds of forum non conveniens or otherwise;

(b) consents to service of process in any Action by the mailing of copies thereof by registered or certified mail, postage prepaid, or by recognized international express carrier or delivery service, to the Sellers, on the on hand, or Purchaser, on the other hand, at their respective addresses referred to in Section 12.5 hereof; *provided, however*, that nothing herein shall affect the right of any party hereto to serve process in any other manner permitted by applicable Law, and

(c) WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY PROCEEDING, LITIGATION OR OTHER ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

Section 12.3 Successors and Assigns. Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors by operation of law and permitted assigns of the parties hereto. No assignment of this Agreement may be made by any party at any time, whether or not by operation of law, without, (a) with respect to an assignment by any Seller, the prior written consent of the Purchaser or (b) with respect to an assignment by the Purchaser, the written consent of the Sellers; *provided, however,* that Purchaser may, without the consent of the other parties hereto, assign any and all of its rights, interests and obligations under this Agreement to one or more Affiliate(s) of Purchaser (including the right to

acquire any or all of the Purchased Assets), which assignment, in either case, will not relieve Purchaser of any obligations hereunder. Except as specifically provided for herein, only the parties to this Agreement or their permitted assigns shall have rights under this Agreement.

Section 12.4 Entire Agreement; Amendment. This Agreement, the Confidentiality Agreement and the other Transaction Documents constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and supersede all prior agreements relating to the subject matter hereof. Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, modified, supplemented, waived, discharged or terminated other than by a written instrument signed by the Sellers and Purchaser expressly stating that such instrument is intended to amend, modify, supplement, waive, discharge or terminate this Agreement or such term hereof. No waiver of any of the provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provision hereof (whether or not similar).

Section 12.5 Notices. All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written instrument delivered in person or sent by electronic mail (with receipt confirmed (excluding "out of office" or similar automated replies)), nationally recognized overnight courier or first class registered or certified mail, return receipt requested, postage prepaid, addressed to such party at the address set forth below or such other address as may hereafter be designated in writing by such party to the other party:

(a) if to any Seller:

Red Lobster Management LLC
450 S. Orange Avenue, Suite 800
Orlando, FL 32801
Attention: Nicholas Haughey
Email: nhaughey@alvarezandmarsal.com

with a copy (that shall not constitute notice) to:

King & Spalding LLP
1185 Avenue of the Americas
New York, NY 10036-2601
Attention: Timothy M. Fesenmyer
email: tfesenmyer@kslaw.com

and

King & Spalding, LLP
1180 Peachtree Street, NE
Suite 1600
Atlanta, GA 30309
Attention: W. Austin Jowers; Jeffrey R. Dutson; Sarah L. Primrose
Email: ajowers@kslaw.com; jdutson@kslaw.com; sprimrose@kslaw.com

(b) if to Purchaser, to:

RL Purchaser LLC
c/o Fortress Credit Corp.
1345 Avenue of the Americas
46th Floor
New York, NY 10105
Attn: General Counsel – Credit / Credit Operations
Email: gc.credit@fortress.com / creditoperations@fortress.com

with copies (that shall not constitute notice) to:

Proskauer Rose LLP
11 Times Square
New York, NY 10036
Attention: Michael Mezzacappa, Chad Dale, Kristian Herrmann
Email: mmezzacappa@proskauer.com; cdale@proskauer.com;
kherrmann@proskauer.com

All such notices, requests, consents and other communications shall be deemed to have been given or made if and when delivered personally or by overnight courier to the parties at the above addresses or sent by electronic transmission, with confirmation received, to the e-mail addresses specified above (or at such other address for a party as shall be specified by like notice).

Section 12.6 Delays or Omissions. Except as expressly provided herein, no delay or omission to exercise any right, power or remedy accruing to the Sellers or Purchaser upon any breach or default of any party under this Agreement, shall impair any such right, power or remedy of the Sellers or Purchaser nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of the Sellers or Purchaser of any breach or default under this Agreement, or any waiver on the part of any such party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law, in equity, or otherwise afforded to the Sellers or Purchaser shall be cumulative and not alternative.

Section 12.7 Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by electronic transmission in .pdf format or other electronic method shall be as effective as delivery of a manually executed counterpart of this Agreement.

Section 12.8 Severability. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provisions; *provided* that no such severability

shall be effective if it materially changes the economic benefit of this Agreement to any party. Any provision held invalid or unenforceable only in part or degree will remain in full force to the extent not held invalid or unenforceable.

Section 12.9 Titles and Subtitles. The table of contents, titles, subtitles, and section headings used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

Section 12.10 No Public Announcement. Absent the prior written consent of (a) with respect to a press release or public announcement or statement by any Seller (or any Affiliate thereof), the prior written consent of the Purchaser or (b) with respect to a press release or public announcement or statement by the Purchaser, the written consent of the Sellers, neither the Sellers nor Purchaser shall make any press release or public announcement or statement concerning the transactions contemplated by the Transaction Documents, except as and to the extent that any such party shall be obligated to make any such disclosure by this Agreement or by applicable Law, and then only after giving the other party(ies) hereto, to the extent practicable, reasonably adequate time to review such disclosure and consider in good faith the comments of the other party(ies) hereto and consultation as to such comments with such party(ies) as to the content of such disclosure; *provided, however*, that nothing in this Section 12.10 shall restrict the parties hereto from making disclosures to the Bankruptcy Court or in filings in the Bankruptcy Court; *provided*, that, to the extent practicable, the disclosing party provides the non-disclosing party with drafts of all such filings or disclosures concerning the transactions contemplated by the Transaction Documents, to be delivered to such non-disclosing party at least two (2) Business Days in advance of any such filing or disclosure and that the disclosing party shall consider in good faith any comments made by the non-disclosing party to such filings or disclosures. Notwithstanding anything to the contrary herein or in the Confidentiality Agreement, the parties hereto and each of their respective employees, representatives or other agents, are permitted to disclose to any and all Persons, without limitations of any kind, the tax treatment (including within the meaning of Section 237.3 of the Tax Act) and tax structure of the transactions and all materials of any kind (including opinions or other tax analyses) that are or have been provided to such parties related to such tax treatment and tax structure; *provided, however*, that the foregoing permission to disclose the tax treatment and tax structure does not permit the disclosure of any information that is not relevant to understanding the tax treatment or tax structure of the transactions (including the identity of any party and the amounts paid in connection with the transactions); *provided, further, however*, that the tax treatment and tax structure shall be kept confidential to the extent necessary to comply with applicable Laws. Notwithstanding the foregoing, Purchaser shall not be restricted from making any public announcements or issuing any press releases or other statements after the Closing regarding the transactions contemplated by this Agreement (including that Purchaser and its Affiliates that are affiliated with investment funds shall not be restricted from disclosing the transactions or their terms, as applicable, to any of their respective investors or financing sources or potential investors or financing sources).

Section 12.11 Specific Performance. The Sellers and Purchaser agree that irreparable damage, for which monetary relief, even if available, would not be an adequate remedy, would occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached, including if any of the parties fails to take any action required of it hereunder to consummate the transactions contemplated by this Agreement. It is

accordingly agreed that (a) the Sellers or Purchaser will be entitled to an injunction or injunctions, specific performance or other equitable relief to prevent breaches of this Agreement and to enforce specifically the parties' respective covenants, obligations and agreements under this Agreement that survive the Closing, without the requirement of posting a bond or other security, and without proof of damages or otherwise, this being in addition to any other remedy to which they are entitled under this Agreement, and (b) the right of specific performance and other equitable relief is an integral part of the transactions contemplated by this Agreement and without that right, neither the Sellers nor Purchaser would have entered into this Agreement. The remedies available to the parties hereto pursuant to this Section 12.11 will be in addition to any other remedy to which they were entitled at law or in equity, and the election to pursue an injunction or specific performance will not restrict, impair or otherwise limit any party from seeking to collect or collecting damages.

Section 12.12 Non-Recourse. All claims, obligations, liabilities, or causes of action that may be based upon, in respect of, arise under, out or by reason of, be connected with, or relate in any manner to this Agreement, the negotiation, execution or performance of this Agreement (including any representation or warranty made in connection with or as an inducement to this Agreement) or the transactions contemplated hereby may be made only against (and are those solely of) the Persons that are expressly identified as parties to this Agreement. No other Person, including any of their Affiliates, directors, officers, employees, incorporators, members, partners, managers, stockholders, agents, attorneys, or representatives of, or any financial advisors or lenders to any of the foregoing shall have any liabilities for any claims, causes of action, obligations, or liabilities arising under, out of, in connection with, or related in any manner to this Agreement or based on, in respect of, or by reason of this Agreement or its negotiation, execution, performance, or breach.

Section 12.13 Action by the Sellers. Each Seller hereby irrevocably constitutes and appoints RL Management as such Seller's true and lawful attorney-in-fact and agent and authorizes it to act for such Seller and in such Seller's name, place and stead, in any and all capacities to do and perform every act and thing required, permitted, necessary or desirable to be done in connection with the transactions contemplated by this Agreement, as fully to all intents and purposes as such Seller might or could do in person, including to: (a) take any and all actions (including executing and delivering any documents, incurring any costs and expenses on behalf of the Sellers) and make any and all determinations which may be required or permitted in connection with the post-Closing implementation of this Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby, (b) give and receive notices and communications under this Agreement and the other Transaction Documents, (c) negotiate, defend, settle, compromise and otherwise handle and resolve any and all claims and disputes with Purchaser arising out of or in respect of this Agreement or any other Transaction Document and (d) make any other decision or election or exercise such rights, power and authority as are incidental to the foregoing.

Section 12.14 Third Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assigns, and it is not the intention of the parties to confer third party beneficiary rights upon any other Person.

Section 12.15 Seller Disclosure Schedules. The Parties acknowledge and agree that (a) the Seller Disclosure Schedules to this Agreement may include certain items and information solely for informational purposes for the convenience of Purchaser and (b) the disclosure by the Sellers of any matter in the Seller Disclosure Schedules shall not be deemed to constitute an acknowledgment by the Sellers that the matter is required to be disclosed by the terms of this Agreement or that the matter is material. If any schedule in the Seller Disclosure Schedules discloses an item or information, the matter shall be deemed to have been disclosed in all other schedules of the Seller Disclosure Schedules for which such information is reasonably apparent on its face to be responsive to such schedules, notwithstanding the omission of an appropriate cross-reference to such other schedules.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be executed as of the date first above written.

SELLERS:

RED LOBSTER MANAGEMENT LLC,
a Delaware limited liability company
RED LOBSTER RESTAURANTS LLC,
a Delaware limited liability company
RED LOBSTER HOSPITALITY LLC,
a Delaware limited liability company
RED LOBSTER SOURCING LLC,
a Delaware limited liability company
RED LOBSTER SUPPLY LLC,
a Delaware limited liability company
RL KANSAS LLC,
a Kansas limited liability company
RL COLUMBIA LLC,
a Maryland limited liability company
RL SALISBURY, LLC,
a Maryland limited liability company
RED LOBSTER INTERNATIONAL HOLDINGS LLC,
a Delaware limited liability company
RLSV, INC.,
a Florida corporation
RED LOBSTER OF BEL AIR, INC.,
a Maryland corporation
RL MARYLAND, INC.,
a Maryland corporation
RL OF FREDERICK, INC.,
a Maryland corporation
RED LOBSTER OF TEXAS, INC.,
a Texas Corporation
RED LOBSTER CANADA, INC.,
a Delaware corporation

By: _____
Name: Jonathan Tibus
Title: Chief Executive Officer

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be executed as of the date first above written.

PURCHASER:

RL PURCHASER LLC

By:_____
Name: Avraham Dreyfuss
Title: Authorized signatory

EXHIBIT A

FORM OF SALE PROCEDURES ORDER

[See Attached]

EXHIBIT B

FORM OF DIP ORDER

[See Attached]

EXHIBIT C

FORM OF SALE ORDER

[See Attached]

EXHIBIT D

FORM OF BID DIRECTION LETTER

[See Attached]

This is **Exhibit "G"** referred to in the

Affidavit of Jonathan Tibus

sworn before me by video conference
this 11th day of June, 2024

A Commissioner, etc.

Jake Harris, LSO #85481T

III. The Stalking Horse Bidder and Material Terms of the Stalking Horse Agreement.

20. The following chart summarizes the terms and conditions of the Stalking Horse Agreement attached to the Sale Procedures Order as **Exhibit 2** and discloses certain information pursuant to Local Rule 6004-1:[8]

Agreement Provision	Summary Description
Parties	Seller: Red Lobster Management LLC (the "Company") and its direct and indirect subsidiaries and affiliates that are debtors in bankruptcy cases (collectively, the "Sellers"). Purchaser: RL Purchaser LLC, a newly formed entity organized and controlled by the DIP Lenders or their designated affiliates (the "Purchaser"). The Stalking Horse Agreement will provide that such agreement (and the Purchaser's rights thereunder) shall be freely assignable by Purchaser to affiliates thereof.
Purchase Price	The aggregate consideration for the Purchased Assets (the "Purchase Price") shall consist of: (a) a credit bid of 100% of the DIP Obligations pursuant to Section 363(k) of the Bankruptcy Code; (b) assumption of the Assumed Liabilities; and (c) the Excluded Cash (which shall remain with the Sellers at Closing).
Purchased Assets	The "Purchased Assets" shall include substantially all of the assets of the Sellers, free and clear of all liens, claims, interests, and encumbrances to the fullest extent permitted by Section 363 of the Bankruptcy Code and/or other law, other than the Excluded Assets, as shall be more fully set forth in the Stalking Horse Agreement, including: (i) all cash, cash equivalents, prepayments (including all prepayments made to third party vendors), deferred assets, refunds, credits or overpayments, in each case, except for (i) the Excluded Cash (as subsequently defined), and (ii) any proceeds solely arising out of the Excluded Assets to the extent received by the Sellers after the Closing Date; (ii) all accounts receivable of the Sellers (including, without limitation, credit card receivables, funds in transit, deposits and other receivables from third

[8] This summary is provided for the convenience of the Court and parties in interest. To the extent there is any conflict between this summary and the Stalking Horse Agreement, the Stalking Horse Agreement shall govern in all respects. All references to schedules or sections in the following summary shall refer to schedules or sections of the Stalking Horse Agreement. Terms used but not defined in this summary description have the meaning ascribed to such term as in the Stalking Horse Agreement.

Agreement Provision	Summary Description	
		party delivery services (*e.g.*, Grubhub and DoorDash)), franchisee royalty and other payments/fees, allowances due from landlords with respect to the Purchased Real Property Leases (as subsequently defined), etc.;
	(iii)	all inventory of the Sellers;
	(iv)	to the extent transferable pursuant to applicable law, all insurance policies of Sellers and any claims thereunder to the extent such policies relate to the operation of the Sellers' business or to any Assumed Liabilities, other than any Excluded Insurance Policy;
	(v)	those unexpired leases specifically designated by Purchaser at least three (3) days prior to the Auction (the "Purchased Real Property Leases");
	(vi)	those executory contracts specifically designated by the Purchaser at least three (3) days prior to the Auction (the "Purchased Contracts");
	(vii)	to the extent transferable, any security deposits held by counterparties to Purchased Real Property Leases and Purchased Contracts;
	(viii)	all furniture, fixtures, equipment (including cooking and food storage equipment), marketing materials and other personal property used in the operations of the Sellers, including, to the extent transferable, all rights to any software used in any computer equipment;
	(ix)	all merchandise and other personal property used in the operations of the Sellers;
	(x)	to the extent transferable pursuant to applicable law, all permits required for the Sellers to conduct business as currently conducted or for the ownership, operation, use, maintenance or repair of any of the Purchased Assets;
	(xi)	all Books and Records (including Tax records and Texas Returns (including working papers) relating to the Purchased Assets and of the Purchased Entities), other than the Excluded Books and Records, provided that Purchaser will provide the Sellers with reasonable access to books and records (at no cost to the Sellers) for the purposes of conducting any "wind-down" activities post-closing;
	(xii)	all Intellectual Property;
	(xiii)	all General Intangibles associated with the Business;
	(xiv)	all guarantees, representations, warranties and indemnities associated with the operation of the business to the extent related to any Purchased Assets or any Assumed Liabilities;
	(xv)	all claims, causes of action, including Avoidance Actions and the proceeds thereof, choses in action, rights of recovery, rights of set off and rights of recoupment (including any such item relating to the payment of Taxes) other than counterclaims and defenses related to Excluded Assets and any proceeds thereof;
	(xvi)	all prepayments, deposits, deferred assets, rights to refunds (including pre and post-bankruptcy rights to Tax refunds), credits, rights to recover overpayments or other receivables, other than those related to Excluded Assets;
	(xvii)	all Owned Real Estate, together with (to the extent of such Seller's (or any Purchased Entity's) interest therein) all improvements, facilities, fixtures,

Agreement Provision	Summary Description
	equipment (including cooking and food storage equipment), and appurtenances thereto and all rights in respect thereof and all servitudes, easements, rights-of-way and other surface use agreements and water use agreements, if any, related thereto; (xviii) all funds owed to any Seller in connection with (or under) any COVID-19 Relief Law (including Employee Retention Credits); (xix) any Assumed Benefit Plans (and including all pre-payments, deposits, and refunds thereunder and any assets, trusts, or insurance policies maintained pursuant thereto in or in connection therewith); (xx) all rights under non-disclosure or confidentiality, non-compete or non-solicitation agreements with employees and agents of any Seller or with third parties; and (xxi) any Equity Securities set for in Schedule 2.1(u) of the Stalking Horse Agreement (collectively, the "Purchased Equity Securities"). For purposes hereof, "Auction" means the auction undertaken pursuant to the Sale Procedures Order.
Assumed Liabilities/ Excluded Liabilities	"Assumed Liabilities" shall include the following: (i) all Liabilities[9] relating to, or arising in respect of, the Purchased Assets arising out of or relating to (i) events, occurrences, acts or omissions occurring or existing on or after the Closing Date; or (ii) the operation of the Business or the Purchased Assets by Purchaser on or after the Closing Date; (ii) all Liabilities of the Sellers under any Purchased Real Property Leases and Purchased Contracts, including amounts up to Cure Costs Cap necessary to cure any defaults in connection with the assumption of any Purchased Contracts (collectively, the "Cure Costs"); (iii) (a) all Liabilities solely to the extent incurred after the Closing relating to the employment, engagement, or performance of services, or termination of employment, engagement, or services, of any Transferred Employee after the Closing Date by Purchaser or its Affiliates; (b) any Liabilities under each Assumed Benefit Plan, solely to the extent incurred after the Closing Date; and (c) all Liabilities expressly assumed by Purchaser pursuant to Section 7.6 of the Stalking Horse Agreement; (iv) Liabilities for gift cards or gift certificates issued by any Seller in the ordinary course of business prior to the Closing Date; (v) to the extent lawfully transferable, all obligations, commitments, and Liabilities under any permits assigned to Purchaser pursuant to the Sale; (vi) all Liabilities with respect to transfer taxes arising in connection with the Sale (the "Transfer Taxes");

[9] "Liability" means any liability (including any unknown, undisclosed, unmatured, unaccrued, unasserted, contingent, direct, conditional, implied, vicarious, derivative, joint, several or secondary liability), debt, obligation, deficiency, interest, Tax, penalty, fine, penalty, claim, demand, judgment, cause of action or other loss (including loss of benefit or relief), cost or expense of any kind or nature whatsoever, whether asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, and whether due or to become due and regardless of when asserted.

Agreement Provision	Summary Description
	(vii) any and all costs and expenses necessary in connection with providing "adequate assurance of future performance" with respect to the Purchase Contracts (as contemplated by Section 365 of the Bankruptcy Code); (viii) all accounts payable of the Business incurred after the Petition Date in the ordinary course of business that are entitled to priority status under Section 503(b) of the Bankruptcy Code (it being understood that such accounts payable shall not include any fees or expenses due to any estate or other professionals involved in the Bankruptcy Case, including any creditors' committee) (collectively, the "Post-Petition Payables"); and (ix) those Liabilities to be mutually agreed and set forth on a schedule to the Stalking Horse Agreement. All prepetition and postpetition liabilities of the Sellers, other than the Assumed Liabilities, shall be "Excluded Liabilities," including, without limitation: (i) any Liability of any Seller to the extent arising from any Excluded Asset; (ii) any Cure Costs in excess of the Cure Costs Cap; (iii) all Liabilities under Indebtedness of the Sellers (including any Indebtedness or accounts payable owing from any Seller to any Affiliate of any Seller); (iv) except as set forth in Section 8.2 of the Stalking Horse Agreement with respect to the Transfer Taxes, (a) all tax liabilities of the Sellers or their respective Affiliates (other than the Purchased Entities) for any taxable period; and (b) all tax liabilities relating to the Purchased Assets or the Business attributable to a Pre-Closing Tax Period; (v) all Excluded Employee Liabilities; (vi) all Liabilities relating to, or rising from, Rejection Damages Claims; (vii) any tort Liabilities of any Seller; (viii) all Liabilities relating to the CARES Act, including, without limitation, any obligation with respect to deferred payroll taxes; (ix) all Environmental Liabilities relating to, resulting from, caused by or arising out of ownership, operation, or control of the Business, to the extent accruing, arising out of, or relating to events, occurrences, acts, or omissions occurring or existing prior to the Closing Date; (x) all actions against each Seller, any of their respective assets, their businesses, and any of their past or present operations or activities (except to the extent (and only to such extent that) such actions relate to an Assumed Liability); (xi) all Liabilities related to, or arising from, Indemnification Claims; and (xii) except for Post-Petition Payables, all accounts payable of any Seller.
Excluded Assets	The Purchased Assets shall not include the following assets (collectively, the "Excluded Assets"): (i) the Excluded Books and Records; (ii) Equity Securities in any Seller or other entity, other than the Purchased Equity Securities;

Agreement Provision	Summary Description
	(iii) any Contracts that are not Purchased Real Property Leases or Purchased Contracts; (iv) any personnel or other records to the extent pertaining to any current or former employee who is not a Transferred Employee or records pertaining to any Transferred Employee that cannot be transferred under applicable Law; (v) all equipment and other assets and items that are (a) owned by third parties or (b) leased to any Seller or an affiliate thereof, or are not freely assignable, saleable, and transferable to the Purchaser, in each case, pursuant to a contract or agreement that is not a Purchased Real Property Lease or a Purchased Contract; (vi) rights that accrue or will accrue to the Sellers under any of the documents with respect to the Sale; (vii) the Excluded Cash;[10] (viii) the Excluded Insurance Policies;[11] (ix) all Benefit Plans and any assets of any Benefit Plan or any right, title, or interest in any of the assets, trusts, or insurance policies thereof or relating thereto (in each case, other than the Assumed Benefit Plans and any assets related thereto); (x) all guarantees, representations, warranties, and indemnities to the extent pertaining to any Excluded Asset or rights and defenses to the extent pertaining to any Excluded Liability; (xi) an amount equal to ten percent (10%) of the net proceeds recovered on account of any Equityholder Actions;[12] and

[10] "Excluded Cash" means, subject in all respects to the DIP Financing Agreement, the cash on hand and cash drawn by the Sellers under the DIP Facility in an amount equal to, without duplication, (i) after taking into account any amounts held by any the Sellers or estate professionals, or any funds of the Sellers held in escrow or reserve with respect to the fees and expenses of any the Sellers' estate professionals, an amount sufficient to satisfy the estimated accrued professional fees and expenses of estate professionals as of the Closing Date (but only to the extent that such fees of such the Sellers' estate professionals are included in the Carve-Out (as defined in the DIP Financing Agreement)), *plus* (ii) an amount sufficient to pay all Administrative Expenses that are accrued and unpaid as of the Closing Date in the Chapter 11 Cases (but only to the extent such Administrative Expenses are (a) not Assumed Liabilities, (b) not professional fees or expenses and (c) included in the DIP Budget), *plus* (iii) the Wind-Down Amount (which shall be used solely to fund the Wind-Down Expenses), *plus* (iv) a commitment to fund amounts required to perform the Sellers' obligations under the Transition Services Agreement, *plus* the amount, if any, as set forth in Section 7.6(f)(ii), which provides for the payment of certain PTO and vacation pay that may be triggered for Transferred Employees as of the Closing.

[11] "Excluded Insurance Policies" means all directors' and officers' insurance policies and any other insurance policy of the Sellers which (i) relates solely to the Excluded Assets, (ii) is required to cover claims or expenses in the Bankruptcy Cases or (iii) are required to be retained by the Sellers in connection with the wind-down of the Sellers' bankruptcy estate following the Closing.

[12] "Equityholder Actions" means any Action which is contemplated by Section 2.1(o) that may be asserted against any of: (i) Thai Union Group and all Affiliates (excluding, for the avoidance of doubt, the Sellers and Purchased Entities) thereof, (ii) Seafood Alliance Limited and all Affiliates (excluding, for the avoidance of doubt, the Sellers and Purchased Entities) thereof, (iii) RL Intermediate, (iv) Red Lobster Holdings LLC, (v) Red Lobster Seafood Co, LLC, (vi) Red Lobster Master Holdings, L.P., (vii) Red Lobster Master Holdings GP, LLC, and (viii) the direct and indirect partners, shareholders, investors, controlling persons, directors, officers, employees, agents, trustees, administrators,

Agreement Provision	Summary Description
	(xii) all proceeds solely arising out of the foregoing Excluded Assets to the extent received by the Sellers after the Closing Date.
Representations and Warranties of the Sellers/ Certain Covenants of the Sellers	The Stalking Horse Agreement contains customary representations, warranties, and covenants including, but not limited to, representations and certain covenants of the Sellers regarding: (a) organization and good standing; (b) power and authority; (c) litigation; (d) no contravention; (e) consents and approvals; (f) title to purchased assets; (g) validity of available contracts; (h) intellectual property; (i) employee benefits; (j) labor matters; (k) conduct of business; (l) compliance with laws and/or permits; (m) financial statements; (n) financial advisors; (o) absence of undisclosed liabilities; (p) tax matters; (q) condition and suitability of purchased assets; (r) related party transactions; and (s) disclaimer of other representations and warranties.
Closing Conditions	The respective obligations of the Sellers and Purchaser to consummate the Sale (the "Closing," and the date of the Closing, the "Closing Date") shall be subject to the satisfaction at or prior to the Closing Date of customary closing conditions, including, but not limited to, the following conditions: (i) no temporary restraining order, preliminary or permanent injunction, or other order issued by a governmental authority preventing consummation of the Sale shall be in effect; (ii) no law shall be in effect which prohibits the transactions contemplated by the Sale; (iii) no default shall have occurred and/or will be continuing under the RSA; (iv) no default shall have occurred and/or will be continuing under the DIP Financing Agreement; (v) no breach of Sellers' or Purchaser's covenants and accuracy of Sellers' and Purchaser's representations and warranties as of the Closing Date that would not reasonably be expected to have a material adverse change (as customarily defined); (vi) no material adverse change (as customarily defined) shall have occurred; (vii) the Sellers shall have received the Excluded Cash, free and clear of all Liens and claims, including the Liens and claims of the Purchaser, DIP Lenders, and Prepetition Term Secured Parties; (viii) the Stalking Horse Agreement shall continue to remain in full force and effect; (ix) the entry of the Sale Procedures Order and the Sale Order by the Bankruptcy Court, and each such order shall be a final non-appealable order reasonably acceptable to the Required DIP Lenders on behalf of the Purchaser; (x) all applicable waiting periods under the Hart-Scott-Rodino ("HSR") Act shall have expired or shall have been terminated and all other required approvals, listed on a schedule to the Stalking Horse Agreement, shall have been obtained or, if applicable, shall have expired, shall have been waived by the applicable governmental authority, or shall have been terminated; and

managers, advisors, attorneys, representatives, and other professionals of the foregoing Persons set forth in the preceding clauses (i) through (vii), including any such persons who served as an officer or director of any of the Debtors prior to the Petition Date and who is no longer serving in such capacity as of the Petition Date.

Agreement Provision	Summary Description
	(xi) to the extent necessary to facilitate the transactions contemplated hereby, including the purchase and sale of all Purchased Assets, the parties shall enter into a transition services agreement, or other similar agreement in form and substance acceptable to Purchaser (any such agreement, a "Transition Services Agreement").
Termination	The Stalking Horse Agreement contains customary termination provisions, including but not limited to termination: (i) by the mutual written consent of the Sellers and the Purchaser; (ii) by the Sellers, if Purchaser has (i) materially breached any of its material obligations under the Sale Order or (ii) breached any of its obligations under the Stalking Horse Agreement and such breach contemplated by this cause (ii) would result in failure of conditions set forth in Section 9.1 and Section 9.3 of the Stalking Horse Agreement to be satisfied and such breach cannot be cured or has not been cured within ten (10) Business Days after the delivery of written notice by the Sellers to Purchaser of such breach; (iii) by Purchaser or the Sellers, if the Closing has not occurred by August 19, 2024 (the "End Date"); *provided*, that Purchaser and the Sellers may mutually agree to extend such date; (iv) by the Sellers or the Purchaser, if there shall be any Governmental Order or other Law that makes consummation of the Sale illegal or otherwise prohibited; or if any governmental authority, including any regulatory authority or court of competent jurisdiction, issues any final, non-appealable ruling or order that (a) enjoins the consummation of the Sale and (b) remains in effect for five (5) business days after notice of such Government Order or other Law has been received by the Sellers and the Purchaser; (v) by the Purchaser or the Sellers upon the Bankruptcy Court's approval of the Sellers' entry into or pursuit of an Alternative Restructuring Proposal; provided, that the Sellers shall have the right to terminate the Stalking Horse Agreement pursuant to this provision only if they have complied in all material respects with the requirements of Section 7.5(c) of the Stalking Horse Agreement; (vi) by the Purchaser, if any Seller (i) has materially breached any of its material obligations under the Sale Order or the Sale Recognition Order or (ii) breached any of its obligations under the Stalking Horse Agreement and such breach contemplated by this clause (ii) would result in a failure of conditions set forth in Section 9.1 and Section 9.2 to be satisfied and such breach cannot be cured or has not been cured within ten (10) Business Days after the delivery of written notice by the Purchaser of such breach by Purchaser, if the Bankruptcy Cases are converted to cases under Chapter 7 of the Bankruptcy Code, a trustee or examiner with expanded powers is appointed pursuant to the Bankruptcy Code or the Bankruptcy Court enters an Order pursuant to Section 362 of the Bankruptcy Code lifting the automatic stay with respect to any material portion of the Purchased Assets;

Agreement Provision	Summary Description
	(vii) by Purchaser or the Sellers upon the occurrence of a Termination Event (as defined in the RSA) under the RSA, provided that occurrence of such Termination Event was not a result of the Purchasers default under the Restructuring Support Agreement; by Purchaser, upon the occurrence of an Event of Default (as defined in the DIP Financing Agreement) under the DIP Financing Agreement or if the DIP Orders, DIP Order Recognition Order, or DIP Financing Agreement is modified in any material respect without the consent of the Purchaser; (viii) by Purchaser, if for any reason whatsoever, Purchaser is unable to Credit Bid as part of the Purchase Price, in any amount of the Purchaser deems fit up to the full amount of the DIP Obligations for the Purchased Assets; (ix) by Purchaser, if the Sale Procedures Order (including the Sale Procedures), the Sale Order, the Sales Procedure Order Recognition Order issued by a Canadian court or the Sale Order Recognition Order issued by a Canadian court is modified in any material respect without the consent of Purchaser; or (x) by Purchaser, if proposed final versions of the Seller Disclosure Schedules are not delivered by Sellers to Purchaser by the Seller Disclosure Delivery Date as required by Section 7.12(a).
Releases	The Stalking Horse Agreement contains a customary mutual release agreement.
Regulatory Approvals	Sellers and Purchaser will agree to cooperate regarding all consents and other authorizations required to be obtained from, or any filings required to be made with, any governmental authority that are necessary to consummate the transactions contemplated in the Stalking Horse Agreement, including HSR approvals and approvals relating to alcohol and liquor licenses.
Transition Services Agreement	Prior to the Closing, Purchaser and the Sellers shall negotiate in good faith and use their respective commercially reasonable efforts to agree on the form of a Transition Services Agreement regarding the mutual provision of services between the Purchaser, on the one hand, and the Sellers, on the other hand, it being understood and agreed that the Purchaser shall fund or cause to be funded, upon the terms and subject to the conditions set forth therein, such amounts as may be required to enable the Sellers to perform its obligations under the Transition Services Agreement during the period for which services are contemplated to be provided thereunder and, if an Extended Contract Period Notice is provided under Section 2.5(a), such amount shall include all administrative expenses arising under Contracts and Benefit Plans that are not Assumed Contracts or Assumed Benefit Plans during the period contemplated by such Extended Contract Period Notice or until such earlier time as they become Assumed Contracts or Assumed Benefit Plans.

Court File No.: CV-24-00720567-00CL

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

AND IN THE MATTER OF RED LOBSTER MANAGEMENT LLC, RED LOBSTER HOSPITALITY LLC and RED LOBSTER CANADA, INC.

APPLICATION OF RED LOBSTER MANAGEMENT LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

AFFIDAVIT OF JONATHAN TIBUS
(Sworn June 11, 2024)

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Lawyers for the Applicant

TAB 3

Court File No. CV-24-00720567-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

THE HONOURABLE	)	TUESDAY, THE 18TH
	)	
JUSTICE PENNY	)	DAY OF JUNE, 2024

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

AND IN THE MATTER OF RED LOBSTER MANAGEMENT LLC, RED LOBSTER HOSPITALITY LLC and RED LOBSTER CANADA, INC.

APPLICATION OF RED LOBSTER MANAGEMENT LLC UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

SECOND SUPPLEMENTAL ORDER

THIS MOTION made pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") by Red Lobster Management LLC ("**RL Management**") in its capacity as the foreign representative (in such capacity, the "**Foreign Representative**") in respect of proceedings commenced on May 19, 2024 in the United States Bankruptcy Court for the Middle District of Florida (the "**US Bankruptcy Court**") pursuant to Chapter 11 of Title 11 of the United State Bankruptcy Code for an Order substantially in the form enclosed in the Motion Record of the Foreign Representative dated June 11, 2024, was heard this day by videoconference in Toronto, Ontario.

ON READING the Notice of Motion, the affidavit of Jonathan Tibus sworn June 11, 2024, the affidavit of Nancy Thompson sworn June **[●]**, 2024, the First Report of FTI Consulting Canada, Inc., in its capacity as Information Officer dated June **[●]**, 2024, and on hearing the submissions of counsel for the Foreign Representative, counsel for the Information Officer, and counsel for such other parties as were present and wish to be heard, no one else appearing although duly served as appears from the Lawyer's Certificate of Service of Caitlin McIntyre dated June **[●]**, 2024 filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

RECOGNITION OF FOREIGN ORDERS

2. **THIS COURT ORDERS** that the following orders (collectively, the "**Foreign Orders**") of the US Bankruptcy Court made in the Foreign Proceeding, copies of which are attached hereto as Schedules "A" to "E" are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to Section 49 of the CCAA:

(a) Order (I) Approving Postpetition Financing, (II) Authorizing the Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief;

(b) Order Authorizing Debtors to (I) Pay Prepetition Wages, Salaries, Employee Benefits, and Other Employee Obligations, (II) Maintain Employee Benefit Programs and (III) For Related Relief;

(c) Order (A) Authorizing the Debtors to (I) Continue to Use Existing Cash Management System, (II) Maintain Bank Accounts and Continue Use of Existing Business Forms and Checks, (III) Honor Certain Related Prepetition and Postpetition Obligations, and (IV) Perform Intercompany Transactions, (B) Granting a Waiver of Certain Investment and Deposit Guidelines and (C) Granting Related Relief;

(d) Order Authorizing Debtors to Pay Prepetition Sales, Use, Trust Fund, Property, Foreign and Other Taxes and Similar Obligations; and

(e) Order (I)(A) Approving Bidding Procedures for Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Enter into Stalking Horse Agreemetn and to Provide Bidding Protections Thereunder, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, and (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof; (II)(A) Approving the Sale of the Debtors' Assets Free and Clear of Liens, Claims, Interests and Encumbrances and (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III Granting Related Relief.

provided, however, that in the event of any conflict between the terms of the Foreign Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to Property (as defined in the Supplemental Recognition Order dated May 28, 2024) in Canada.

GENERAL

3. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States of America to give effect to this Order and to assist the Canadian Debtors, the Foreign Representative, the Information Officer, and their respective 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 Canadian 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 Canadian Debtors, the Foreign Representative, and the Information Officer and their respective agents in carrying out the terms of this Order.

4. **THIS COURT ORDERS** that each of the Canadian Debtors, the Foreign Representative and the Information Officer be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

5. **THIS COURT ORDERS** that this Order shall be effective as of 12:01 am on the date of this Order.

_____

JUSTICE MICHAEL A. PENNY

SCHEDULE "A"

FINAL DIP ORDER

[ATTACHED]

SCHEDULE "B"

WAGES AND BENEFITS ORDER

[ATTACHED]

SCHEDULE "C"

CASH MANAGEMENT ORDER

[ATTACHED]

SCHEDULE “D”

TAX ORDER

[ATTACHED]

SCHEDULE "E"

BIDDING PROCEDURES ORDER

[ATTACHED]

Court File No.: CV-24-00720567-00CL

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

AND IN THE MATTER OF RED LOBSTER MANAGEMENT LLC, RED LOBSTER HOSPITALITY LLC and RED LOBSTER CANADA, INC.

APPLICATION OF RED LOBSTER MANAGEMENT LLC 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

SECOND SUPPLEMENTAL ORDER

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Court File No.: CV-24-00720567-00CL

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

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

MOTION RECORD
(Second Supplemental Order)
Returnable June 18, 2024

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