Docket #0003 Date Filed: 8/31/2021

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: SEQUENTIAL BRANDS GROUP, INC., *et al.*,[1] Debtors.	Chapter 11 Case No. 21-11194 (JTD) (Joint Administration Requested)

DECLARATION OF LORRAINE DISANTO IN SUPPORT OF THE DEBTORS' CHAPTER 11 PETITIONS AND REQUESTS FOR FIRST DAY RELIEF

I, Lorraine DiSanto, hereby declare under penalty of perjury, pursuant to section 1746 of title 28 of the United States Code, as follows:

1. I am the Chief Financial Officer of Sequential Brands Group, Inc. ("Sequential"), a debtor and debtor in possession and the main holding company of the above-captioned debtors and debtors in possession (each, a "Debtor" and collectively, the "Debtors" or the "Company"). In this capacity, I am familiar with the Debtors' business, financial affairs, and day-to-day operations.

2. On the date hereof (the "Petition Date"), each of the Debtors filed a voluntary petition for relief (the "Petitions") under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code") with the United States Bankruptcy Court for the District of Delaware (the "Court").

[1] The Debtors, along with the last four digits of each Debtor's tax identification number, are: Sequential Brands Group, Inc. (2789), SQBG, Inc. (9546), Sequential Licensing, Inc. (7108), William Rast Licensing, LLC (4304), Heeling Sports Limited (0479), Brand Matter, LLC (1258), SBG FM, LLC (8013), Galaxy Brands LLC (9583), The Basketball Marketing Company, Inc. (7003), American Sporting Goods Corporation (1696), LNT Brands LLC (3923), Joe's Holdings LLC (3085), Gaiam Brand Holdco, LLC (1581), Gaiam Americas, Inc. (8894), SBG-Gaiam Holdings, LLC (8923), SBG Universe Brands, LLC (4322), and GBT Promotions LLC (7003). The Debtors' corporate headquarters and the mailing address for each Debtor is 1407 Broadway, 38th Floor, New York, NY 10018.

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3. I submit this declaration (this "First Day Declaration"), pursuant to Rule 1007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), to provide an overview of the Debtors' business and these chapter 11 cases (the "Chapter 11 Cases") and to support the Debtors' applications and motions for "first day" relief (collectively, the "First Day Motions"). Except as otherwise indicated herein, all facts set forth in this First Day Declaration are based upon my personal knowledge of the Debtors' operations and finances, information learned from my review of relevant documents, information supplied to me by other members of the Debtors' management and board of directors (the "Board of Directors"), and the Debtors' professional advisors, or my opinion based on my experience, knowledge, and information concerning the Debtors' operations and financial condition. To the extent that any information provided herein is materially inaccurate, we will act promptly to notify the Court and other parties; however, I believe all information herein to be true to the best of my knowledge. I am authorized to submit this First Day Declaration on behalf of the Debtors and, if called upon to testify, I could and would testify competently to the facts set forth herein.

4. In addition to providing the factual support for the First Day Motions, the primary purpose of this First Day Declaration is to familiarize the Court with the Debtors, the Chapter 11 Cases and the relief sought in the First Day Motions. This First Day Declaration is organized as follows:

- **Part I** provides an introduction and overview of the Chapter 11 Cases;
- **Part II** describes the Debtors' business operations;
- **Part III** describes the Debtors' corporate and capital structure;
- **Part IV** describes the events leading up to the commencement of the Chapter 11 Cases; and

- **Part V** sets forth my basis for testifying to the facts underlying and described in each of the First Day Motions.

5. The Debtors continue to operate their businesses and manage their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request for the appointment of a trustee or examiner has been made in these Chapter 11 Cases, and no committees have been appointed or designated. As set forth in Part VI, concurrently herewith, the Debtors have filed a motion seeking joint administration of the Chapter 11 Cases pursuant to Bankruptcy Rule 1015(b).

I. Introduction and Overview of the Chapter 11 Cases

6. The Debtors own, manage and license a large-scale and diversified portfolio of consumer brands across multiple sectors. The Debtors' business is to maximize the strategic value of their brands by promoting, marketing, and licensing these brands through various distribution channels, including to retailers, wholesalers and distributors in the United States and in certain international territories. The Company's core strategy (i.e., a focus on licensing its brands to operating partners) allows it to avoid inventory and other typical operational risks associated with the sale of consumer branded products.

7. As described in more detail below, in the fall of 2019, with revenue down compared to prior years, and with the Company receiving unsolicited inbound interest from third parties for the purchase of certain of its assets, the Company began to consider undertaking a broad strategic review focused on maximizing value. In early October 2019, the Company formally announced that it had initiated a review process and had engaged outside advisor Stifel, Nicolaus & Co., Inc. ("Stifel") to assist with performing this strategic review.

8. By November 2019, the Company determined to explore a sale of the Company's activewear division assets. The formal sale process, however, was launched in the first week of March 2020, just as the World Health Organization was declaring the outbreak of COVID-19 a global pandemic. In addition to affecting the Company from an operational standpoint, the COVID-19 pandemic partially disrupted the Company's ability to fully market its assets. Nevertheless, the Company continued to explore the sale of its assets, while also undertaking an evaluation of all of the Company's brands and the potential to engage in a variety of value-maximizing transactions. This included pursuing multiple business combination transactions and other value-maximizing alternatives.

9. By the fourth quarter of 2020, in light of a continuing decline in revenues, including related to disruption from the COVID-19 pandemic, the Company was close to breaching certain financial covenants under its second lien credit agreement, the Wilmington Credit Agreement (as defined below). In November 2020, the Company entered into a temporary waiver of certain events of default under the Wilmington Credit Agreement and, in conjunction therewith, relaunched a broad strategic alternatives process to best position the Company to maximize the value of its assets given the Company's financial position and its view that it would be unable to comply with the financial covenants under the Wilmington Credit Agreement in the next twelve months.

10. In late 2020 and early 2021, the Company, with assistance and advice from Stifel, engaged in a broad marketing process for the sale of the Company or the divestiture of one or more existing brands, while also evaluating all other potential transactions, including raising new debt and/or equity financing. As the Company worked through this marketing process with numerous parties, it continued to be in default of certain covenants under the Wilmington Credit Agreement

and, in April and June of 2021, defaulted under certain covenants under its first lien credit agreement, the BoA Credit Agreement (as defined and described in further detail below) necessitating that the Company enter into multiple waiver agreements.

11. Against the backdrop of operating under temporary waivers of events of default under both the Wilmington Credit Agreement and the BoA Credit Agreement (as described in more detail below), the Company continued to work to identify value-maximizing transactions, including the sale of assets, potential financing transactions, or other strategic alternatives that offered the Company the best path towards maximizing value for all of the Company's stakeholders. Indeed, as described in more detail below, the Company was able to consummate a number of value-maximizing brand sales over the months prior to the Petition Date that helped to pay down debt.

12. Ultimately, as described herein, the Company was able to enter into a number of transactions that help set the stage for these Chapter 11 Cases. More specifically, the Company has (i) entered into that certain restructuring support agreement ("RSA") with the lenders under the Wilmington Credit Agreement (the "Term B Lenders"), (ii) executed two stalking horse asset purchase agreements, subject to higher or otherwise better bids, and (iii) agreed on procedures for a public bidding and auction process that will allow the Company to sell all or substantially all of its assets and maximize the value of the Company's remaining assets. The RSA includes the Term B Lenders' support for each of the stalking horse bids and the public bidding and auction process, as well as a commitment for $150 million in debtor-in-possession financing (the "DIP Facility"), which will be used to refinance the debt under the BoA Credit Agreement and provide the funds necessary for the Debtors to finance these Chapter 11 Cases and consummate the sales contemplated under the RSA and the stalking horse bids. The Term B Lenders have also agreed

to support an orderly wind-down of the Debtors' estates. Following the execution of the RSA and the two stalking horse purchase agreements, the Debtors promptly commenced these Chapter 11 Cases.

II. The Debtors' Business and Operations

A. Overview of the Debtors' Business

13. The original Sequential Brands Group, Inc. ("Old Sequential") was incorporated under the laws of the State of Delaware in 1982 as People's Liberation, Inc. and changed its name to Sequential Brands Group, Inc. in 2012. Old Sequential's common stock began trading on the Nasdaq Capital Market under the ticker "SQBG" on September 24, 2013. The current Sequential was formed in June 2015 in connection with the acquisition of Martha Stewart Living Omnimedia, Inc. ("MSLO"), which resulted in Old Sequential and MSLO, becoming wholly-owned subsidiaries of Sequential.[2] Sequential succeeded to Old Sequential's listing on December 7, 2015.

14. On June 10, 2019, Sequential completed the sale of MSLO for $166 million in cash consideration, plus additional amounts in respect of pre-closing accounts receivable received after the closing, subject to certain adjustments, pursuant to an equity purchase agreement with Marquee Brands LLC entered into on April 16, 2019. In addition, the purchase agreement provided for an earnout of up to $40 million payable to Sequential if certain performance targets are achieved during the three calendar years ending December 31, 2020, December 31, 2021 and December 31, 2022. The performance targets were not met for the year ended December 31, 2020 and it is unclear if such targets will be met for 2021 and 2022.

15. As noted above, the Company owns a portfolio of consumer brands in the active and lifestyle categories. Sequential's brands are licensed for a broad range of product categories,

[2] MSLO and its subsidiaries were engaged in the business of promoting, marketing and licensing the Martha Stewart and the Emeril Lagasse brands through various distribution channels.

including apparel, footwear, fashion accessories and home goods. Sequential's business is designed to maximize the value of its brands through license agreements with partners that are responsible for manufacturing, selling, and distributing its licensed products.

16. Sequential licenses brands to both wholesale and direct-to-retail licensees. In a wholesale license, a wholesale supplier is granted rights (typically on an exclusive basis) to a single or small group of product categories for a particular brand for sale to multiple accounts within an approved channel of distribution and territory. In a direct-to-retail license, a single retailer is granted the right (also typically done on an exclusive basis) to sell branded products in a broad range of product categories through its brick and mortar stores and e-commerce sites.

B. Description of Brands

17. The Debtors' license agreements typically require a licensee to pay royalties based upon net sales and, in most cases, contain guaranteed minimum royalties (i.e., a minimum amount that must be paid regardless of sales, referred to as "GMRs"). Certain of the Debtors' license agreements also require licensees to support the brands by either paying or spending contractually guaranteed minimum amounts for the marketing and advertising of the respective licensed brands. As of August 10, 2021, Sequential had contractual rights to receive an aggregate of approximately $189 million in minimum royalty and marketing and advertising revenue from its licensees through the balance of the current terms of such licenses (which run through 2027), excluding any renewals. Sequential's brands include:

1) William Rast

18. The William Rast brand is a lifestyle fashion brand rounded in the iconography of biker culture with designs that embody the "new America" sensibility and deliver an edgy yet refined collection of apparel for both men and women. Product offerings include denim and

jewelry. Licensees for the William Rast brand include Omega Apparel for men's denim and Millennial Apparel Group for women's denim. Distribution is concentrated through off-price retailers.

2) **Joe's**

19. Sequential acquired the Joe's brand in 2015. Founded in 2001, Joe's is a premium denim and sportswear brand for men, women and kids. Concurrently with the acquisition, Sequential entered into a long-term license agreement for the brand's core categories with Centric Brands, Inc. ("Centric"). Joe's branded products are available at department stores and specialty boutiques in the United States and internationally and through Joes.com and related ecommerce sites.

3) **Jessica Simpson**

20. Sequential acquired a majority ownership interest in a joint venture entity that owns the Jessica Simpson brand in 2015. Founded in 2005, the Jessica Simpson Collection is a signature lifestyle brand. The brand offers multiple product categories including footwear, apparel, fragrance, fashion accessories, maternity apparel, girls' clothing and home products. The brand is supported by best-in-class licensees and has strong department store and online distribution through Dillard's, Macy's, Nordstrom, Zappos.com, and DSW, among other independent retailers. The joint venture has a license agreement with Camuto Group to manufacture and distribute footwear under the Jessica Simpson Collection.

4) **SPRI**

21. Sequential acquired the SPRI brand in July 2016 as part of the GAIAM transaction. Founded in 1983 as the Sports Performance Rehabilitative Institute, SPRI pioneered a line of rubber resistance products in the fitness & training category. Over the past 30 years, SPRI has

grown to offer a full line of fitness accessories, training tools and educational materials. The SPRI brand today focuses on distribution through the specialty sporting goods and mass market channels, as well as SPRI.com and related ecommerce sites. In addition, the brand sells through commercial fitness channels (gyms, fitness clubs, and hotels).

5) **GAIAM**

22. Sequential acquired the GAIAM brand in 2016. Founded in 1996 as an eco-living catalog company, GAIAM evolved into a yoga brand by producing and distributing yoga videos and related products through multiple channels of distribution. GAIAM has since expanded to include a full line of apparel, yoga mats, yoga mat bags, yoga blocks and straps, yoga and fitness props, balance balls, bags, active sitting products, including our balance ball chair, fitness kits and various other accessories. GAIAM is dedicated to making yoga, fitness and wellness accessible to all through a wide distribution network, including the mass market, department stores, specialty and sporting goods stores, grocery and drug stores as well as GAIAM.com and related ecommerce sites. Sequential currently licenses the GAIAM brand to various licensees, including Fit For Life LLC for yoga and wellness related hardgoods products, and High Life LLC for apparel.

6) **Avia**

23. Sequential acquired the Avia brand in 2014, which was founded in 1979 and is best known for running and activewear products designed to unite performance and function for athletes of every level. Since Sequential acquired Avia, it has expanded its licensed product categories to include wearable fitness accessories, hosiery, sports bags and various other accessory products. The Avia brand is primarily offered through Wal-Mart stores in the United States, with additional distribution through specialty retailers, off-price retailers, and related e-commerce sites as well as globally in numerous countries.

7) **AND1**

24. Sequential acquired the AND1 brand in 2014, which was founded in 1993 and prides itself on being the original street basketball brand focusing on the everyday player. Key licensees for the AND1 brand include Galaxy Active LLC ("Galaxy Active") for footwear and High Life, LLC for apparel. In addition, the AND1 brand is licensed in product categories such as basketballs and other accessories. The AND1 brand is offered through Wal-Mart stores, specialty footwear and sporting goods stores, off-price retailers, and AND1 related e-commerce sites in the United States and Canada as well as certain international territories.

C. Corporate Headquarters

25. During the fourth quarter of 2020, Sequential entered into lease termination agreements for three of its office spaces including its former corporate headquarters at 601 West 26th Street, New York, NY and sublease for this space. Sequential's existing office located at 1407 Broadway, 38th Floor, New York, NY is the current headquarters.

III. Organizational and Capital Structure

26. Sequential Brands Group, Inc. is a holding company, incorporated in Delaware, the principal asset of which is the capital stock of SQBG, Inc., a Delaware corporation that, along with its direct and indirect subsidiaries, operates the Debtors' businesses.

27. Sequential conducts its operations through a network of affiliated companies that own the various brands comprising its businesses. These companies are all directly or indirectly owned by Sequential Brands Group, Inc. A copy of the Sequential organizational chart (the "Organizational Chart") is attached as Exhibit A.

28. The chart below sets forth the Debtors' funded debt obligations as of the Petition Date:

Debt Obligation	Original Principal Amount	Approximate Principal Amount Outstanding as of Petition Date	Maturity	Security Status
Revolving Loan	$130 million	N/A	2023	Secured
First Lien Term Loan A	$150 million	$102.28 million	2023	Secured
First Lien Term Loan A-1	$70 million	$25.63 million	2023	Secured
Second Lien Term Loan	$314 million[3]	$298.50 million	2024	Secured

A. Bank of America Facility

29. Sequential and certain of its subsidiaries are party to that certain Third Amended and Restated First Lien Credit Agreement (the "BoA Credit Agreement"), dated as of July 1, 2016, with Bank of America, N.A., as administrative agent and collateral agent and the lenders (the "BoA Lenders") party thereto, which (as amended) consists of (i) Tranche A Term Loans (the "Tranche A Loans"), (ii) Tranche A-1 Term Loans (the "Tranche A-1 Loans" and, together with the Tranche A Loans, the "BoA Term Loans") and (iii) revolving credit commitments (the "Revolving Credit Commitments" and, the loans under the Revolving Credit Commitments, the "Revolving Loans"). On the Petition Date, the total amount outstanding under the BoA Credit Agreement was $127.91 million, including (i) $102.28 million of Tranche A Loans and (ii) $25.63 million of Tranche A-1 Loans.

30. On December 30, 2019, Sequential entered into that certain Third Amendment to the BoA Credit Agreement (the "Third BoA Amendment"). Pursuant to the Third BoA Amendment, the loans under the BoA Credit Agreement became subject to quarterly amortization payments of $2.5 million through September 30, 2020, $3.25 million through September 30, 2021 and $4 million for each fiscal quarter thereafter. The Third BoA Amendment also modified the calculation of Consolidated EBITDA (as defined in the agreement) and allowed certain netting of

[3] As of the First Amendment Effective Date (as defined in the Wilmington Credit Agreement). The original principal amount was $415,000,000.

cash for purposes of calculating the leverage ratio covenant. The Revolving Credit Commitments were also reduced to $80 million.

31. As described in more detail in Part V.B, on April 9, 2021, Sequential entered into a limited waiver to the BoA Credit Agreement (the "BoA Limited Waiver") which waived certain defaults and cross-defaults as described below. On July 2, 2021, Sequential entered into another waiver (the "LTV Waiver") to the BoA Credit Agreement, related to the LTV Default (as defined below). The LTV Waiver expires on August 31, 2021.

B. Wilmington Facility

32. Sequential and certain of its subsidiaries are party to that certain Third Amended and Restated First Lien Credit Agreement (the "Wilmington Credit Agreement"), dated as of July 1, 2016, with Wilmington Trust, National Association, as administrative agent and collateral agent and the lenders party thereto. On August 7, 2018, Sequential entered into that certain First Amendment to the Wilmington Credit Agreement and made an $88.55 million prepayment under the Wilmington Credit Agreement, reducing the aggregate outstanding principal amount to $314 million. On the Petition Date, the total amount outstanding under the Wilmington Credit Agreement was $298,467,625.

33. On June 10, 2019, in connection with Sequential's sale of MSLO, Sequential entered into that certain Second Amendment to the Wilmington Credit Agreement. On August 12, 2019, Sequential entered into that certain Third Amendment to the Wilmington Credit Agreement. Pursuant to the Third Amendment to the Wilmington Credit Agreement, no amortization of the loans under the Wilmington Credit Agreement was required through September 30, 2020, with quarterly amortization payments of $1.0 million commencing thereafter. The Third Amendment to the Wilmington Credit Agreement also provided for a consolidated excess cash flow payment

holiday through December 31, 2020, modified the calculation of Consolidated EBITDA, and allowed certain netting of cash for purposes of calculating the leverage ratio covenant. Sequential also agreed not to borrow more than $30 million in Revolving Loans under the BoA Credit Agreement.

34. On March 30, 2020, Sequential entered into that certain Fourth Amendment (the "Fourth Amendment") to the Wilmington Credit Agreement, which provides that after September 30, 2020, quarterly amortization payments would be $2.1 million, further modified the calculation of Consolidated EBITDA, and allowed certain netting of cash for purposes of calculating the leverage ratio covenant.

35. As described in more detail below in Part V.B, on November 16, 2020, Sequential entered into that certain Fifth Amendment (the "Fifth Amendment") to the Wilmington Credit Agreement, which modified certain covenants and provided a waiver of certain defaults (the "Wilmington Waiver") through December 31, 2020 as further described below. The Company received incremental extensions of the Wilmington Waiver in the first, second, and third quarters of 2021. The current extension of the Wilmington Waiver expires on August 31, 2021.

C. Trade Debt

36. As of the Petition Date, the Debtors estimate that their unsecured debt is between $1.2 million and $1.4 million.

D. Securities Related Litigation

37. On December 11, 2020, the Securities and Exchange Commission ("SEC") filed a lawsuit (the "SEC Action") against the Company in the U.S. District Court for the Southern District of New York titled *Securities and Exchange Commission v. Sequential Brands Group, Inc.* The SEC alleges that the Company negligently delayed its goodwill impairment in the fourth

quarter of 2016 and first three quarters of 2017 at a time when the SEC asserts there was evidence of likely impairment. The SEC also alleges there were related deficiencies in internal accounting controls. The SEC Action seeks injunctive relief and civil monetary penalties. In February 2021, the Company filed its motion to dismiss the complaint, which is fully briefed before the Honorable Judge Oetken of the Southern District of New York, and is currently pending.

38. On August 9, 2021, the SEC settled charges against the former CFO of Sequential for causing Sequential's reporting, books and records, and internal controls violations related to allegations that the Company failed to impair goodwill in a timely manner. Without admitting or denying the allegations, Klein agreed to cease and desist from committing or causing violations of any of these provisions and to pay a $20,000 penalty. The SEC did not charge Klein with negligently or otherwise misleading investors. The SEC's findings were made pursuant to Klein's Offer of Settlement and are not binding on any other person or entity, including the Company, in any proceeding.

39. On January 20, 2021, a shareholder derivative complaint, titled *Delmonico v. Shmidman, et al*., was filed in the U.S. District Court of Delaware. The case names the Company and certain of its current and former officers and directors as defendants. The complaint alleges breaches of fiduciary duties and violation of Section 14(a) of the Exchange Act. The allegations in the complaint are based principally on the allegations in the SEC Action and the Company's alleged failure to disclose such matters in its 2020 proxy statement. The plaintiff seeks, among other things, injunctive relief and damages.

40. On March 16, 2021, a class action lawsuit, titled *D'Arcy v. Sequential Brands Group Inc. et al*., was filed by a purchaser of the Company's securities, and prospectively on behalf of all other purchasers of the Company's publicly traded securities between November 3, 2016

and December 11, 2020, in the U.S. District Court for the Central District of California. The complaint names the Company and certain of its current and former officers and directors as defendants. The complaint alleges violations of Section 10(b) and 20(a) of the Exchange Act. The allegations in the complaint are based principally on the allegations in the SEC Action. The plaintiff seeks, among other things, class certification and damages. On August 20, 2021, the parties filed a stipulation to transfer the venue to the United States District Court for the Southern District of New York.

41. On June 16, 2021, a shareholder derivative complaint, titled *D'Arcy v. Shmidman, et al*., was filed in the U.S. District Court of Delaware. The case names the Company and certain of its current and former officers and directors as defendants. The complaint alleges breaches of fiduciary duties, unjust enrichment, abuse of control, gross mismanagement, corporate waste and violation of Section 14(a) of the Exchange Act and contribution under Sections 10(b) and 21D of the Exchange Act. The allegations in the complaint are based principally on the allegations in the SEC's complaint and the Company's alleged failure to disclose such matters in its 2020 proxy statement. The plaintiff seeks, among other things, injunctive relief and damages. On July 1, 2021, *D'Arcy v. Shmidman, et al.* was consolidated by stipulation with *Delmonico v. Shmidman, et al*., into a single action titled, *In re Sequential Brands Group, Inc. Derivative Litigation,* C.A. No. 21-c-60-CFC.

E. Equity

42. Sequential Brands Group, Inc. is the ultimate parent entity of each of the Debtors and their non-Debtor affiliates, and is a publicly traded company that trades on the NASDAQ under the symbol SQBG. Following the commencement of the Chapter 11 Cases, the Debtors anticipate NASDAQ will immediately commence customary delisting proceedings with respect to

Sequential's common stock. Once Sequential's common stock is delisted, Sequential intends to seek to deregister its common stock under the Securities Exchange Act.

43. On July 27, 2020, Sequential's previously announced 1 share-for-40 shares (1:40) reverse stock split (the "Reverse Stock Split") of its outstanding common stock, par value $0.01 per share became effective. The stated capital attributable to common stock on Sequential's consolidated balance sheet at December 31, 2019 was reduced proportionately to the Reverse Stock Split ratio, and the additional paid-in capital account was credited with the amount by which the stated capital is reduced. As of close of market on August 27, 2021, there were approximately 394 holders of record of Sequential's common stock and Sequential's market capitalization was approximately $18.5 million.

IV. Events Leading to the Chapter 11 Cases

A. Impact of Revenue Declines and the COVID-19 Pandemic

44. As noted above, the Company's revenues have been in decline since 2019. The Company's net revenue decreased by $25.7 million to $101.6 million for the year 2019, compared to $127.3 million for the prior year. The decrease was partially driven by licensee transitions, a licensee termination, lower contractual GMRs, and reduced wholesale sales year-over-year. This trend continued in 2020, as the Company's net revenue further decreased by $11.8 million to $89.8 million. While some of this decline was due to the economic impact of COVID-19, which caused supply chain disruptions for the Company's licensees as well as retail store closures, the Debtors' business faced additional challenges as detailed below.

45. The Company's licensing revenues are concentrated with a limited number of licensees and retail partners. During the year 2020, three licensees each represented at least 10% of net revenue, accounting for 19%, 18% and 15% of the Company's net revenue from continuing

operations. The Company's revenue and cash flows are, therefore, dependent on these key licensees, creating a risk that the Company could be materially and adversely affected if any of these parties were to have financial difficulties affecting their ability to make payments, elected not to renew or extend any existing license agreements or arrangements, or significantly reduced their sales of these licensed products under their license agreements.

46. In addition, the Debtors have sold the intellectual property underlying certain licenses according to their terms but have not generated sufficient revenue to replace them. Pursuant to some of the Debtors' license agreements, when a certain cumulative payment amount is met, the licensees may be entitled to purchase the underlying intellectual property for a nominal amount. Other licenses have various options for the licensee to acquire the brands when certain metrics are met. The Debtors' business model relies on being able to purchase additional licenses, brands and assets in order to replace certain licenses after the Debtors have sold the underlying intellectual property at the end of the licensed term. As a result of declining revenues, however, it has been challenging for the Debtors to acquire additional brands to replace the brands they have sold.

B. Prepetition Restructuring Efforts

47. The Company recognized the revenue challenges it was facing by the third quarter of 2019. Given these challenges, together with the Company's receipt of multiple unsolicited offers from third parties interested in acquiring certain of the Company's assets, the Company engaged Stifel on October 7, 2019 to perform a strategic alternatives business review, with a mandate that included, at the Company's determination, advice and assistance with the planning, execution, and closing of one or more sales. This specifically included exploring the unsolicited offers, as well as initiating and coordinating discussions with potential purchasers and/or

participating in the negotiation of possible transactions and advising the Company as to negotiating strategy and other matters in connection therewith.

48. Stifel began its evaluation of the Company and presented a strategic alternatives business review to the Board of Directors on October 28, 2019 as part of a regularly scheduled meeting. The Board of Directors subsequently decided, in November 2019, to begin preparing for a sale of the Company's Assets. From November 2019 to February 2020, Stifel and the Company worked to create marketing materials and a virtual data room for the marketing and sale of the Company's Assets.

49. In addition to preparing broad marketing materials in late 2019 and early 2020, Stifel and the Board of Directors entertained conversations with selected high-priority parties, prior to the launch of the formal process. This included three parties who showed a high degree of initial interest in certain material assets. These parties were each granted access to the virtual data room and conducted diligence on these brands but, ultimately, in light of the circumstances and the Company's desire to launch a broader marketing process, the Company did not pursue a transaction with any of these parties at that time.

50. The Company then launched a broader sale process in early March of 2020. This included a wide ranging marketing outreach, with 93 parties contacted, teaser marketing information shared, and approximately 30 parties entering NDAs to conduct further diligence or remain involved in the process. As noted above, however, this marketing process was occurring against the backdrop of the COVID-19 pandemic, which was further contributing to the Debtors' decline in performance. Consumer fear and recommendations and/or mandates from federal, state and local authorities to avoid large gatherings (or self-quarantine) severely affected retailers, including the Company's licensees who sell to these retailers. For the year 2020, the number of

retail stores that remained open was significantly reduced, and there was a marked change in consumer spending behavior. These changes led to a reduction in orders from retailers bearing the Company's brands. Unsurprisingly, this affected the Company's near-term and long-term revenues, earnings, liquidity and cash flows, including as a result of certain licensees requesting temporary relief or deferring making their scheduled payments.

51. Nevertheless, the Company and its advisors continued to market the Company's assets over the spring and summer of 2020 and, in addition, undertook multiple processes to identify and engage with potential strategic parties for a value-maximizing business combination transaction. This included significant engagement with a possible transaction counterparty over the course of early 2020, as well as the Company's submission of multiple non-binding letters of intent to purchase and/or combine with another significant industry party in the late summer and early fall of 2020. Despite the best efforts of the Company and its advisors, the engagement with strategic transaction counterparties did not ultimately result in the consummation of a business combination transaction.

52. Meanwhile, given the continual decline in historical revenue and the compounding effects of the COVID-19 pandemic, by the fourth quarter of 2020, the Company was in danger of breaching certain financial covenants in the Wilmington Credit Agreement. As a result, in November 2020, the Company entered into the Wilmington Waiver under the Wilmington Credit Agreement with the Term B Lenders.

53. The Wilmington Waiver provided for a waiver of certain specified events of default under the Wilmington Credit Agreement, including, relating to Sequential's (i) failure to deliver the audited financial statements for the fiscal quarter ended March 31, 2020, (ii) failure to deliver the Compliance Certificate for the Fiscal Quarter ended March 31, 2020, (iii) failure to deliver the

updated report of the royalty revenue summary by brand and related licensing detail with respect to material licenses for the fiscal quarter ended March 31, 2020, (iv) failure to deliver the fourth amendment fee to the agent, for the benefit of the lenders, and (v) cross-defaults related to similar defaults under the BoA Credit Agreement. The Company received incremental extensions of the Wilmington Waiver on December 31, 2020, January 31, 2021, February 21, 2021, March 10, 2021, March 31, 2021, April 19, 2021 (the "April 19 Waiver"), May 10, 2021, May 25, 2021, June 7, 2021, July 8, 2021, and August 10, 2021. The current extension of the Wilmington Waiver expires on August 31, 2021. The April 19 Waiver also included a waiver of events of default related to the delivery of year-end 2020 financial statement and the Going Concern Default (as defined below).

54. At the same time it entered into the Wilmington Waiver, the Company created the outline of a general sale process to sell all or substantially all of the Debtors' assets, with target dates for the Debtors to obtain indications of interest and final bids from potential purchases. In fact, during this time, the Company continued to receive interest and engagement from potential asset acquirers, including receiving two non-binding indications of interest in November of 2020.

55. In February 2021, the Company expanded the scope of the process to include Miller Buckfire & Co., LLC ("Miller Buckfire")[4] and to include services related to any financing or restructuring transaction, including, without limitation, identifying potential investors for any equity, equity-linked or debt securities, and any other financing opportunities. In conjunction therewith, the Company expanded Stifel's mandate to include general advice and assistance in structuring and effecting a sale transaction. The Debtors relaunched the broad strategic alternatives process as the effects of the COVID-19 pandemic began to subside in late 2020.

[4] Both Miller Buckfire and Stifel are wholly-owned subsidiaries of Stifel Financial Corp.

56. During this process, in late 2020 and early 2021, the Debtors' advisors contacted 168 parties with respect to a sale of some or all of the Debtors' assets, with over 135 parties receiving teasers, resulting in 47 parties entering into NDAs and receiving a full confidential information memorandum and process letter. At the same time, the Debtors' advisors were also seeking alternative strategic transactions, including engaging in discussions with certain strategic parties regarding mergers or other business combination transactions.

57. Additionally, to ensure that the Debtors were considering all potential opportunities, the Debtors' advisors also undertook a wide-ranging financing process, seeking to identify debt or equity-financed transactions that would sufficiently de-lever the Debtors' balance sheet and allow the Debtors to right-size their capital structure. In February 2021, the Debtors' advisors contacted 12 financial parties regarding potential transaction structures; seven of these parties executed NDAs and received materials. Specifically, the Debtors were looking to refinance the Term B Lenders, given that Debtors had been operating under the Wilmington Waiver since November 2020. Reception was limited overall; while all of the parties reviewed the opportunity in detail, the Debtors received only a proposal for an upsized first lien facility, with another party expressing tepid interest in a similar structure. Interest of these parties, as well as an additional institution, was resolicited in April, providing updated information, including 2020 financial results. None of the parties revised their interest or approach to the opportunity.

58. Given the rapidly changing financing markets as the world began to further emerge from the depths of the COVID-19 pandemic, the Debtors' advisors re-launched the financing process in late May 2021. The Debtors' advisors identified 34 potential financing parties, two of which were involved in the Company's other strategic process at the time and five of which could be potential co-investors in a financing, if one were to be proposed and led by another institution.

The Debtors' advisors contacted the remaining 27 parties that could potentially serve as a lead source of financing, resulting in the execution of eight additional NDAs. These eight parties, along with four parties from the prior financing process, received updated marketing materials, a multi-year financial forecast and access to a dataroom. Reception during this process remained limited and, ultimately, the Debtors received only one preliminary financing proposal, subject to diligence. The preliminary financing proposal did not offer sufficient financing to fully refinance the Term B Lenders. Because the preliminary financing proposal would not fully refinance the obligations under the Wilmington Credit Agreement, it would not sufficiently address the outstanding events of default thereunder. As the Term B Lenders would not consent to a partial repayment, this rendered the preliminary financing proposal non-actionable from the Company's perspective.

59. While the Debtors' advisors continued to undertake the marketing and financing processes and engage with all potential transaction counterparties, the Debtors' also began to develop more meaningful discussions with their key stakeholders, including, specifically, the Term B Lenders. The Debtors and the Term B Lenders participated in extensive arm's length negotiations surrounding the structure of potential solutions to the Debtors' capital structure, including through a sale of core assets in the Company's active division to a third party buyer.

60. On January 20, 2021, the Debtors received a letter of intent from Galaxy Universal LLC ("Galaxy Universal"), a subsidiary of Gainline Galaxy Holdings LLC ("Galaxy") for the purchase of the Company's active division brands and related assets (the "Active Division Assets"). The proposed purchase price was $270 million, which was to be paid in cash, and did not specify Galaxy's financing sources. Despite this letter of intent, the Debtors' advisors continued to engage with other parties related to a sale of the Debtors' assets, including structures that focused on a sale of (i) the Active Division Assets, (ii) all of the Debtors' Assets, and/or (iii)

various combinations of the Debtors' Assets. As such, the Debtors continued to pursue all viable options and engage with all potential parties to identify value-maximizing transactions.

61. After further negotiation with the Debtors' advisors, the cash purchase price in the Galaxy LOI increased to $310 million by January 29, 2021 but negotiations then stalled as the Debtors and their advisors worked to try to deliver more value for the Active Division Assets or the Company's assets as a whole. In March and April 2021, the Term B Lenders began to engage with the Debtors and Galaxy to develop a transaction structure by which the Term B Lenders would provide attractive financing to Galaxy in order to help increase the value of the transaction structure. Ultimately, with Term B Lender financing included in the proposal, the Galaxy purchase price for the Active Division Assets increased to $333 million. On April 28, 2021, the Debtors entered into a non-binding letter of intent (the "Galaxy LOI") with Galaxy Universal to purchase the Company's Active Division Assets for a purchase price of $333 million (subject to certain adjustments, including related to the purchase of certain related accounts receivable).[5]

62. Shortly thereafter, on May 7, 2021, the Debtors also entered into a non-binding letter of intent with a third party to purchase the Joe's Jeans and Caribbean Joe brands. However, on June 17, 2021, the Debtors allowed the exclusivity period in this third party's letter of intent to expire, as the Debtors' advisors determined that there were other parties desiring to engage in a potential purchase of these brands. Still, the Debtors continued conversations with this third party with the goal of maximizing the purchase price for these assets. Ultimately, on July 23, 2021, the Debtors entered into a non-binding letter of intent (the "Centric LOI") with Centric for the Joe's Jeans brand, for a total purchase price of at least $42 million (subject to certain adjustments), comprised of (i) $38.25 million payable upon closing of the transaction and (ii) for each of the five

[5] Galaxy, the parent entity of Galaxy Universal, is the signatory to the Galaxy APA (as defined below) and will serve as the Galaxy Stalking Horse Bidder (as defined below).

consecutive years following the closing of the transaction, an annual cash payment equal to 1.0% of Net Wholesale Sales[6] for the applicable year, subject to a minimum payment of $750,000 per year. As noted above, Centric is the current licensee for the Joe's Jeans brand.

63. As the Debtors were working to negotiate the letters of intent, on April 9, 2021, the Company entered into the BoA Limited Waiver (and a limited waiver to the Wilmington Credit Agreement) which waived defaults related to the Company's (i) failure to deliver audited financial statements for the fiscal year ended December 31, 2020, (ii) failure to deliver the certificate of its registered public accounting firm for the fiscal year ended December 31, 2020, (iii) failure to deliver a compliance certificate for the fiscal year ended December 31, 2020, and (iv) cross-defaults related to each of the foregoing. On April 15, 2021, the BoA Limited Waiver was modified to include a permanent waiver related to the inclusion of a going concern qualification in the audit opinion delivered by Sequential's independent registered public accounting firm with respect to the Company's annual audited financial statements for the year ended December 31, 2020 ("Going Concern Default"). After obtaining a waiver of the Going Concern Default, the Company filed its form 10-K for the year ended December 31, 2020. On May 25, 2021, Sequential entered into separate limited waivers under the BoA Credit Agreement (and the Wilmington Credit Agreement) related to the failure to (i) deliver financial statements for the fiscal quarter ended March 31, 2021, (ii) deliver the compliance certificate for the fiscal quarter ended March 31, 2021, and (iii) related cross-defaults.

64. As the Debtors and their advisors continued to engage with bidders for the assets and other transaction counterparties, on June 11, 2021, the Company became aware that, as a result

[6] "Net Wholesale Sales" has the meaning ascribed in the Joe's Jeans Sportswear and Jeanswear License between Sequential Brands Group, Inc. and Centric West LLC (as successor to GBG USA Inc.), dated as of September 1, 2015, as amended.

of an updated appraisal of the trademarks, trade names and certain other intellectual property, it was no longer in compliance with the loan to value ratio financial covenant ("LTV Covenant") set forth in the BoA Credit Agreement (the "LTV Default"). On June 17, 2021, the Company and the BoA Lenders agreed to a temporary waiver (the "June 17 Waiver") that extended the terms of the BoA waiver entered into on May 25, 2021 and also included a waiver of the LTV Default through June 23, 2021.

65. After further negotiations between Sequential and the BoA Lenders, Sequential ultimately entered into the LTV Waiver, which extended the terms of the June 17 Waiver and waived the LTV Default through August 10, 2021. Pursuant to the LTV Waiver, Sequential was required to, among other things, (i) apply cash on the balance sheet in excess of $11 million to pay down outstanding obligations under the BoA Credit Agreement on a weekly basis, (ii) deliver weekly cash flow forecasts to BoA, and (iii) pay a 1.0% waiver fee, unless the Term B Lenders have delivered a fully underwritten commitment (the "DIP Commitment") sufficient to repay the obligations under the BoA Credit Agreement in full in cash by August 10, 2021. The Term B Lenders provided the DIP Commitment by August 10, 2021, the 1.0% waiver fee was not required to be paid, and the LTV Waiver was subsequently extended to August 31, 2021.

66. The Debtors were ultimately in default, and operating under temporary waivers, under both the BoA Credit Agreement and the Wilmington Credit Agreement.[7] Additionally, the LTV Waiver was temporary, forcing the Debtors to conclude both the sale process and the financing process in order to choose a path and proceed expeditiously before the waiver period expired. Further, the terms of the LTV Waiver put pressure on the Debtors' liquidity and forced

[7] The Debtors were ultimately able to get back in compliance with the LTV Covenant prior to the Petition Date by using proceeds from certain of the Pre-Bankruptcy Sales to paydown obligations under the BoA Credit Agreement. Nevertheless, the Debtors continued to be in default under other provisions of both the BoA Credit Agreement and the Wilmington Credit Agreement.

the Term B Lenders to come to the table with a temporary financing solution to avoid additional cash leakage. As a result, the Debtors' liquidity profile became severely constrained and the Debtors filed these Chapter 11 Cases with only approximately $100,000 of cash on hand.

C. Pre-Bankruptcy Marketing and Sales

67. In addition to entry into the Galaxy LOI and the Centric LOI, as a result of a robust marketing process led by Stifel, the Company was able to reach an agreement and consummate the sale of certain brands prior to the Petition Date (collectively, the "Pre-Bankruptcy Sales"). Certain of the proceeds of the Pre-Bankruptcy Sales were used to paydown obligations under the BoA Credit Agreement.

68. On April 21, 2021, the Company entered into an asset purchase agreement between Heeling Sports Limited, a wholly-owned indirect subsidiary of Sequential, and BBC International LLC ("BBC International"), pursuant to which the Company sold BBC International the Heely's intangible assets for $11 million in cash consideration. The sale closed on April 21, 2021.

69. On July 19, 2021, Sequential entered into an asset purchase agreement with Elan Polo International, Inc. ("Elan Polo"), pursuant to which Sequential agreed to sell its 65% interest in the DVS brand to Elan Polo for $2.0 million in cash consideration. The sale closed on July 19, 2021.

70. On July 30, 2021, the Company entered into an asset purchase agreements between (i) Brand Matter, LLC ("Brand Matter"), a wholly-owned indirect subsidiary of Sequential, and Ellen Tracy Holdings, LLC ("ET Holdings") and (ii) Brand Matter and Caribbean Joe Holdings, LLC ("CJ Holdings" and, together with ET Holdings, "Capelli"), pursuant to which the Company sold Capelli the Ellen Tracy and Caribbean Joe brands for $17 million and $3 million in cash consideration, respectively. Both sales closed on July 30, 2021.

D. Restructuring Support Agreement

71. In order to file these Chapter 11 Cases with a clear path forward, the Debtors and their advisors finalized and entered into a restructuring support agreement ("RSA") with the Term B Lenders on August 31, 2021. In conjunction therewith, the Debtors entered into purchase agreements with Galaxy (the "Galaxy APA") and Centric (the "Centric APA"), respectively, to serve as stalking horse bidders.

72. The RSA establishes a clear and reasonable framework—with the necessary financing—for the Chapter 11 Cases, and provides that the Debtors will initiate a value-maximizing sale process for the sale of the Active Division Assets, the Joe's Jeans brand, and the Additional Assets which will provide third parties with the ability to provide higher and/or better bids, subject to the milestones in the RSA. The Debtors will ultimately sell all or substantially all of their assets to the stalking horse bidders or one or more third party purchaser(s) determined to have submitted the highest or otherwise best offer in accordance with the Bidding Procedures (as defined below). Further, the RSA includes an agreement for certain of the Term B Lenders to provide up to $150 million in debtor-in-possession financing ("DIP Facility") during the Chapter 11 Cases and the use of cash collateral to allow the Debtors to bridge through the sale process and provide the Debtors with the liquidity they need to successfully navigate the Chapter 11 Cases.

73. As noted above, (i) Galaxy will serve as stalking horse bidder (the "Galaxy Stalking Horse Bidder") for the Active Division Assets and (ii) Centric will serve as stalking horse bidder (the "Centric Stalking Horse Bidder") for the Joe's Jeans brand. Further, pursuant to the term sheet attached as Exhibit C to the RSA (the "Plan Term Sheet"), the Term B Lenders may credit bid for the Debtors' remaining brands (collectively, the "Additional Assets")—via a credit bid of their prepetition loans under the Wilmington Credit Agreements.

74. Despite the challenge and uncertainty created by the Debtors' declining revenue, the nature of the assets, and the COVID-19 crisis, the Debtors believe that the RSA, coupled with the asset sales thereunder, provides the best presently available opportunity to ensure value is maximized for the benefit of all stakeholders. In addition, the Debtors believe that the sale process contemplated by the RSA will ensure that there is adequate opportunity to determine if higher or otherwise better alternatives to the contemplated stalking horse bids are available.

75. Prior to the Petition Date, entry into the RSA was approved by the Board of Directors, which adopted resolutions to enter into the RSA. As described in detail above, this decision was made after the Company and its advisors exhaustively evaluated and pursued alternatives with other key stakeholders and third parties over a period dating back to 2019. Following the execution of the RSA, the Debtors promptly commenced these Chapter 11 Cases to expeditiously implement the value maximizing sales. Contemporaneous herewith, the Debtors have filed proposed bidding and sale procedures (the "Bidding Procedures") which provide flexibility for the Debtors to continue to market all of their assets during the Chapter 11 Cases, including the Active Division Assets, the Joe's Jeans brand, and the Additional Assets, in either individual lots (by brand and/or by division or any other combination) or as a collective whole.

76. The RSA provides for the following key milestones for the sale process:[8]

Event	Timeline
Deadline for entry of Bidding Procedures Order	23 calendar days following the Petition Date
Qualified Bid Deadline	55 calendar days following the Petition Date
Date of Auction	60 calendar days following the Petition Date
Deadline for entry of Sale Approval Order	65 calendar days following the Petition Date
Deadline to close Sale	75 calendar days following the Petition Date

[8] The Debtors are not seeking approval of the Bidding Procedures at the first day hearing.

E. Key Employees

77. The Debtors operate with a very lean employee base, employing a total of 19 employees. As the Company worked through its strategic process, it became clear that (i) the Company was going to be asking significantly more of its employees than it had required in the past and (ii) that the loss of any of its employees could significantly hamper the Company's ability to maximize value for all of its stakeholders. Accordingly, prior to the Petition Date, the Board of Directors conducted a comprehensive review of the Company's compensation program for certain key employees. After reviewing market data and benchmarking, on May 12, 2021, the Board of Directors approved certain incentives to be paid to 13 of its employees in order for the Debtors to ensure they could complete their value-maximizing sale process. Aggregate payments under this program included $3,156,110.

VII. Evidentiary Support for First Day Motions[9]

78. Concurrently with the filing of their chapter 11 petitions, the Debtors have filed certain First Day Motions seeking relief that the Debtors believe is necessary to enable them to operate in these Chapter 11 Cases with minimal disruption and loss of productivity. The Debtors respectfully request that the relief requested in each of the First Day Motions be granted because such relief is a critical element in stabilizing and facilitating the Debtors' operations during the pendency of the Chapter 11 Cases. I have reviewed each of the First Day Motions. All of the facts set forth in the First Day Motions are true and correct to the best of my knowledge and belief based upon (a) my personal knowledge of the Debtors' operations and finances, (b) information learned from my review of relevant documents, (c) information supplied to me by other members of the

[9] Capitalized terms used but not otherwise defined in this Section VII shall have the meanings ascribed to such terms in the applicable First Day Motion.

Debtors' management team and the Debtors' advisors, and/or (d) my opinion based upon my knowledge and experience or information I have reviewed concerning the Debtors' operations and financial condition. A summary of the relief requested in each First Day Motion and the facts supporting each First Day Motion is set forth below. The First Day Motions (each as described in more detail below) include:

78. *Debtors' Motion Seeking Entry of an Order (I) Directing Joint Administration of the Debtors' Chapter 11 Cases and (II) Granting Related Relief* (the "Joint Administration Motion");

79. *Debtors' Application for Appointment of Kurtzman Carson Consultants LLC as Claims and Noticing Agent Effective Nunc Pro Tunc to the Petition Date* (the "156(c) Application");

80. *Motion of Debtors for Interim and Final Orders (A) Authorizing Continued Use of Existing Cash Management System, Including Maintenance of Existing Bank Accounts, Checks and Business Forms; (B) Authorizing Continuation of Existing Deposit Practices; (C) Authorizing Continuation of Intercompany Transactions; (D) Granting Priority Status to Postpetition Intercompany Claims; (E) Authorizing the Debtors to Open and Close Bank Accounts and (F) Granting Related Relief* (the "Cash Management Motion");

81. *Debtors' Motion Seeking Entry of Interim and Final orders (I) Authorizing the Debtors to (A) Continue Employee Compensation and Benefits Programs and (B) Pay prepetition claims related Thereto and (II) granting related relief*(the "Employee Wage Motion");

82. *Debtors' Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Payment of Certain Prepetition and Postpetition Taxes and Fees and (II) Granting Related Relief* (the "Tax Motion"); and

83. *Debtors' Motion for Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral; (II) Granting Adequate to Prepetition Secured Parties; (III) Granting Liens and Superpriority Claims, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief* (the "DIP Motion").

A. Joint Administration Motion

79. In the Joint Administration Motion, the Debtors request entry of an order providing for the joint administration of the Chapter 11 Cases for procedural purposes only. Specifically,

the Debtors request that the Court direct procedural consolidation and joint administration of their related Chapter 11 Cases.

80. Given the integrated nature of the Debtors' operations, joint administration of the Chapter 11 Cases will provide significant administrative convenience without harming the substantive rights of any party in interest. Many of the motions, hearings, and orders in the Chapter 11 Cases will affect each and every Debtor entity. The entry of an Order directing joint administration of the Chapter 11 Cases will reduce fees and costs by avoiding duplicative filings and objections. Joint administration also will allow the Office of the United States Trustee ("U.S. Trustee") and all parties-in-interest to monitor the Chapter 11 Cases with greater ease and efficiency.

81. I believe that the relief requested in the Joint Administration Motion is in the best interests of the Debtors' estates, their creditors, and all other parties in interest. Accordingly, on behalf of the Debtors, I respectfully submit that the Joint Administration Motion should be approved.

B. The 156(c) Application

82. In the 156(c) Application, the Debtors seek entry of an order appointing Kurtzman Carson Consultants LLC ("KCC") as their Claims and Noticing Agent in the Chapter 11 Cases, including assuming full responsibility for the distribution of notices and the maintenance, processing, and docketing of proofs of claim filed in the Chapter 11 Cases. It is my understanding that the Debtors' selection of KCC to act as the Claims and Noticing Agent has satisfied this Court's protocol for the Employment of Claims and Noticing Agents under 28 U.S. C. § 156(c), in that the Debtors, with the assistance of their advisors, have obtained and reviewed engagement proposals from at least two other court-approved claims and noticing agents to ensure

selection through a competitive process. Moreover, I submit, based on all engagement proposals obtained and reviewed, that KCC's rates are competitive and reasonable given KCC's quality of services and expertise. Although the Debtors have not yet filed their schedules of assets and liabilities, they anticipate that there will be several hundreds to thousands of entities to be noticed. In view of the number of anticipated claimants and the complexity of the Debtors' businesses, the Debtors submit that the appointment of a claims and noticing agent is required by Local Rule 2002-1(f) and is otherwise in the best interests of both the Debtors' estates and their creditors.

C. The Cash Management Motion

83. In the Cash Management Motion, the Debtors request entry of an order (i) authorizing, but not directing, the Debtors to continue to maintain and use their existing cash management system, including maintenance of the Debtors' existing bank accounts, checks and business forms; (ii) authorizing, but not directing, the Debtors to continue their existing deposit practices; (iii) granting the Debtors a 30-day extension of the time by which they must comply with section 345(b) of the Bankruptcy Code, solely to the extent the U.S. Trustee wishes to review the Debtors' bank accounts to ensure compliance therewith; (iv) authorizing, but not directing, the Debtors to continue performing intercompany transactions; (v) granting priority status to intercompany claims arising from certain of those transactions; (vi) authorizing the Debtors to open and close bank accounts; and (g) granting related relief.

84. 8. In the ordinary course of business, the Debtors maintain a complex, centralized cash management system (the "Cash Management System"). The Cash Management System ensures the Debtors' ability to effectively and efficiently monitor and control their cash position and is managed by the Debtors' financial personnel. The Cash Management System benefits the Debtors' day-to-day operations by providing an ability to, among other things,

(i) quickly track, monitor and control corporate funds, (ii) ensure cash availability and prompt payment of corporate, employee, and vendor related expenses, (iii) reduce administrative costs by facilitating the efficient movement of funds and (iv) track intercompany cash. A diagram of the Cash Management System with account-specific information is attached to the Cash Management Motion as Exhibit C.

85. The Cash Management System has been employed by the Debtors for a number of years and constitutes an ordinary course, essential business practice. The Cash Management System is also a vital component of the Debtors' operations and beneficial to their estates and creditors because it enables the Debtors to (i) transfer funds in the most cost-effective manner, (ii) maintain accurate information regarding receipts, account balances and disbursements, and (iii) ensure compliance with the Company's comprehensive accounting and disbursement oversight procedures.

86. I believe that the relief requested in the Cash Management Motion is in the best interests of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in these Chapter 11 Cases with minimal disruption, thereby benefiting all parties in interest. Accordingly, for the reasons set forth herein and in the Cash Management Motion, on behalf of the Debtors, I respectfully submit that the relief requested in the Cash Management Motion should be granted.

D. The Employee Wage Motion

87. In the Employee Wage Motion, the Debtors request entry of an order authorizing, but not directing, the Debtors to (i) maintain, modify and discontinue their employee, contractor and director Compensation and Benefits in the ordinary course of business during these

chapter 11 cases without the need for further Court approval, and (ii) pay and honor prepetition claims related to the Compensation and Benefits Obligations in the ordinary course of business.

88. The majority of the Employees and Contractors rely on the Compensation and Benefits to satisfy their daily living expenses and, oftentimes, important healthcare needs, among other things. Consequently, the Workforce will be exposed to significant hardship and potentially negative health outcomes if the Debtors are not permitted to honor obligations for unpaid Compensation and Benefits. Additionally, continuing ordinary course benefits will help maintain Employee morale and minimize the adverse effect of the commencement of these chapter 11 cases on the Debtors' ongoing business operations.

89. Moreover, the Workforce provides the Debtors with services necessary to conduct the Debtors' business, and the Debtors believe that absent payment of the Compensation and Benefits Obligations, the Debtors may experience turnover and instability at this critical time. The Debtors believe that without these payments, the Workforce may become demoralized and unproductive because of the potential significant financial strain and other hardships these Employees and Contractors may face. Indeed, such Employees could elect to seek alternative employment opportunities. Additionally, a large portion of the value of the Debtors' business is integrally supported by their Workforce, which cannot be replaced without significant efforts—efforts that might not be successful given the overhang of these chapter 11 cases. Enterprise value, as well as the value of the Debtors' individual brands, may be materially impaired to the detriment of all stakeholders in such a scenario. The Debtors therefore believe that payment of the Compensation and Benefits Obligations is a necessary and critical element of the Debtors' efforts to maximize value for the benefit of all stakeholders.

90. The relief requested in the Employee Wage Motion is essential for the Debtors to be able to maintain employee morale and for the survival of the Debtors during the Chapter 11 Cases. Accordingly, I believe that the Debtors must be able to pursue all reasonable measures to retain the Employees by, among other things, continuing to pay the Compensation and Benefit Obligations.

91. Accordingly, for the reasons set forth herein and expanded on in the Employee Wage Motion, on behalf of the Debtors, I respectfully submit that the relief requested in the Employee Wage Motion is in the best interests of the Debtors' estates, their creditors, and all other parties in interest, and will enable the Debtors to continue to operate their businesses in the Chapter 11 Cases with minimal disruption, thereby maximizing value for the estates.

E. The Tax Motion

92. In the Tax Motion, the Debtors seek entry of an order authorizing, but not directing, the Debtors, to remit and pay Taxes and Fees without regard to whether such obligations accrued or arose before or after the Petition Date, including those obligations subsequently determined upon audit or otherwise to be owed for periods prior to the Petition Date.

93. In the ordinary course of business, the Debtors collect, incur, and pay franchise tax, excise tax, business and occupancy tax, commercial activities tax, personal and real property tax, income tax and commercial rent tax, along with various other taxes, fees, and assessments (collectively, the "Taxes and Fees"). The Debtors remit the Taxes and Fees to various federal, state, and local governments, including taxing authorities (collectively, the "Authorities").

94. The Debtors seek authority to pay all Taxes and Fees assessed by the Authorities with respect to the prepetition period, including those Taxes and Fees that (i) accrued prepetition but were not paid in full as of the Petition Date, or (ii) were incurred, in whole or in

part, with respect to the prepetition period but which will not come due until after the Petition Date. In addition, for the avoidance of doubt, the Debtors seek authority to pay Taxes and Fees accrued or incurred postpetition and Taxes and Fees for so-called "straddle" periods.

95. Any failure to pay the Taxes and Fees could materially disrupt the Debtors' business operations in several ways, including that: (i) the Authorities may attempt to suspend the Debtors' operations, file liens, seek to lift the automatic stay, and/or pursue other remedies that would harm the estates; (ii) certain of the Debtors' directors and officers could be subject to claims of personal liability, which would likely distract them from their duties related to the Debtors' restructuring; and (iii) failing to pay certain of the Taxes and Fees may result in penalties, the accrual of interest, or the Debtors losing their ability to conduct business in certain jurisdictions.

96. Accordingly, for the reasons set forth herein and in the Tax Motion, on behalf of the Debtors, I respectfully submit that the relief requested in the Tax Motion is in the best interest of the Debtors' estates and creditors because it will enable the Debtors to continue to operate their businesses while the Chapter 11 Cases are pending.

F. <u>The DIP Motion</u>

97. In the DIP Motion, the Debtors seek entry of an order, *inter alia*, (a) to obtain postpetition financing consisting of a $150 million loan, of which approximately $141 million will be available immediately upon entry of an interim order, (b) authorizing entry into the DIP Loan Documents, (c) authorizing the use proceeds of the DIP Facility and Cash Collateral in accordance with the Budget, (d) granting DIP Liens, (e) authorizing payment of principal, interest, premiums, fees, expenses, and other amounts payable under the DIP Loan Documents, (f) granting superpriority administrative expense claims, (g) approving the Adequate Protection Package, and (h) granting related relief.

98. The DIP Facility is fair and reasonable. Of note, proceeds of the DIP Facility will be used, among other things, to refinance all of the Prepetition BAML Obligations. This feature is critical, as the Prepetition BAML Lenders were unwilling to be primed by the DIP Facility. The economics of the DIP Facility are such that the refinancing is cost-neutral to the estates, (and may, in fact, provide savings to the Debtors' estate compared to a DIP Facility without a refinancing mechanism), and obviates the need for a value-destructive and time-consuming priming fight with the Prepetition BAML Lenders. In addition, the Prepetition Term B Lenders also are fully supportive of the DIP Facility, including the imposition of priming liens associated therewith. The DIP Loan Documents are the result of (i) the Debtors' reasonable judgment that the DIP Lenders provided the best (and only) postpetition financing alternative available under the circumstances and (b) extended arm's length, good-faith negotiations between the Debtors and the DIP Lenders.

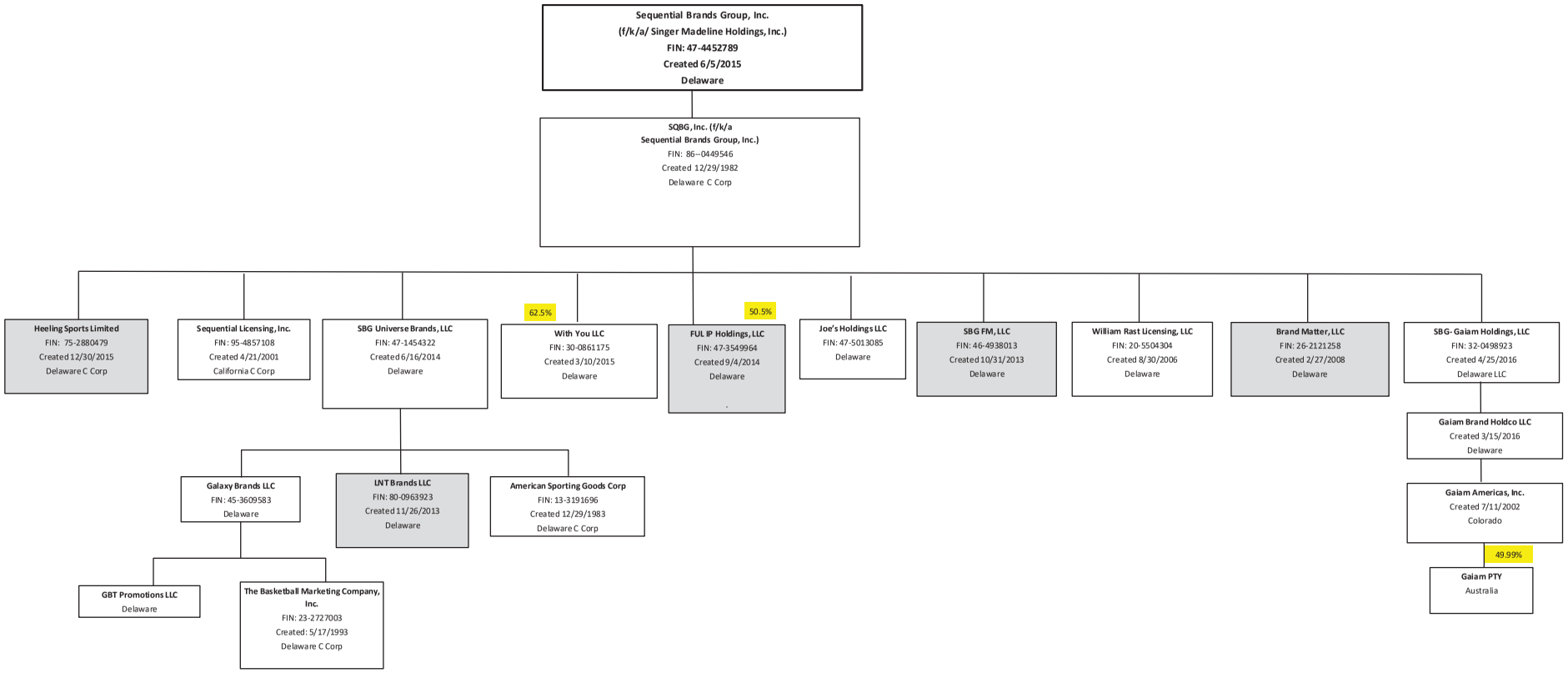
99. The DIP Facility will allow the Debtors to conduct the asset sales contemplated in the RSA and expeditiously pursue confirmation of a chapter 11 plan. The Debtors' ability to remain a viable operating entity until the time of its sale depends on obtaining the interim and final relief requested in the DIP Motion. As of the commencement of these Chapter 11 Cases, the Debtors will have only approximately $100,000 of cash on hand. Absent authority to enter into and access the proceeds of the DIP Facility, even for a limited period of time, the Debtors will be unable to continue operating their business, resulting in a deterioration of value and immediate and irreparable harm to the Debtors' estates. Thus, the Debtors require immediate access to the proceeds of the DIP Facility, as well as access to Cash Collateral, to finance their operations and continue operating as a going concern during the pendency of the Chapter 11 Cases.

Dated: August 31, 2021

/s/ Lorraine DiSanto
Lorraine DiSanto
Chief Financial Officer
Sequential Brands Group, Inc.

EXHIBIT A

Organizational Chart



All subsidiaries are wholly owned unless a percentage ownership is indicated in yellow.

Subsidiaries that are non-wholly owned are not Debtors

Assets of Entity Divested

EXHIBIT B

RSA

THIS RESTRUCTURING SUPPORT AGREEMENT IS NOT AN OFFER OR ACCEPTANCE WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE (AS DEFINED HEREIN). ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE, IF APPLICABLE. NOTHING CONTAINED IN THIS RESTRUCTURING SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE RSA EFFECTIVE DATE (AS DEFINED HEREIN), DEEMED BINDING ON ANY OF THE PARTIES HERETO ON THE TERMS DESCRIBED HEREIN.

RESTRUCTURING SUPPORT AGREEMENT

This RESTRUCTURING SUPPORT AGREEMENT is made and entered into as of August 31, 2021 (as amended, supplemented or otherwise modified in accordance with the terms herewith, this "**RSA**") by each of:

a. Sequential Brands Group, Inc. ("**Borrower**") and its direct and indirect subsidiaries signatory hereto, including each of the "Loan Parties" (as such term is defined in the Term B Credit Agreement (as defined below)) (collectively, the "**Company Parties**" or the "**Company**"); and

b. Wilmington Trust, National Association, as "**Agent**," and the "Lenders" under the Term B Credit Agreement (the "**Term B Lenders**"), and such Term B Lenders that are signatories hereto (the "**Consenting Lenders**", and the Consenting Lenders that represent "Required Lenders" under the Term B Credit Agreement, the "**Requisite Consenting Lenders**");

with respect to a restructuring of the Company's outstanding obligations under the Term B Credit Agreement, and with respect to other claims against and interests in the Company as contemplated by (i) that certain Asset Purchase Agreement, by and among the Borrower and Galaxy Universal LLC attached hereto as **Exhibit A** (the "**Galaxy APA**"), (ii) that certain Asset Purchase Agreement, by and among Joe's Holdings LLC and Centric Brands LLC attached hereto as **Exhibit B** (the "**Centric APA**," together with the Galaxy APA, the "**Asset Purchase Agreements**"), the Plan Term Sheet attached hereto as **Exhibit C** (the "**Plan Term Sheet**"), and the DIP Term Sheet attached hereto as **Exhibit D** (the "**DIP Term Sheet**"). The Asset Purchase Agreements and the DIP Term Sheet are expressly incorporated herein by reference and made a part of this RSA as if fully set forth herein. Any reference to this RSA herein shall also include the Asset Purchase Agreements, the Plan Term Sheet, and the DIP Term Sheet.

Each party to this RSA may be referred to as a "**Party**" and, collectively, as the "**Parties**."

RECITALS

WHEREAS, the Borrower, the "Guarantors" thereunder, the Term B Lenders and Wilmington Trust, National Association, as agent for the Term B Lenders, are party to that certain

Third Amended and Restated Credit Agreement dated as of July 1, 2016 (as amended, restated, supplemented or modified and in effect as of the date hereof, the "**Term B Credit Agreement**");[1]

WHEREAS, the Parties have engaged in arm's length, good faith discussions with respect to strategic alternative transactions and restructuring of the Company's capital and equity structure;

WHEREAS, as of the date hereof, the Consenting Lenders hold 100% of the Obligations outstanding under the Term B Credit Agreement (the claims with respect to such Obligations under the Term B Credit Agreement, the "**Term B Lender Claims**"); and

WHEREAS, the Parties have reached an agreement to implement, and consummate, the Restructuring (as defined herein) in the Chapter 11 Cases to be filed in the Bankruptcy Court on the terms and conditions set forth in this RSA.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the Parties to this RSA, intending to be legally bound hereby, agree as follows:

AGREEMENT

Section 1. **Support of the Restructuring and Definitive Documents.**

1.1 **Obligations of the Company Parties.**

Until the Termination Date (as defined herein), each Company Party agrees to:

(a) support and take all reasonable actions necessary to implement and consummate the Restructuring contemplated by this RSA and all of the transactions contemplated herein, and not withdraw its tender, support or direction unless otherwise permitted herein; provided, that none of the Company Parties shall be obligated to waive (to the extent waivable by such Company Party) any condition to the consummation of any part of the Restructuring set forth in this RSA or any of the supporting definitive documentation required to consummate the Restructuring, including, without limitation, the documentation set forth in the respective Asset Purchase Agreements, the Plan Term Sheet, and the DIP Term Sheet (such documentation including any amendments, supplements or modifications, the "**Definitive Documents**") in each case to be mutually reasonably acceptable in form and substance to the Requisite Consenting Lenders and the Company Parties;

(b) negotiate in good faith, execute, perform its obligations under, and consummate

[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Term B Credit Agreement.

the transactions contemplated by the Definitive Documents;

(c) use best efforts to obtain any and all required governmental, regulatory, permitting, licensing, Bankruptcy Court, or other material third-party approvals or consents, each as applicable and necessary for the Company Parties to implement and/or consummate the Restructuring;

(d) exercise any and all necessary and appropriate rights, negotiate in good faith, and execute and deliver any and all necessary and appropriate documentation, in furtherance of the Restructuring and the Definitive Documents;

(e) negotiate in good faith any appropriate additional or alternative provisions or agreements to address any legal, financial, or structural impediment that may arise that would prevent, hinder, impede, or delay, or that are necessary to effectuate the implementation and/or consummation of, the Restructuring;

(f) not take any action, make any filing or commence any action challenging the validity, enforceability, perfection or priority of or seeking avoidance of the liens securing the Term B Lender Claims;

(g) other than as permitted pursuant to the Bid Procedures Order and/or any Asset Purchase Agreement (as in effect on the date hereof), not, directly or indirectly, propose, support, solicit, encourage, or initiate, vote for, consent to, or participate in any offer or proposal from, or enter into any agreement with, any Person concerning any actual or proposed sale or alternative transaction other than the Restructuring (any such transaction, an "**Alternative Transaction**"); provided, that in the event any of the Company Parties receive an offer or proposal for an Alternative Transaction, such Company Party shall (x) be permitted to consider, and respond to, such proposal, including by providing access to non-public information concerning any Company Party or entering into confidentiality agreements or nondisclosure agreements with any Person in connection with such proposal, (y) except as set forth in the Bid Procedures Order and/or any Asset Purchase Agreement, reasonably provide a copy of any written offer or proposal, and/or notice of any oral offer or proposal, for such Alternative Transaction, which shall include the material terms thereof, to the Consenting Parties within two (2) business days of the receipt by the Company Party of such offer or proposal, and (z) except as set forth in the Bid Procedures Order and/or any Asset Sale, to the extent reasonably practicable, promptly provide such information to the Consenting Lenders regarding such proposed Alternative Transaction (including copies of any materials provided to such Company Party hereunder) as requested by the Consenting Lenders to keep the Consenting Lenders substantially contemporaneously informed as to the status and substance of such Alternative Transactions; provided, further, however, that this Section 1.1(g) shall not apply to any Alternative Transaction where (i) the board of directors, board of managers, or such similar governing body of any Company Party determines, after consulting with counsel in the exercise of its fiduciary duties to pursue an Alternative Transaction and (ii) the proposed recovery to the Consenting Lenders is higher or

otherwise better than the proposed recovery pursuant to the Restructuring;

(h) promptly notify the Consenting Parties of any breach of the Company's obligations, representations, warranties, or covenants herein that the Company Parties have actual knowledge of by furnishing written notice to the Consenting Parties within two (2) business days of obtaining knowledge of such breach;

(i) promptly notify the Consenting Lenders of any newly commenced or threatened litigations, investigations, or hearings involving or otherwise affecting the Company Parties;

(j) provide prompt written notice to the Consenting Parties between the date hereof and the Termination Date, and in no event later than two (2) business days, after (A) obtaining actual knowledge of the occurrence, or failure to occur, of any event, which occurrence or failure could cause any condition precedent contained in this RSA or any other Definitive Document not to be satisfied or become impossible to satisfy; or (B) receipt of any notice from any third party alleging that the consent of such party is or may be required in connection with the transactions contemplated by the Restructuring;

(k) confer with the Consenting Lenders and their counsel and advisors, as requested during normal business hours on reasonable advance notice to the Company Parties' representatives and without disruption to the operation of the Company Parties' business, to report on operational matters, ongoing operations and liquidity and any other matters pertaining to the Company;

(l) provide, and direct their employees, officers, advisors, counsel and other representatives to provide, the Consenting Lenders and their advisors with (i) reasonable access to the Company's books and records during normal business hours on reasonable advance notice to the Company Parties' representatives and without disruption to the operation of the Company Parties' business, (ii) reasonable access to the management of the Company and the Company's advisors during normal business hours on reasonable advance notice to such persons and without disruption to the operation of the Company Parties' business for the purposes of evaluating the Company's assets, liabilities, operations, businesses, finances, strategies, prospects, and affairs, and (iii) timely responses to diligence requests;

(m) other than changes in operations resulting from the Restructuring, conduct its business in the ordinary course in a manner that is consistent with past practices, and use commercially reasonable efforts to preserve intact their business organization, relationships with third parties (including lessors, licensors, suppliers, distributors, and customers), and employees (in each instance, subject to modifications and changes as agreed to in writing by the Requisite Consenting Lenders);

(n) not sell any assets, enter into any new contracts, or modify any existing contracts, in each case outside of the ordinary course of business, without the prior written consent (by email or otherwise) of the Requisite Consenting Lenders;

(o) maintain their good standing under the laws of the states in which they are incorporated or organized unless otherwise agreed in writing by the Requisite Consenting Lenders;

(p) not, directly or indirectly, take any actions, or fail to take any actions, where such taking or failing to take actions would be, (i) inconsistent with this RSA or the Definitive Documents or (ii) otherwise inconsistent with, or reasonably expected to prevent, interfere with, delay or impede the implementation and/or consummation of, the Restructuring;

(q) in connection with an in-court restructuring set forth in the Asset Purchase Agreements and supported by the Consenting Lenders (the "**Restructuring**"):

(i) meet the following Chapter 11 Case milestones (the "**Milestones**"), which Milestones may only be extended with the express prior written consent (by email or otherwise) of the Requisite Consenting Lenders:

(A) On or prior to the Petition Date, the Debtors shall have entered into the Asset Purchase Agreements (in form and substance satisfactory to the Requisite Consenting Lenders) with each of the respective stalking horse purchaser(s);

(B) The Petition Date shall have occurred on or before August 31, 2021;

(C) No later than one (1) calendar day after the Petition Date, the Debtors shall file a motion to approve the Debtors' consensual use of cash collateral and debtor-in-possession financing facility pursuant to the terms set forth in the DIP Term Sheet (the "**DIP Facility**"), consistent with the terms of this RSA and the Definitive Documents;

(D) No later than one (1) business day after the Petition Date, the Debtors shall file a motion (the "**Sale Motion**"), in form and substance reasonably acceptable to the Requisite Consenting Lenders, requesting (x) an order from the Bankruptcy Court (the "**Bid Procedures Order**") (i) approving the proposed bid procedures (the "**Bid Procedures**") attached to the Sale Motion related to the sale of assets pursuant to the Asset Purchase Agreements, and (ii) authorizing the Debtors to provide the stalking horse purchaser(s) with the bid protections set forth in the applicable Asset Purchase Agreements, and (y) an order or orders from the Bankruptcy

Court (each, a "**Sale Order**") approving the sale of the assets of the Debtors to the stalking horse purchaser(s) or such other higher or better bidder(s) determined in accordance with the Bid Procedures (the "**Sale(s)**");

(E) No later than three (3) business days after the Petition Date, the Bankruptcy Court shall have entered an order authorizing the Debtors' use of cash collateral or the New Money DIP Loans (as defined in the DIP Term Sheet) on an interim basis (such order to be in form and substance acceptable to the Requisite Consenting Lenders, the "**Interim Order**");

(F) No later than twenty-three (23) calendar days after the Petition Date, the Bankruptcy Court shall have entered the Bid Procedures Order;

(G) No later than twenty-three (23) calendar days after the Petition Date, the Bankruptcy Court shall have entered an order approving the Debtors' use of cash collateral and DIP Facility on a final basis pursuant to a final order in form and substance acceptable to the Requisite Consenting Lenders (the "**Final DIP Order**", together with the Interim Order, the "**DIP Orders**");

(H) The Debtors shall establish a date that is no later than fifty-five (55) calendar days after the Petition Date as the deadline for the submission of binding bids with respect to each of the Sale(s);

(I) No later than sixty (60) calendar days after the Petition Date, the Debtors shall complete an auction (the "**Auction**") for substantially all of its assets, in accordance with the Bid Procedures; provided that if there is no higher or better offer submitted in comparison to the stalking horse bid(s), no auction shall be held;

(J) No later than sixty-five (65) calendar days after the Petition Date, the Bankruptcy Court shall have entered one or more Sale Order(s) approving each of the winning bid(s) resulting from the auction which any such order shall be in form and substance acceptable to the Requisite Consenting Lenders;

(K) Approval of the Sale(s), including consummation of the transactions contemplated thereby, shall occur no later than the date that is seventy-five (75) calendar days after the Petition Date (the "**Outside Date**");

(L) No later than 100 days after the Petition Date, the

Bankruptcy Court shall have entered an order approving the disclosure statement and approving voting and solicitation procedures with respect to the Liquidating Plan (as defined in the Plan Term Sheet), in form and substance satisfactory to the Requisite Consenting Lenders;

(M) No later than 145 days after the Petition Date, the Bankruptcy Court shall have entered an order confirming the Liquidating Plan (the "**Confirmation Order**"), which confirmation order shall be in form and substance satisfactory to the Requisite Consenting Lenders; and

(N) No later than 14 days after entry of the Confirmation Order, the Liquidating Plan Effective Date (as defined in the Plan Term Sheet) shall have occurred (the "**Effective Date**").

provided that, if the date to complete the Auction is modified, the dates in Section 1.1(q)(i)(L)-(N) shall be modified by the same number of days as such modification to the date to complete the Auction.

(ii) unless otherwise provided herein, provide the Consenting Lenders and their advisors (a) draft copies of all (I) first day motions or applications and corresponding proposed orders and other documents that the Company intends to file with the Bankruptcy Court on the Petition Date, (II) motions, applications and corresponding proposed orders and documents relating to the DIP Facility and exit financing, (III) the Sale and Bidding Procedures Motion, and corresponding motions, applications and proposed orders seeking approval of the same, in each case, relating to the transactions contemplated pursuant to the Galaxy APA and the Centric APA, and (IV) the Liquidating Plan, accompanying disclosure statement, confirmation order, and corresponding pleadings; and (b) draft copies of all other material motions and applications and corresponding proposed orders that the Company intends to file with the Bankruptcy Court after the Petition Date, subject to the limitations set forth in the Bid Procedures, including with respect to any Consenting Lender acting as a prospective, potential, or qualified bidder thereunder, in the case of the foregoing (a) at least five (5) calendar days prior to the date on which the Company intends to file such pleading, and in the case of the foregoing (b) at least two (2) business days prior to the date on which the Company intends to file such pleading; provided, that if delivery of such motions, applications and proposed orders set forth in clause (b) two (2) business days in advance of filing is not reasonably practicable, such motions, applications and proposed orders shall be delivered as soon as reasonably practical prior to filing; provided, further, that (x) the final filing version of any such pleading and/or

corresponding order, as applicable, shall be in form and substance reasonably acceptable to the Requisite Consenting Lenders and the Company Parties, and (y) the Company Parties shall not be required to file any pleading or other document unless such pleading or other document is consistent with this RSA;

(iii) file and prosecute a formal objection to any motion filed with the Bankruptcy Court by a party-in-interest seeking the entry of an order (a) directing the appointment of a trustee or examiner (with expanded powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code), (b) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code, or (c) dismissing any of the Chapter 11 Cases;

(iv) promptly following the request of the Required Consenting Lenders, use reasonable good faith efforts to cause this Agreement to be assumed in the Chapter 11 Cases pursuant to section 365(a) of the Bankruptcy Code; and

(v) file and prosecute a formal objection to any motion filed with the Bankruptcy Court by a party-in-interest seeking the entry of an order modifying or terminating the Company's exclusive right to file, or solicit votes on, a chapter 11 plan, as applicable.

Each of the Milestones may be extended upon the mutual written consent of the Requisite Consenting Lenders and the Company Parties; provided, however, that it is the Parties' intention that the Milestones set forth herein are the same as the corresponding milestones set forth in the Bid Procedures Order, the DIP Facility, and the DIP Orders and if any milestone is modified and/or extended pursuant to the Bid Procedures Order, the DIP Facility, and/or a DIP Order, the corresponding Milestone set forth in this RSA shall be deemed modified and/or extended to the same date and on the same basis as such milestone in the Bid Procedures Order, the DIP Facility and/or applicable DIP Order.

1.2 **Obligations of the Agent and Consenting Lenders**

Until the Termination Date, each of the Consenting Lenders and Agent, severally and not jointly, hereby agrees to (or, as applicable, that):

(a) support, not object to, and take all reasonable actions necessary to implement and consummate the Restructuring contemplated by this RSA and all of the transactions contemplated herein, and not withdraw its tender, support or direction other than in accordance with the terms of this RSA, provided, that none of the Consenting Lenders shall be obligated to waive (to the extent waivable by such Consenting Lender) any condition to the consummation of any part of the Restructuring set forth in this RSA or any of the Definitive Documents;

(b) negotiate in good faith, execute, perform its obligations under, and consummate

the transactions contemplated by the Definitive Documents, which shall be in form and substance mutually reasonably acceptable to the Requisite Consenting Lenders and the Company Parties;

(c) use commercially reasonable efforts to obtain any and all required governmental, regulatory, licensing, Bankruptcy Court, or other material third-party approvals, each as applicable and necessary for such Consenting Lender to implement and/or consummate the Restructuring;

(d) exercise any and all necessary and appropriate rights, negotiate in good faith, and execute and deliver any and all necessary and appropriate documentation, including any direction letters, in furtherance of the Restructuring and the Definitive Documents;

(e) consent to those actions contemplated by this RSA or otherwise required to be taken to effectuate the Restructuring, including entering into all documents and agreements reasonably necessary to consummate the Restructuring, which shall be in form and substance mutually reasonably acceptable to the Requisite Consenting Lenders and the Company Parties in all respects;

(f) in connection with the Restructuring,

(i) not directly or indirectly object to, delay, impede, or take any other action to interfere with, delay, or postpone acceptance, confirmation, or implementation of the Restructuring;

(ii) (A) support and, as applicable, take all reasonable actions necessary to implement and consummate the DIP Facility, which shall be in form and substance acceptable to the Requisite Consenting Lenders in all respects, and (B) provide the DIP Facility on the terms set forth in this RSA and the Definitive Documents, subject to satisfaction of the applicable conditions precedent set forth herein and therein;

(iii) subject to receipt of a disclosure statement, vote in favor of the Liquidating Plan and opt into, or not opt out of, as applicable, any pertinent third-party releases under the Liquidating Plan and, subject to any applicable fiduciary obligations, take all actions reasonably requested by the Debtors to support the Bankruptcy Court's approval of all releases under the Liquidating Plan, including debtor releases, third-party releases and the exculpations provided in the Liquidating Plan;

(g) negotiate in good faith any appropriate additional or alternative provisions or agreements to address any legal, financial, or structural impediment that may arise that would prevent, hinder, impede, or delay, or that are necessary to effectuate the implementation and/or consummation of, the Restructuring; provided, that the Restructuring shall be subject to the Definitive Documents; provided further that

Consenting Lenders shall not be obligated to agree to any modification of any Definitive Document that is unacceptable to the Requisite Consenting Lenders;

(h) not directly or indirectly impede, hinder, object to, delay, or commence any proceeding to oppose, enjoin or to seek any modification of the Restructuring or any of the Definitive Documents nor support directly or indirectly any party seeking to impede, hinder, object to, delay or commence any such proceeding or otherwise take any actions, directly or indirectly, inconsistent with this RSA or the Definitive Documents;

(i) not initiate, or have initiated on its behalf, any litigation or proceeding of any kind with respect to the Chapter 11 Cases, this Agreement, or the Restructuring contemplated herein against the Company Parties or the other Parties other than to enforce this Agreement or any Definitive Document;

(j) use commercially reasonable efforts to cooperate with and assist the Company Parties in obtaining additional support for the Restructuring from the Company Parties' other creditors and interest holders;

(k) support and take all commercially reasonable actions reasonably requested by the Company to facilitate the implementation and consummation of the Restructuring;

(l) promptly notify the other Parties of any breach of such Consenting Lender's obligations, representations, warranties, or covenants herein that such Consenting Lender has actual knowledge of by furnishing written notice to the other Parties within two (2) business days of obtaining knowledge of such breach;

(m) not direct the Agent, or any other administrative agent or collateral agent to take any action inconsistent with such Consenting Lender's obligations under this RSA, and, if any applicable administrative agent or collateral agent takes any action inconsistent with such Consenting Lender's obligations under this RSA, use commercially reasonable efforts to direct such administrative agent or collateral agent to cease and refrain from taking any such action;

(n) provide prompt written notice to the other Parties between the date hereof and the Termination Date, and in no event later than two (2) business days, after (A) obtaining actual knowledge of the occurrence, or failure to occur, of any event, which occurrence or failure could cause any condition precedent contained in this RSA or any other Definitive Document not to be satisfied or become impossible to satisfy; or (B) receipt of any notice from any third party alleging that the consent of such party is or may be required in connection with the transactions contemplated by the Restructuring;

(o) not, directly or indirectly, take any actions, or fail to take any actions, where such taking or failing to take actions would be, in either case, (i) inconsistent with this RSA or the Definitive Documents or (ii) otherwise inconsistent with, or reasonably expected to prevent, interfere with, delay or impede the implementation or consummation of, the Restructuring;

(p) subject to Section 1.1(g) and other than as set forth in the Bid Procedures, not, directly or indirectly, propose, support, solicit, encourage, or initiate, vote for, consent to, or participate in any offer or proposal from, or enter into any agreement with, any Person concerning an Alternative Transaction; and

(q) comply with, and not terminate except as permitted thereunder, the terms of the Limited Waiver and Consent to Credit Agreement, dated as of August 10, 2021 (the "**Limited Waiver**").

Section 2. **Termination Events.**

2.1 **Consenting Lender Termination Events.**

This RSA may be terminated five (5) business days after delivery of a notice by the Requisite Consenting Lenders to the other Parties upon the occurrence and continuation of any of the following (each, a "**Consenting Lender Termination Event**"), each of which may be waived, extended or modified at the sole written discretion of the Requisite Consenting Lenders:

(a) the Company Parties fail to meet any Milestone that has not been waived or extended by the Requisite Consenting Lenders, unless such failure is the result of any act, omission, or delay on the part of any Consenting Lender in violation of its obligations under this RSA;

(b) the commencement of any action or filing by any Company Party challenging the amount, validity, enforceability, perfection or priority of or seeking avoidance of the liens securing the Term B Lender Claims;

(c) any court of competent jurisdiction, including the Bankruptcy Court, or other competent governmental or regulatory authority (i) issues an order making illegal or otherwise preventing or prohibiting the consummation of the Restructuring contemplated in this RSA or (ii) refuses to enter an order required by the corresponding Milestone date and such order has not been reversed, stayed, or vacated within five (5) business days after entry of such order;

(d) any Company Party directly or indirectly seeks, solicits, proposes or supports an Alternative Transaction (other than as permitted pursuant and subject to Section 1.1(g) of this RSA), announces or indicates publicly its intention to pursue an Alternative Transaction or withdraws or announces publicly its intention not to support the Restructuring (any such action an "**Alternative Transaction Action**"), unless such Alternative Transaction is on terms and conditions reasonably acceptable to the Requisite Consenting Lenders;

(e) the occurrence of any material breach by any Company Party of any of the undertakings, obligations, representations, warranties or covenants of any such Party set forth in this RSA, in each case (other than with respect to the Milestones), which breach remains uncured for a period of three (3) business days after written notice of such breach is provided by the Consenting Lenders to the Company Parties, unless such breach is the result of any act, omission, or delay on the part of

any Consenting Lender in violation of its obligations under this RSA (a "**RSA Breach**");

(f) any court of competent jurisdiction, including the Bankruptcy Court, enters an order invalidating or disallowing, recharacterizing, subordinating or limiting the enforceability, priority, or validity of any of the Term B Lender Claims;

(g) the Company shall (i) voluntarily commence any proceeding or file any petition seeking relief under the Bankruptcy Code or other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief under state law, that is contrary to the terms set forth in this RSA; (ii) consent to the institution of, or fail to contest, any proceeding described in clause (a) above, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator, liquidator, rehabilitator or similar official for the Company or for a substantial part of the property of the Company, or (iv) make a general assignment for the benefit of creditors;

(h) an involuntary insolvency proceeding shall be commenced or an involuntary petition shall be filed in a court of competent jurisdiction seeking (i) relief in respect of the Company or of a substantial part of the property of the Company under the Bankruptcy Code, or any other federal, state or foreign bankruptcy, insolvency, receivership or similar legal requirement, (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator, liquidator, rehabilitator or similar official for the Company or for a substantial part of the property of the Company, or (iii) the winding-up or liquidation of the Company; and such proceeding or petition shall continue undismissed for sixty (60) calendar days or an order approving or ordering any of the foregoing shall be entered; and

(i) in connection with the Restructuring,

(i) the dismissal of one or more of the Chapter 11 Cases without the prior written consent (by email or otherwise) of the Requisite Consenting Lenders;

(ii) the filing of any pleading by the Debtors in the Chapter 11 Cases that is materially inconsistent with this RSA over the express written objection (which objection shall be provided prior to the filing of such pleading by the Debtors) of the Requisite Consenting Lenders, and such breach remains uncured for a period of three (3) business days after written notice of such breach is provided to the other Parties;

(iii) the appointment of (a) an examiner with expanded powers beyond those set forth in Section 1106(a)(3) and (4) of the Bankruptcy Code, or (b) a trustee pursuant to Section 1104(a) of the Bankruptcy Code in one or more of the Chapter 11 Cases;

(iv) any Event of Default (as defined in the DIP Facility) that is not cured or waived, as applicable, under the DIP Facility pursuant to the terms thereunder, or the giving of notice by the administrative agent under the DIP Facility to the Company of termination of commitments or acceleration thereunder;

(v) the Bankruptcy Court enters an order terminating the Company's exclusive right to file and/or solicit acceptance of a plan; and

(vi) the Bankruptcy Court or a court of competent jurisdiction enters an order either converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code or dismissing the Chapter 11 Cases.

2.2 **Company Termination Events.**

This RSA may be terminated by the Company Parties by notice to the Consenting Parties upon the occurrence and continuation of any of the following (each, a "**Company Termination Event**" and, collectively with any Consenting Lender Termination Event, a "**Termination Event**"):

(a) the occurrence of any material breach by any of the other Parties of any of the undertakings, obligations, representations, warranties or covenants of any such Party set forth in this RSA unless such breach is the result of any act, omission or delay by the Company Parties in violation of their respective obligations under this RSA; provided, that counsel to the Company Parties, shall have given written notice to the other Parties of the intent of the Company Parties to terminate this RSA (which notice shall include the purported breach under this RSA), and the breach giving rise to the right to so terminate this RSA shall not have been cured within five (5) business days following receipt of such notice to the extent such breach is curable;

(b) the board of directors, board of managers, or such similar governing body of any Company Party determines, after consulting with counsel, (i) that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties or applicable Law or (ii) in the exercise of its fiduciary duties, to pursue an Alternative Transaction;

(c) any court of competent jurisdiction, including the Bankruptcy Court, or other competent governmental or regulatory authority issues an order making illegal or otherwise preventing or prohibiting the consummation of the Restructuring contemplated in this RSA or any of the Definitive Documents and such order has not been reversed, stayed, or vacated within five (5) business days after entry of such order;

(d) the amendment of this RSA in violation of the terms hereof without the express written consent of the Company Parties;

(e) the Consenting Lenders fail to own at least 66.67% in aggregate principal amount outstanding of the Term B Lender Claims;

(f) the Bankruptcy Court enters an order denying any of the transactions embodied in the Asset Purchase Agreements and such order remains in effect for seven (7) Business Days after entry of such order;

(g) any Sale Order or the Bid Procedures Order is reversed or vacated; or

(h) any court of competent jurisdiction has entered a final, nonappealable judgment or order declaring this Agreement to be unenforceable.

2.3 **Mutual Termination.**

This RSA may be terminated effective upon a mutual written agreement of the Company Parties and the Consenting Lenders to terminate this RSA.

2.4 **Automatic Termination Events.**

This RSA shall terminate automatically without any further required action or notice upon the occurrence of the Effective Date.

2.5 **Termination Event Procedures.**

(a) Except as otherwise provided herein, upon the valid termination of this RSA pursuant to a Consenting Lender Termination Event or a Company Termination Event, the termination of this RSA shall (unless stated otherwise herein) be effective at 11:59 p.m. (ET) as to all Parties on the date of (i) delivery of written notice to the other Parties by the Party seeking to terminate this RSA or (ii) the date upon which any grace or notice period set forth in the applicable Termination Event expires (the "**Termination Date**").

(b) On the Termination Date, this RSA shall forthwith become void and of no further force or effect, each Company Party and Consenting Lender shall be released from its commitments, undertakings and agreements under or related to this RSA, and there shall be no liability or obligation on the part of each Company Party and Consenting Lender; provided, that in no event shall any such termination relieve a Party hereto from liability for its breach or non-performance of its obligations hereunder prior to the date of such termination, notwithstanding any termination of this RSA by any other Party; provided, further, that notwithstanding anything to the contrary herein, any Termination Event may be waived in accordance with the procedures established by Section 8.13 hereof, in which case the Termination Event so waived shall be deemed not to have occurred, this RSA shall be deemed to continue in full force and effect, and the rights and obligations of the Parties hereto shall be restored, subject to any modification set forth in such waiver.

2.6 **Automatic Stay**

In connection with the Restructuring, each Party acknowledges and agrees that after the commencement of the Chapter 11 Cases, the giving of notice of default or termination by any Party pursuant to the terms of this RSA shall not be a violation of the automatic stay under section 362 of the Bankruptcy Code and the Company shall not take any action inconsistent with such acknowledgement and agreement; provided, that nothing herein shall prejudice any Party's right to argue that the giving of notice of default or termination was not proper under the terms of this RSA.

2.7 **Limitation on Termination.**

No occurrence shall constitute a Termination Event if such occurrence is the result of the action or omission of the Party seeking to terminate this RSA.

Section 3. **The Company's Fiduciary Obligations.**

Notwithstanding anything to the contrary herein: (i) the Company Parties and each of their respective board of directors, board of managers, officers, members or other governing body (as applicable) thereof shall be permitted to take (or permitted to refrain from taking) any action with respect to the Restructuring (including, after the Petition Date, in the Company Parties' capacity as Debtors) to the extent such governing body determines, in good faith and based upon consultation with external counsel, that taking such action, or refraining from taking such action, as applicable, is required to comply with its fiduciary duties or applicable law and (ii) the officers and employees of the respective Company Party shall not be required to take any actions that, upon consultation with counsel are inconsistent with their fiduciary duties. No action or inaction by the Company Parties pursuant to this Section 3 shall prevent any other Party from taking any action they are permitted to take as a result of such action or inaction, including terminating their obligations hereunder.

Nothing in this Agreement shall (i) impair or waive the rights of any Company Party to assert or raise any objection permitted under this Agreement in connection with the transactions pursuant to the Asset Purchase Agreements or the Restructuring, or (ii) prevent any Company Party from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement.

Section 4. **Conditions Precedent**.

4.1 **Conditions Precedent to Effectiveness of the RSA.**

This RSA shall become effective and binding upon each of the Parties according to its terms as of 12:00 am (Eastern Time) on that date upon which all of the following conditions have been satisfied or waived in accordance with the express provisions of this RSA (such date, the "**RSA Effective Date**");

(a) the Company Parties and Consenting Parties shall have executed and delivered counterpart signatures of this RSA to counsel to each of the other Parties;

(b) the Consenting Lenders shall have committed to provide the DIP Facility in accordance with the terms of this RSA in connection with the Restructuring on the terms and conditions set forth in the DIP Term Sheet;

(c) the Consenting Lenders shall have received payment of their reasonable and documented fees and expenses (including advisors' fees), invoiced prior to the RSA Effective Date;

(d) the Company Parties shall maintain at all times its key employee retention plan, in form and substance reasonably acceptable to the Consenting Parties; and

(e) the Company's counsel shall have given notice to counsel to the other Parties that the conditions to the RSA Effective Date set forth in this Section 4.1 have been satisfied or waived in accordance with the express provisions of this RSA.

Section 5. **Representations, Warranties and Covenants**.

5.1 **Compliance with Material Contracts**

Except (a) with respect to the consents contemplated in this RSA, (b) as disclosed in writing to the Consenting Lenders' advisors, (c) as would not reasonably be expected to have a material and negative impact on the Company, or (d) any breaches or defaults caused by any Company Party's insolvency and/or the commencement of the Chapter 11 Cases, each Company Party represents, warrants and covenants that the execution and delivery by the Company Parties of this RSA and the consummation of the Restructuring contemplated hereby will not (i) conflict with or result in a violation or breach of any material contract or license to which any Company Party is a party or by which any of their assets and properties is bound (a "**Material Contract**"), (ii) constitute (with or without notice or lapse of time or both) a default under any Material Contract, (iii) require any Company Party to obtain any consent, approval or action of, or make any filing with or give any notice to any governmental authority or other person, as a result or under the terms of any Material Contract, (iv) result in or give to any person any right of termination, cancellation, acceleration or modification in or with respect to any Material Contract, (v) result in or give to any person any additional rights or entitlement to increased, additional, accelerated or guaranteed payments under any Material Contract, or (vi) result in the creation or imposition of any lien upon any Company Party or any of their assets and properties under any Material Contract, in each case other than as a result of, or related to, the Company Parties' commencement of the Chapter 11 Cases, if applicable.

5.2 **Power and Authority and No Alternative Transaction**.

Each Party, severally and not jointly, represents, warrants and covenants to each other Party that, as of the date of this RSA, (a) such Party has and shall maintain all requisite corporate, partnership, limited liability company, or institutional power and authority, as applicable, to enter into this RSA and to carry out the transactions contemplated by, and perform its respective obligations under this RSA, (b) the execution and delivery of this RSA and the performance of its obligations hereunder have been duly authorized by all necessary actions on its part, (other than the Company Parties' obligation to commence the Restructuring and the first day motions and applications, which obligations will be duly authorized by all necessary corporate, partnership,

limited liability company and other similar action on its part prior to the Petition Date), and (c) such Party is validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, except, in the case of the Company Parties, as would not reasonably be expected to be material to the business of the Company taken as a whole.

Additionally, each Company Party, severally and not jointly, represents that it (a) is not currently pursuing any pending agreements (oral, written or otherwise) with respect to an Alternative Transaction as of the date hereof, and (b) as of the date hereof, has provided to the Consenting Lenders all offers or proposals received or solicited (oral, written or otherwise) with respect to an Alternative Transaction, including the material terms thereof.

5.3 **Enforceability.**

Each Party, severally and not jointly, represents, warrants and covenants to each other Party, that (a) this RSA is its legally valid and binding obligation, enforceable in accordance with its terms as to and against such Party, except as enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws limiting creditors' rights generally or by equitable principles relating to enforceability, and (b) the execution, delivery and performance by such Party of this RSA does not violate any provisions of law, rule or regulation applicable to it, or its charter or bylaws (or other similar governing documents).

5.4 **Ownership.**

(a) The Consenting Lenders warrant and covenant to the other Parties that, subject to Section 8.1 hereof, (i) is the Consenting Lenders are the legal and beneficial owner of 100% of the Term B Lender Claims (the "**Consenting Lender Holdings**"), (ii) such Party (x) has and shall maintain full power and authority to vote on and consent to or (y) has received direction from the party having full power and authority to vote on and consent to such matters concerning its *pro rata* share of the Consenting Lender Holdings and to exchange, assign and transfer such Consenting Lender Holdings, and (iii) such Consenting Lender Holdings are and shall continue to be free and clear of any pledge, lien, security interest, charge, claim, equity, option, proxy, voting restriction, right of first refusal or other limitation on disposition, or encumbrances of any kind, that would materially and adversely affect in any way such Party's performance of its obligations contained in this RSA.

(b) Each of the Consenting Lenders represents, warrants and covenants to each other Party that, except as otherwise provided in Section 8.1 hereof, prior to the consummation of the Restructuring, it will not pledge, encumber, assign, sell or otherwise transfer, in whole or in part, any portion of its right, title, or interests in any of its shares, stock, or other equity interests in any Company Party.

5.5 **Additional Consenting Lender Representations**

(a) Each of the Consenting Lenders, severally and not jointly, represents, warrants and covenants to the other Parties that (i) it is either (A) an institutional accredited investor (as defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act of

1933, (as amended, the "**Securities Act**"), or (B) a non-U.S. person under Regulation S under the Securities Act, and (ii) any securities of the Company Parties acquired by the Consenting Lenders in connection with the Restructuring will have been acquired for investment and not with a view to distribution or resale in violation of the Securities Act.

(b) Each of the Consenting Lenders, severally and not jointly, represents, warrants and covenants to the other Parties that (i) it is relying entirely on its independent review and analysis of the business and affairs of the Company Parties, in consultation with its own advisors; (ii) it has not relied upon any oral or written representations and warranties of any kind or nature by the Company Parties or any of their Affiliates or advisors, except as specifically set forth in this RSA or in the Definitive Documents; and (iii) none of the Company Parties nor any of their Affiliates or advisors has made any representations or warranties, express or implied, regarding any of the Company Parties or any aspect of the transactions contemplated by this RSA, except as set forth in this RSA or the Definitive Documents.

(c) Each of the Consenting Lenders, severally and not jointly, represents, warrants and covenants to the other Parties that it has (i) such knowledge and experience in financial and business matters of this type that it is capable of evaluating the merits and risks of entering into this RSA and of making an informed investment decision; (ii) conducted an independent review and analysis of the business and affairs of the Company Parties, in consultation with its advisors, that it considers sufficient and reasonable for purposes of entering into this RSA; and (iii) had the opportunity to speak with representatives of the Company Parties and to obtain and review information from the Company Parties sufficient to make an investment decision.

(d) Each Consenting Lender has no fiduciary or similar duty to any person or entity that would prevent it from taking any action required of it under this RSA.

Section 6. **Remedies.**

It is understood and agreed by each of the Parties that any breach of this RSA would give rise to irreparable harm for which money damages would not be an adequate remedy and accordingly, the Parties agree that, in addition to any other remedies, each non-breaching Party shall be entitled to seek specific performance and injunctive or other equitable relief, without the necessity of posting a bond for any such breach. For the avoidance of doubt, any and all remedies and liability for breach of this RSA shall survive any termination of this RSA. Unless otherwise expressly stated in this Agreement, no right or remedy described or provided in this Agreement is intended to be exclusive or to preclude a Party from pursuing other rights and remedies to the extent available under this Agreement, at law, or in equity.

Section 7. **Acknowledgement.**

This RSA and the transactions contemplated herein are the product of good faith negotiations among the Parties, together with their respective representatives. Notwithstanding anything herein to the contrary, this RSA is not an offer for the purchase, sale, exchange, hypothecation, or other transfer of securities for purposes of the Securities Act and the Securities Exchange Act of 1934.

Section 8. **Miscellaneous Terms.**

8.1 **Assignment; Transfer Restrictions of Consenting Lender Holdings.**

(a) The Consenting Parties hereby agree for so long as this RSA shall remain in effect, not to sell, assign, transfer, hypothecate or otherwise dispose of (including by participation) (each a "**Transfer**") any Consenting Lender Holdings to any third party that is not a Consenting Party, as the case may be, unless, as a condition precedent to any such Transfer, the transferee thereof executes and delivers a joinder in the form of **Exhibit E** hereto (the "**Joinder**") to the Company Parties prior to or contemporaneously with the execution of an agreement (or trade confirmation) in respect of the relevant Transfer (it being understood and agreed that any Consenting Lender may at any time, after providing counsel for the Company with a written notice at least three (3) business days prior thereto, pledge or assign a security interest in its Consenting Lender Holdings to secure obligations of such Consenting Lender without such pledgee or assignee executing or delivering a Joinder so long as such Consenting Lender continues to maintain full power and authority to vote on and consent to such matters concerning its Consenting Lender Holdings and such pledge or assignment does not materially and adversely affect in any way such Consenting Lender's performance of its obligations contained in this RSA). Upon execution of a Joinder, the transferee shall be deemed to be a Party for purposes of this RSA, except as otherwise set forth or limited herein. Any transferee of Consenting Lender Holdings pursuant to this Section 8.1(a) shall automatically be deemed to be subject to any consent, tender, agreement or vote in favor of the Restructuring (subject to the terms of this RSA).

(b) Any Consenting Party that effectuates a Transfer permitted under and in compliance with Section 8.1(a) hereof shall have no liability under this RSA arising solely from or related to the failure of the relevant transferee to comply with the terms of this RSA on or after the effective date of such Transfer.

(c) Any Transfer of any Consenting Lender Holdings that does not comply with the procedures set forth in Section 8.1(a) hereof shall be deemed void *ab initio* and the Company Parties shall have the right to enforce the voiding of such Transfer.

(d) Any person that receives or acquires Consenting Lender Holdings pursuant to a Transfer of such Consenting Lender Holdings by a Consenting Party, as the case may be, hereby agrees to be bound (and shall be deemed to be bound regardless of

whether it executes and delivers a Joinder) by all of the terms of this RSA (as the same may be hereafter amended, restated or otherwise modified from time to time) (a "**Joining Party**"). The Joining Party shall be deemed to be a Party for all purposes under this RSA, except as otherwise set forth or limited herein, and shall automatically be deemed to be subject to any consent, tender, agreement or vote in favor of the Restructuring (subject to the terms of this RSA).

(e) With respect to the Consenting Lender Holdings of any Joining Party, upon consummation of the Transfer of such Consenting Lender Holdings, the Joining Party hereby makes (and is deemed to have made) the same representations and warranties as the Consenting Parties set forth in Section 5 hereof.

(f) This RSA shall in no way be construed to preclude any Consenting Party, as the case may be, from acquiring additional Consenting Lender Holdings, including as contemplated by this RSA; provided, that any such Consenting Lender Holdings shall automatically be deemed to be subject to the terms of this RSA. Each Consenting Party agrees to provide counsel for the Company with a written notice of the acquisition of any additional Consenting Lender Holdings within three (3) business days of the consummation of such acquisition.

(g) This Section 8 shall not impose any obligation on the Company to issue any cleansing letter or disclosure document or otherwise publicly disclose information for the purpose of enabling the Transfer of any Consenting Lender Holdings.

8.2 **No Third-Party Beneficiaries.**

Unless expressly stated herein, this RSA shall be solely for the benefit of the Parties. No other Person shall be a third-party beneficiary.

8.3 **Entire Agreement.**

This RSA, including exhibits and annexes hereto, constitutes the entire agreement of the Parties with respect to the subject matter of this RSA, and supersedes all other prior negotiations, agreements, and understandings, whether written or oral, among the Parties with respect to the subject matter of this RSA; provided, however, that any confidentiality agreement executed by any Party shall survive termination of this RSA and shall continue in full force and effect, subject to the terms thereof, irrespective of the terms hereof; provided, further, that except as expressly agreed in this RSA, all of the terms, conditions, rights and remedies of the Consenting Lenders under the Term B Credit Agreement and the other Loan Documents (as such term is defined in the Term B Credit Agreement) shall remain in full force and effect.

8.4 **Headings.**

The headings of all sections of this RSA are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit or aid in the construction or interpretation of any term or provision hereof.

8.5 **Interpretation.**

This RSA is the product of good faith negotiations between the Parties, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this RSA, or any portion hereof, shall not be effective in regard to the interpretation hereof.

8.6 **Counterparts.**

This RSA may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Delivery of an executed signature page of this RSA or a Joinder by email or facsimile transmission shall be as effective as delivery of a manually executed counterpart hereof. Each party agrees that this RSA and any other document to be delivered in connection herewith, including any Joinder, may be electronically signed, and that any electronic signatures appearing in this RSA or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

8.7 **Settlement Discussions.**

This RSA is part of a proposed settlement of disputes among the Parties hereto. Nothing herein shall be deemed to be an admission of any kind. Pursuant to Federal Rule of Evidence 408 and any applicable state law or rule counterpart, this RSA and all negotiations relating thereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of this RSA.

8.8 **Reservation of Rights.**

If the transactions contemplated by this RSA are not consummated as provided herein, if a Termination Date occurs, or if this RSA, or a Party's obligations under this RSA, is otherwise terminated for any reason, each Party fully reserves any and all of its respective rights, remedies and interests under the Term B Credit Agreement and any other Loan Documents, as applicable, and with respect to any other relevant claims, its respective rights applicable at law and in equity.

8.9 **Governing Law; Waiver of Jury Trial.**

(a) The Parties waive all rights to trial by jury in any jurisdiction in any action, suit, or proceeding brought to resolve any dispute between the Parties arising out of this RSA, whether sounding in contract, tort or otherwise.

(b) If the Chapter 11 Cases are not pending, this RSA shall be governed by and construed in accordance with the laws of the State of New York and without regard to any conflicts of law provision or principle that would require or permit the application of the law of any other jurisdiction. By its execution and delivery of this RSA, each Party hereby irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding against it with respect to any matter under or arising out of or in connection with this RSA or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, may be brought in

any federal court of competent jurisdiction in New York County, State of New York, and by execution and delivery of this RSA, each of the Parties hereby irrevocably accepts and submits itself to the nonexclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceedings. Notwithstanding the foregoing, after the Petition Date, if applicable, each Party irrevocably and unconditionally submits to the exclusive jurisdiction of the Bankruptcy Court in any action or proceeding arising out of or relating to this RSA, or for recognition or enforcement of any judgment arising therefrom, and further irrevocably and unconditionally agrees that all claims arising out of or relating to this RSA brought by them shall be brought, and shall be heard and determined, exclusively in the aforementioned Bankruptcy Court.

8.10 **Successors.**

This RSA is intended to bind the Parties and inure to the benefit of the Parties and each of their respective successors, assigns, heirs, executors, administrators and representatives; provided, however, that nothing contained in this Section 8.10 shall be deemed to permit any transfer, tender, vote or consent, of any claims or interests other than in accordance with the terms of this RSA.

8.11 **Relationship Among Parties.**

Notwithstanding anything herein to the contrary, (a) the duties and obligations of the Parties under this RSA shall be several, not joint and (b) none of the Parties shall have any duty, whether a fiduciary duty or otherwise, to any other Party or their Affiliates or any other lender, creditor, stakeholder, or Person simply by being a party to this RSA or in connection with the transactions contemplated hereby. Notwithstanding anything to the contrary herein, (i) nothing in this RSA shall create any additional fiduciary obligations on the part of any of the Parties or any Related Parties in such Person's capacity as a Related Party and (ii) nothing herein shall modify, elevate or diminish any fiduciary duties owed by the Company Parties to the other Parties.

8.12 **Acknowledgment of Counsel.**

Each of the Parties acknowledges that it has been represented by counsel (or had the opportunity to be so represented and waived its right to do so) in connection with this RSA and the transactions contemplated by this RSA. Accordingly, any rule of law or any legal decision that would provide any Party with a defense to the enforcement of the terms of this RSA against such Party based upon lack of legal counsel shall have no application and is expressly waived. The provisions of this RSA shall be interpreted in a reasonable manner to effect the intent of the parties hereto. No Party shall have any term or provision construed against such Party solely by reason of such Party having drafted the same.

8.13 **Amendments, Modifications and Waivers.**

Except as otherwise specified herein, this RSA may only be modified, amended or supplemented, and any of the terms thereof may only be waived, by an agreement in writing signed by each of the Company Parties and the Requisite Consenting Lenders (with email being sufficient as to any modification, amendment, waiver, or extension of a Milestone); provided, that notwithstanding anything to the contrary herein, if the modification, amendment, supplement or

waiver at issue materially and adversely impacts the treatment or rights of any one Consenting Lender disproportionately than the other Consenting Lenders, the agreement in writing of such Consenting Lender whose treatment or rights are disproportionately impacted shall also be required for such modification, amendment, supplement, or waiver to be effective.

8.14 **Severability of Provisions.**

If any provision of this RSA for any reason is held to be invalid, illegal or unenforceable in any respect, that provision shall not affect the validity, legality or enforceability of any other provision of this RSA.

8.15 **Notices.**

Unless otherwise set forth herein, all notices and other communications required or permitted hereunder shall be in writing and shall be deemed given when: (a) delivered personally or by overnight courier to the applicable addresses set forth below; or (b) sent by facsimile transmission or email to the parties listed below with a confirmatory copy delivered by overnight courier.

If to the Company Parties, to:

Sequential Brands Group, Inc.
1407 Broadway
38th Floor
New York, NY 10018
Attn: Eric Gul
Email: EGul@sbg-ny.com

With a copy to:
Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Attn: Joshua Brody
Jason Zachary Goldstein
Email: jbrody@gibsondunn.com
jgoldstein@gibsondunn.com

If to any Consenting Lender, to:

KKR Credit Advisors (US) LLC
30 Hudson Yards
New York, New York, 10001
Attention: Joshua Gruenbaum
Phone: +1 212 763 9058
Email: Joshua.Gruenbaum@kkr.com

With a copy to (such copy not to constitute notice):

King & Spalding LLP
1185 Avenue of the Americas
New York, NY 10036
Attention: Roger Schwartz and Peter Montoni.
Telephone: (212) 556-2100
Email: rschwartz@kslaw.com; pmontoni@kslaw.com

Notwithstanding anything in this RSA to the contrary, where any notice, written consent, acceptance, approval, or waiver is required pursuant to or contemplated by this RSA, or otherwise, including a written approval by any one or more of the Company Parties or any one or more of the Consenting Parties, such written consent, acceptance, approval, or waiver may be provided and/or conveyed through electronic mail between counsel to such parties.

8.16 **Disclosure of Information.**

(a) Unless required by applicable law or regulation or otherwise permitted under the terms of the Term B Credit Agreement, as applicable, each Party agrees to keep confidential the amount of all Consenting Lender Holdings held (beneficially or otherwise) by any Consenting Lender absent the prior written consent (by email or otherwise) of such Consenting Lender, as applicable; provided, that each Party may disclose such information to its legal, accounting, financial and other advisors who agrees to keep such information strictly confidential. If the Company determines that it is required to attach a copy of this RSA to any document in connection with the Restructuring, it will redact any reference to a specific Consenting Lender. The foregoing shall not prohibit the Company from disclosing the aggregate claims or interests of all Consenting Lenders as a group and shall not apply with respect to any information that is or becomes available to the public other than as a result of a disclosure in violation of any Party's obligations under this RSA. The Parties' obligations under this Section 8.16 shall survive termination of this RSA.

(b) No Party hereto shall (i) use the name of any other Party in any press release without such member's prior written consent (by email or otherwise), or (ii) disseminate to any news media any press releases, public filings, public announcements or other public communications unless such Party (A) first submits such press release, public filing, public announcement or other public communication to counsel to the other Parties for review and potential suggestions and comments and (B) receives the prior written consent (by email or otherwise) of the other Parties. Nothing contained herein shall be deemed to waive, amend or modify the terms of any confidentiality or non-disclosure agreement between the Company Parties and the Consenting Lenders. Notwithstanding the foregoing in this Section 8.16(b), but subject to the requirements of Section 8.16(a), the Company Parties shall not be required to obtain the consent of any other Party prior to filing of any press releases, public documents, and any and all filings with the U.S. Securities and Exchange Commission, the Bankruptcy Court, or otherwise that constitute disclosure of the existence or terms of this RSA, the Parties hereto or any amendment to the terms of this RSA provided the Company Parties provide drafts of any such documents

and/or disclosures to counsel to the Consenting Lenders at least two (2) business days or as soon as reasonably practicable prior to making any such disclosure or filing, and the Company Parties shall afford the Consenting Lenders a reasonable opportunity to comment on such documents and disclosures and shall consider any such comments in good faith.

8.17 **No Solicitation; Adequate Information.**

This RSA is not and shall not be deemed a solicitation of consents to any plan of reorganization or liquidation. With respect to any potential plan of reorganization or liquidation, the acceptance of the Consenting Lenders will not be solicited until the Consenting Lenders have received a disclosure statement that provides adequate information under applicable bankruptcy or non-bankruptcy law, as applicable.

8.18 **Business Day Convention.**

When a period of days under this RSA ends on a Saturday, Sunday or any day in New York that is a legal holiday or a day on which banking institutions are authorized or required to be closed, then such period shall be extend to the specified hour of the next business day.

8.19 **Survival.**

Notwithstanding the termination of this RSA in accordance with its terms, the agreements and obligations of the Parties in Sections 6, 7, and 8.2 through 8.19 shall survive such termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof.

IN WITNESS WHEREOF, the Parties hereto have caused this RSA to be executed and delivered by their respective duly authorized officers, managers, or other agents, solely in their respective capacity as officers, managers, or other agents of the undersigned, as applicable, and not in any other capacity, as of the date first set forth above.

[*Signature Pages Follow*]

COMPANY PARTIES:

BORROWER:

SEQUENTIAL BRANDS GROUP, INC.

By: Lorraine DiSanto
Name: Lorraine DiSanto
Title: CFO

GUARANTORS:

SQBG, INC.

By: Lorraine DiSanto
Name: Lorraine DiSanto
Title: CFO

SEQUENTIAL LICENSING, INC.

By: Lorraine DiSanto
Name: Lorraine DiSanto
Title: CFO

WILLIAM RAST LICENSING, LLC

By: Lorraine DiSanto
Name: Lorraine DiSanto
Title: CFO

BRAND MATTER, LLC

By: Lorraine DiSanto
Name: Lorraine DiSanto
Title: CFO

SBG FM, LLC

By: Lorraine DiSanto
Name: Lorraine DiSanto
Title: CFO

SBG UNIVERSE BRANDS, LLC

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

GALAXY BRANDS LLC

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

THE BASKETBALL MARKETING COMPANY, INC.

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

AMERICAN SPORTING GOODS CORPORATION

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

LNT BRANDS LLC

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

JOE'S HOLDINGS LLC

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

GAIAM BRAND HOLDCO, LLC

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

GAIAM AMERICAS, INC.

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

SBG-GAIAM HOLDINGS, LLC

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

GBT PROMOTIONS LLC

By: Lorraine DiSanto

Name: Lorraine DiSanto

Title: CFO

CONSENTING LENDERS:

FS KKR CAPITAL CORP.

By: _____
Name: Jeffrey M. Smith
Title: Authorized Signatory

DUNLAP FUNDING LLC

By: _____
Name: Jeffrey M. Smith
Title: Authorized Signatory

DARBY CREEK LLC

By: _____
Name: Jeffrey M. Smith
Title: Authorized Signatory

CONSENTING LENDERS:

Apollo Investment Corporation

By: Apollo Investment Management, L.P., its investment adviser

By: ACC Management LLC, its general partner

By: _____
Name: Joseph D. Glatt
Title: Vice President

Apollo Centre Street Partnership, L.P.

By: Apollo Centre Street Management, LLC, its investment manager

By: _____
Name: Joseph D. Glatt
Title: Vice President

Apollo Union Street Partners, L.P.

By: Apollo Union Street Management, LLC, its investment manager

By: _____
Name: Joseph D. Glatt
Title: Vice President

Apollo Kings Alley Credit Fund, L.P.

By: Apollo Kings Alley Credit Fund Management, LLC, its investment manager

By: _____
Name: Joseph D. Glatt
Title: Vice President

Apollo Tactical Value SPN Investments, L.P.

By: Apollo Tactical Value SPN Management, LLC, its investment manager

By: 
Name: Joseph D. Glatt
Title: Vice President

Apollo Moultrie Credit Fund, L.P.

By: Apollo Moultrie Credit Fund Management, LLC, its investment manager

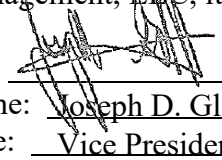
By: 
Name: Joseph D. Glatt
Title: Vice President

EXHIBIT A

GALAXY APA

ASSET PURCHASE AGREEMENT

by and among

GAINLINE GALAXY HOLDINGS LLC,

SEQUENTIAL BRANDS GROUP, INC.

and

THE OTHER SELLERS PARTY HERETO

Dated as of August 31, 2021

TABLE OF CONTENTS

EXHIBITS & SCHEDULES

EXHIBITS

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of August 31, 2021, is made by and between Gainline Galaxy Holdings LLC, a Delaware limited liability company ("Buyer"), Sequential Brands Group, Inc., a Delaware corporation ("Sequential") and each Subsidiary of Sequential listed on the signature pages to this Agreement (collectively with Sequential, "Sellers"). Buyer and Sellers are collectively referred to as the "Parties" and individually as a "Party". Exhibit A contains definitions of certain capitalized terms used in this Agreement.

RECITALS

WHEREAS, Sellers are currently engaged in the ownership and monetization of independent brand management platforms of the following brands that primarily provide athleticwear, footwear and yoga equipment, including licensing such brands: (a) GAIAM, (b) SPRI, (c) And1, (d) AVIA, and (e) Swisstech (the "Business");

WHEREAS, Sellers intend to commence voluntary proceedings (the "Bankruptcy Proceeding") under Chapter 11 of the Bankruptcy Code by filing petitions for relief in the U.S. Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), and to seek approval of the Bankruptcy Court to consummate this Agreement;

WHEREAS, Sellers desire to sell, and Buyer desires to purchase, the Transferred Assets, and Buyer is willing to assume the Assumed Liabilities (but not the Excluded Liabilities), the Closing Assumed Contracts and the Additional Assumed Contracts, in each case, upon the terms and subject to the conditions set forth herein for total consideration as set forth herein; and

WHEREAS, concurrently with the execution and delivery of this Agreement, and a condition and material inducement to the willingness of Sellers to enter into this Agreement, Buyer has delivered to Sellers the fully executed Commitment Letters.

NOW, THEREFORE, in consideration of the foregoing, and of the representations, warranties, covenants and agreements contained herein, the Parties agree as follows:

ARTICLE I

PURCHASE AND SALE OF THE BUSINESS

Section 1.1 Purchase and Sale of Interests and Assets. On the terms and subject to the conditions set forth herein (including, without limitation, entry of each of the Bid Procedures Order and the Sale Order), subject to Section 1.6, at the Closing, Sellers shall Transfer to Buyer and/or one or more Buyer Designees, and Buyer and/or such Buyer Designees shall purchase and acquire from the Sellers, the entirety of the Sellers' right, title and interest in, to and under all of the following enumerated assets (excluding in each case any assets that would be Excluded Assets), as they exist at the time of the Closing, in each case free and clear of all Liens (other than Permitted Post-Closing Encumbrances) (collectively, the "Transferred Assets"):

(a) subject to Section 6.13(b), the Delinquent Accounts Receivable and all associated collection rights;

(b) all Transferred Intellectual Property;

(c) the furniture, furnishings, equipment, machinery, tools, fixtures, samples and other personal property of Sellers that are Related to the Business and located as of the date hereof at Sequential's office at 1407 Broadway, New York, New York, other than the items listed on Schedule 1.1(c);

(d) except as set forth in Section 1.2(a)(iii), each Seller Contract listed on Schedule 1.1(d), other than the Rejected Identified Contracts (such Contracts collectively, the "Closing Assumed Contracts"), together with all documents relating to products, services, licenses, and purchase orders related thereto;

(e) pursuant to Section 1.5(e), each Additional Assumed Contract;

(f) all Actions owned by or available to any Seller, including any Avoidance Action, (i) solely to the extent Related to the Business or related to the Transferred Assets, the Assumed Liabilities or the acquisition, ownership, management, operation, use, function or value of the Business or any Transferred Asset or (ii) against any counterparty to a Closing Assumed Contract or Additional Assumed Contract, or any Affiliate of such counterparty (such Actions, the "Assigned Actions");

(g) all transferable Permits, and all pending applications therefor, Related to the Business (the "Transferred Permits");

(h) all credits, prepaid expenses, prepayments, deferred charges, advance payments, refunds, deposits (including customer deposits and security deposits), prepaid items and duties, customer rebates, credits or other refunds, and all other forms of deposit or security placed by Sellers for the performance of a Closing Assumed Contracts or an Additional Assumed Contracts, in each case, to the extent Related to the Business or related to a Transferred Asset, but excluding any prepayments or deposits of any Asset Taxes prior to the Closing for which Sellers shall receive credit to the extent provided in Section 6.4(b);

(i) to the extent transferrable, all of Sellers' rights under confidentiality, non-disclosure, invention, Intellectual Property assignment, non-competition, non-solicitation of customers and employees, and non-disparagement agreements, solely to the extent related to the Transferred Assets;

(j) subject to Section 6.1(c), solely to the extent Related to the Business, Sellers' books and records that are not protected by attorney-client, attorney work product or other legally recognized privileges or immunity from disclosure, including, as applicable, such corporate records, executed copies of the Closing Assumed Contracts and Additional Assumed Contracts, financial and accounting records, and such other business records relating to the foregoing; provided that Sellers shall be entitled to retain a copy of such documents for recordkeeping purposes;

(k) all customer, supplier, licensor and licensee lists Related to the Business and all telephone and telephone facsimile numbers and other directory listings of the Business;

(l) all goodwill, customer and referral relationships, other intangible property and all privileges, and benefits of Sellers, in each case Related to the Business or the Transferred Assets or Assumed Liabilities;

(m) the equity interests of Gaiam PTY owned by Gaiam Americas, Inc.;

(n) all other assets of Sellers to the extent Related to the Business; and

(o) all of the assets set forth on Schedule 1.1.

Section 1.2 Excluded Assets. Notwithstanding anything to the contrary set forth in this Agreement or in any of the other Transaction Documents, the Parties expressly acknowledge and agree that nothing in this Agreement shall be construed to obligate any Seller to Transfer to Buyer (or obligate Buyer to acquire from any Seller) any of the assets, properties or rights of any Seller other than the Transferred Assets, and without limiting the generality of the foregoing, the term "Transferred Assets" shall expressly exclude the assets of Sellers listed in this Section 1.2, all of which shall be retained by the Sellers (the "Excluded Assets"). Each Seller shall retain all of its right, title and interest in and to the Excluded Assets, and neither Buyer nor the Buyer Designees shall acquire or have any rights or Liabilities with respect to the right, title and interest of each Seller in and to the following:

(a) any claim, right, award, recovery, indemnity, warranty, refund, reimbursement, audit right, duty, obligation, liability or other intangible right in favor of or owed to any Seller (i) to the extent primarily related to an Excluded Asset or to any other business of the Sellers, (ii) to the extent exclusively related to any of the Excluded Liabilities, or (iii) for indemnification under a Seller Contract that accrues prior to the Closing and without limiting Buyer's rights for indemnification under any such Seller Contract with respect to Assumed Liabilities;

(b) all accounts receivable arising before the Closing other than Delinquent Accounts Receivable;

(c) any shares or other equity interests in any Person or any securities of any Person other than as set forth in Section 1.1(m);

(d) the corporate charter, seal, minute books, stock record books and other similar documents relating to the organization, maintenance and existence of Sellers or any Affiliate of Sellers;

(e) all personnel records (including all human resources and other records) of Sellers or any of their respective Affiliates relating to employees of Sellers or any of their respective Affiliates;

(f) all Cash held by or in the name of Sellers or any of their respective Affiliates;

(g) all consideration received by Sellers and their respective Affiliates pursuant to, and all rights of Sellers and their respective Affiliates under, this Agreement or any Transaction Document, subject to the terms hereof and thereof;

(h) all of the following documents prepared or received by Sellers, their respective Affiliates or any of their respective Representatives, in each case, with respect to the Transferred Assets: (i) lists of prospective buyers; (ii) offers, bids or proposals submitted by any prospective buyer; (iii) analyses by Sellers of any offers, bids or proposals submitted by any prospective buyer; (iv) correspondence between or among Sellers, its Representatives and any prospective buyer other than Buyer; and (v) correspondence between Sellers, their respective Affiliates or any of their respective Representatives with respect to any offers, bids or prospective buyers, the Transactions or otherwise contemplated by the Bid Procedures;

(i) all Seller Contracts that are not Closing Assumed Contracts or Additional Assumed Contracts, including the Contracts set forth on the Rejected Contracts Schedule (the "Excluded Contracts");

(j) all Intracompany Receivables;

(k) any prepayments and good faith and other bid deposits submitted by any third party under the terms of the Bid Procedures Order;

(l) any Benefit Plan and any trusts, funding vehicles, insurance policies, administrative services agreements, files and records, and other assets, related thereto;

(m) all real property leases;

(n) any refunds of Taxes that are either described in Section 1.4(h) or that Sellers bear under Section 6.4;

(o) all insurance policies;

(p) all bank accounts;

(q) the furniture, furnishings, equipment, machinery, tools, fixtures, samples and other personal property of Sellers listed on Schedule 1.1(c);

(r) all assets primarily related to any of Sellers' past or present brands other than those included in the definition of the Business, including Jessica Simpson, Joe's Jeans, William Rast, Ellen Tracy, and Caribbean Joe; and

(s) all of the assets set forth on Schedule 1.2(s).

Section 1.3 Assumption of Liabilities. On the terms and subject to the conditions set forth herein, at the Closing, Buyer and/or each relevant Buyer Designee will assume, without duplication, and will in a timely manner pay, perform and discharge when due and be responsible for, in accordance with their respective terms, the following Liabilities of Sellers other than Excluded Liabilities (collectively, the "Assumed Liabilities"):

(a) all Liabilities to the extent exclusively relating to, arising from or with respect to the ownership or use of the Transferred Assets, or exclusively relating in any manner to the assumption, ownership, conduct or operation of, the Business, in each case, to the extent arising solely out of any event, fact, act, omission or condition occurring after the Closing and, with respect to the ownership of the Transferred Assets, only to the extent the Transferred Assets cannot as a matter of Law be sold free and clear of Liabilities under Section 363 of the Bankruptcy Code or other applicable Law;

(b) the accounts payable set forth on Schedule 1.3(b) and any additional accounts payable arising in the Ordinary Course between the date hereof and the Closing (collectively, the "Assumed Accounts Payable");

(c) all Liabilities for any Tax that Buyer expressly bears under Section 6.4;

(d) all Liabilities under the Closing Assumed Contracts and the Additional Assumed Contracts in each case, to the extent arising out of any event, fact, act, omission or condition occurring after the Closing;

(e) all Liabilities related to the Assigned Actions to the extent arising out of any event, fact, act, omission or condition occurring after the Closing;

(f) all Liabilities under any Transferred Permit to the extent arising solely out of any event, fact, act, omission or condition occurring after the Closing; and

(g) all Liabilities set forth on Schedule 1.3(g).

Section 1.4 Excluded Liabilities. Notwithstanding anything to the contrary set forth in this Agreement or in any of the other Transaction Documents, the Parties expressly acknowledge and agree that Buyer will not, nor will any Buyer Designee, assume, be obligated to pay, perform or otherwise discharge or in any other manner be liable or responsible for any and all Liabilities that are not specifically Assumed Liabilities (all such Liabilities that are not specifically Assumed Liabilities, the "Excluded Liabilities") including, for the avoidance of doubt, any and all of the following:

(a) any Liability under the Prepetition Credit Agreements and any other Indebtedness of the Sellers;

(b) any Liability to the extent arising out of any Excluded Asset, including the Excluded Contracts;

(c) all Actions (excluding, for the avoidance of doubt, any Assigned Actions) to the extent against or giving rise to Liabilities of the Business or the Transferred Assets based on acts or omissions prior to the Closing Date even if instituted after the Closing Date;

(d) all Liabilities to any current or former holder or owner of capital stock or other equity interests of the Sellers or any security convertible into, exchangeable or exercisable for shares of capital stock or other equity interests of the Sellers or any current or former holder of Indebtedness of Sellers;

(e) all drafts or checks outstanding at the Closing under which the Sellers are obligated;

(f) indemnification or advancement of expenses for any current or former officer or director of any Seller or any of the Subsidiaries of Sellers;

(g) all accounts payable other than the Assumed Accounts Payable;

(h) any and all Taxes allocated to, of or imposed on Sellers, including without limitation, (i) all Asset Taxes for any period or portion thereof ending on or prior to the applicable Closing Date, (ii) Taxes imposed on or with respect to the Business or the Transferred Assets that are attributable to any period or portion thereof ending on or prior to the applicable Closing Date or that arise as a consequence of the Closing or the other Transactions, excluding any Transfer Taxes covered by Section 6.4(a), and (iii) Taxes payable to the extent arising out of or related to the Excluded Assets or with respect to the business or activities of any Seller or any of its Affiliates (including divested or discontinued business of any Seller or its Affiliates);

(i) all Liabilities relating to (i) the collection, storage, transmission, use or disposal of any Personal Information of any third party, in each case on or before the Closing Date, and (ii) the transfer of any such Personal Information to Buyer to the extent permitted under this Agreement;

(j) all Intracompany Payables;

(k) any and all Excluded Employee Liabilities;

(l) any payment obligation or liability, contingent or otherwise, for brokerage or finders' fees or similar payment in connection with this Agreement;

(m) all Liabilities that existed, arose or were incurred (i) prior to the Petition Date unless expressly assumed in Section 1.3 or (ii) subsequent to the Petition Date and prior to the Closing Date, unless expressly assumed herein, including in each case of (i) and (ii) Liabilities that are dischargeable in the Bankruptcy Proceedings;

(n) all Liabilities relating to, arising from or with respect to any worker's compensation claims and any other occurrence-based claim to the extent arising out of any event, fact, act, omission or condition occurring prior to the Closing Date, irrespective of when such Liabilities arise;

(o) all Liabilities of Sellers under or arising out of the Transaction Documents and all Liabilities for which Sellers or any of their respective Affiliates are expressly made responsible pursuant to this Agreement or any other Transaction Document;

(p) all Cure Costs;

(q) all Liabilities for all costs and expenses incurred or owed in connection with (i) the administration of the Bankruptcy Proceedings, or (ii) the negotiation, execution and consummation of the Transactions or any other Transaction Document;

(r) all Liabilities relating to, arising from or with respect to, the conduct of the Business or to the Transferred Assets (and the use thereof) arising or accruing at any time at or prior to the Closing; and

(s) any other Liability of any kind, whether known or unknown, contingent, matured or otherwise, whether currently existing or hereinafter created, other than an Assumed Liability.

Section 1.5 Assumption and Assignment of Contracts.

(a) Sellers shall assign to Buyer or any Buyer Designee, and Buyer or any such Buyer Designee shall assume, the Closing Assumed Contracts at the Closing pursuant to the Sale Order. Buyer shall provide adequate assurance of any future performance in connection with the assignment and assumption of the Closing Assumed Contracts at Closing or the effective date of such assignment and assumption of an Additional Assumed Contract; provided, that all Cure Costs shall be the obligation, liability and responsibility of the Sellers.

(b) The Sale Order shall provide for the assumption by the applicable Seller party thereto, and the assignment to the extent legally capable of being assigned by such Seller to Buyer or any Buyer Designee, of each Closing Assumed Contract, and each Additional Assumed Contract, as applicable, pursuant to Section 365 of the Bankruptcy Code, the Bid Procedures Order, and the Sale Order.

(c) Sellers shall file with the Bankruptcy Court a notice (a "Notice of Potential Assignment") in the form and manner approved pursuant to the Bid Procedures Order that Sellers may wish to assume and assign certain Seller Contracts in connection with the Transactions (each, an "Identified Contract"). At any time prior to the date that is five (5) days prior to the date of the Bankruptcy Court hearing to consider approval of this Agreement (the "Sale Hearing"), Buyer may, subject to the terms of the Bid Procedures Order, by written notice to the Sellers, designate, in writing, any Identified Contract for rejection by the Sellers effective on or as soon as reasonably practicable after the Closing (such Identified Contracts, the "Rejected Identified Contracts"). The Rejected Identified Contracts as of the date hereof are set forth on Schedule 1.5(c), which schedule shall be (and shall be deemed) modified or supplemented to reflect additions or removals, as applicable, of Identified Contracts that are designated for rejection as set forth in this Section 1.5 (the "Rejected Contracts Schedule"). At the Closing, Sellers shall assume and assign to Buyer or any Buyer Designee the Closing Assumed Contracts and any Additional Assumed Contracts, in each case, pursuant to Section 365 of the Bankruptcy Code, the Bid Procedures Order, and the Sale Order, subject to provision by Buyer of adequate assurance of future performance as may be required under Section 365 of the Bankruptcy Code.

(d) At any time prior to the date that is five (5) days prior to the date of the Sale Hearing (the "Designation Deadline"), Buyer may, subject to the terms of the Bid Procedures Order, by written notice to the Sellers, (i) designate additional Identified Contracts or any other executory contracts that Buyer wishes the Sellers to assume and assign to Buyer or any Buyer Designee in connection with the Transactions as "Additional Assumed Contracts" by providing written notice to Sellers in the form of an updated Additional Assumed Contracts Schedule; and (ii) designate additional Identified Contracts or any other executory Contracts that Buyer wishes for Sellers to reject in connection with the Transactions as "Additional Rejected Contracts" by providing written

notice to Sellers in the form of an updated Rejected Contracts Schedule. Notwithstanding anything to the contrary contained in this Agreement, if as of the Closing Date, any Closing Assumed Contract or Additional Assumed Contract is the subject of an objection as to the amount of the Cure Costs required for the Sellers to assume and assign such contract to the Buyer or any Buyer Designee, or other objection as to the assumption and assignability of such contract, and such objection has not been resolved to the satisfaction of Buyer prior to the Closing Date, Buyer shall have the right to remove such contract from the Closing Assumed Contracts and Additional Assumed Contracts lists before the Closing Date such that such contract shall not be considered assumed and assigned to Buyer as of the Closing Date hereunder. Additional procedures for the assumption and assignment of any additional Closing Assumed Contracts and Additional Assumed Contracts, if any, shall be as set forth in the Sale Order.

(e) [Reserved].

(f) As part of the motion with respect to the Bid Procedures Order (or as necessary in one or more separate motions), Sellers shall request that, by virtue of any Seller providing prior notice pursuant to the Bid Procedures Order of its intent to assume and assign any Closing Assumed Contract or Additional Assumed Contract, the Bankruptcy Court deem any non-debtor party to such Closing Assumed Contract or Additional Assumed Contract that does not file an objection with the Bankruptcy Court during such notice period to have given any Necessary Consent to the assumption of the Closing Assumed Contract or Additional Assumed Contract by the relevant Seller and assignment to Buyer or any Buyer Designee.

(g) At Buyer's request, Sellers shall reasonably cooperate with Buyer as reasonably requested by Buyer to allow Buyer to enter into an amendment of any Closing Assumed Contract or Additional Assumed Contract upon assignment of such Closing Assumed Contract or Additional Assumed Contract to Buyer or any Buyer Designee (and Sellers shall reasonably cooperate with Buyer to the extent reasonably requested by Buyer in negotiations with the counterparties thereof); provided that (i) in no event shall any such amendments be effective prior to the Closing and (ii) Sellers shall not be required to enter into any such amendment if such amendment would result in the incurrence of any additional Liability or any other adverse effect that would not have existed but for such amendment by Sellers that is not otherwise paid by Buyer at the time of the assumption by Sellers of such Closing Assumed Contract or Additional Assumed Contract.

(h) [Reserved]

(i) Subject to Section 1.5(j) and the Bid Procedures Order, to the extent that there is (i) an objection to the assumption and assignment of any Closing Assumed Contract outstanding at the Closing Date, (ii) an objection to the assumption and assignment of any Additional Assumed Contract or (iii) any Necessary Consent that is required to assume and assign to Buyer or any Buyer Designee any Closing Assumed Contract or Additional Assumed Contract is not obtained by the Closing Date, each Seller shall, with respect to each such Seller Contract, from and after the Closing and until the earliest to occur of (A) the date on which such objection is resolved or such applicable Necessary Consent is obtained, and (B) the date on which such Seller Contract is deemed rejected under Section 365 of the Bankruptcy Code, use commercially reasonable efforts during the term of such Seller Contract (and to the extent the term of such Seller Contract ends

prior to the earlier of clauses (A) or (B) above) to (1) provide to Buyer the benefits under such Seller Contract (it being understood that Buyer shall be solely responsible for the obligations under such Seller Contract during such period), (2) cooperate in any reasonable and lawful arrangement, including holding such Seller Contract in trust for Buyer pending resolution of such objection or receipt of the Necessary Consent, designed to provide such benefits to Buyer, and (3) enforce for the account of Buyer any rights of such Seller under such Seller Contract, including the right to elect to terminate such Seller Contract in accordance with the terms thereof upon the written direction of Buyer; provided, however, that notwithstanding the foregoing, Sellers shall not be obligated to take any action that breaches, violates or results in default under the terms of any Seller Contract. Buyer shall reasonably cooperate with Sellers in order to enable Sellers to provide to Buyer the benefits contemplated by this Section 1.5(i).

(j) Notwithstanding the foregoing, a Seller Contract shall not be a Closing Assumed Contract or Additional Assumed Contract hereunder and shall not be assigned to Buyer to the extent that such Seller Contract is (i) deemed rejected under Section 365 of the Bankruptcy Code or (ii) the subject of an objection to assumption or assignment or requires, under applicable non-bankruptcy Law, Necessary Consent of any Governmental Entity or other third party (other than, and in addition to, that of the Bankruptcy Court) in order to permit the assumption and assignment by the applicable Seller to Buyer or any Buyer Designee of such Seller Contract pursuant to Section 365 of the Bankruptcy Code, and such objection has not been resolved or such Necessary Consent has not been obtained prior to the 60th day following the Closing (as such 60-day period may be extended by mutual agreement of Buyer and Sellers); provided that any Closing Assumed Contract or Additional Assumed Contract that is the subject of an objection with respect solely to the amount of the Cure Cost may be assumed and assigned prior to the resolution of such objection pursuant to the Bid Procedures Order (provided Sellers have escrowed the disputed Cure Cost pending resolution of such objection that is acceptable to Buyer).

(k) If prior to or following Closing, it is discovered that a Contract that is Related to the Business should have been listed on Schedule 1.5(c) as an Identified Contract but was not so listed and has not been rejected by Sellers (any such Contract, a "Previously Omitted Contract"), Sellers shall, promptly following the discovery thereof (but in no event later than two (2) Business Days following the discovery thereof), notify Buyer in writing of such Previously Omitted Contract and all Cure Costs (if any) for such Previously Omitted Contract. Buyer shall thereafter deliver written notice to Sellers, no later than five Business Days following notification of such Previously Omitted Contract from Sellers, designating such Previously Omitted Contract as "Assumed" or "Rejected" (a "Previously Omitted Contract Designation"). A Previously Omitted Contract designated in accordance with this Section 1.5(k) as "Rejected," or with respect to which Buyer fails to deliver a Previously Omitted Contract Designation, shall be deemed an Excluded Contract and added to the Rejected Contracts Schedule.

(l) If Buyer designates a Previously Omitted Contract as "Assumed" in accordance with Section 1.5(k), (i) such Previously Omitted Contract shall be added to the Additional Assumed Contracts Schedule and deemed to be an "Additional Assumed Contract" for all purposes hereunder, and (ii) Sellers shall serve a notice (the "Previously Omitted Contract Notice") on the counterparties to such Previously Omitted Contract notifying such counterparties of the Cure Costs with respect to such Previously Omitted Contract and Sellers' intention to assume and assign such Previously Omitted Contract in accordance with this Section 1.5(l). The Previously Omitted

Contract Notice shall provide the counterparties to such Previously Omitted Contract with notice pursuant to the terms of the Bid Procedures Order. If the counterparties, Sellers and Buyer are unable to reach a consensual resolution with respect to the objection, Sellers shall seek a hearing before the Bankruptcy Court (which may be sought on an expedited basis) to determine the Cure Costs and approve the assumption. If no objection is served on Sellers and Buyer, such Previously Omitted Contract may be deemed a Closing Assumed Contract. For the avoidance of doubt, Sellers shall be responsible for all Cure Costs relating to such "Assumed" Previously Omitted Contracts and for any Liabilities relating to such "Assumed" Previously Omitted Contracts arising prior to the assignment to Buyer.

Section 1.6 Non-Assignment of Assets. Notwithstanding any other provision of this Agreement to the contrary, this Agreement will not constitute an agreement to assign or transfer and will not effect the assignment or transfer of any Transferred Asset (including any Closing Assumed Contract or Additional Assumed Contract) if (i) (A) prohibited by applicable Law, (B) an attempted assignment or transfer thereof would be reasonably likely to subject Buyer, its Affiliates or any of its or their respective Representatives to civil or criminal Liability or (C) an attempted assignment or transfer thereof, without the approval, authorization, consent or waiver of, or granting or issuance of any license or permit by, any third party thereto (each such action, a "Necessary Consent"), would constitute a breach, default or violation thereof or of any Law or Order or in any way adversely affect the rights of Buyer or any Buyer Designee (including relative to the rights of the assigning party prior to such assignment) or (ii) the Bankruptcy Court has not entered an Order approving such assignment or transfer. In the event such assignment or transfer is subject to such Necessary Consent being obtained, Sellers and Buyer will use their commercially reasonable efforts to obtain the Necessary Consents with respect to any such Transferred Asset (including any Closing Assumed Contract or Additional Assumed Contract) or any claim or right or any benefit arising thereunder for the assignment or transfer thereof to Buyer, as Buyer may reasonably request and at Buyer's sole cost and expense; provided, however, that none of Sellers, Buyer or Buyer Designees will be obligated to pay any consideration therefor to any third party from whom approval, authorization, consent or waiver is requested. If such Necessary Consent is not obtained, or if an attempted assignment or transfer thereof would give rise to any of the circumstances described in clauses (i) or (ii) of the first sentence of this Section 1.6, be ineffective or adversely affect the rights of Buyer to such Transferred Asset following the Closing, (x) Sellers and Buyer will, and will cause their respective Subsidiaries to, at Buyer's sole cost and expense, (1) use commercially reasonable efforts (including cooperating with one another to obtain such Necessary Consents, to the extent feasible) as may be necessary so that Buyer would obtain the benefits and assume the obligations thereunder in accordance with this Agreement, (2) complete any such assignments or transfers as soon as reasonably practicable and (3) upon receipt of any applicable Necessary Consents, transfer or assign the applicable Transferred Asset to Buyer for no additional consideration, and (y) Sellers will, and will cause their respective Subsidiaries to, cooperate with Buyer in good faith without further consideration in any arrangement reasonably mutually acceptable to Sellers and Buyer intended to provide Buyer with the benefit of any such Transferred Assets at Buyer's sole cost and expense.

Section 1.7 Wrong Pocket. Subject to Section 1.6, if at any time after the Closing (i) Buyer or a Buyer Designee holds, directly or indirectly, any Excluded Assets or Excluded Liabilities or (ii) any Seller holds, directly or indirectly, any Transferred Assets or Assumed Liabilities, Buyer or the applicable Seller will promptly Transfer (or cause to be Transferred) such

assets or assume (or cause to be assumed) such Liabilities to or from (as the case may be) the other Party, without further consideration from the other Party. Prior to any such transfer, the Party receiving or possessing any such asset will hold it in trust for such other Party. If at any time after the Closing, any Seller or any of its Subsidiaries receives any payments in respect of the Transferred Assets, such Seller shall, or shall cause such Subsidiary to, promptly remit such payments to Buyer (or any Buyer Designee). Subject in all cases to Section 6.13, if at any time after the Closing, Buyer receives any payments in respect of the Excluded Assets, Buyer shall promptly remit such payments to the applicable Seller or its Subsidiary.

Section 1.8 Further Conveyances and Assurances. From time to time following the Closing, Sellers and Buyer will, and will cause their respective Subsidiaries to, execute, acknowledge and deliver all such further conveyances, notices, assumptions, assignments, releases and other instruments, and will take such further actions, as may be reasonably necessary or appropriate to assure to Buyer, its designees, successors or assigns, all of the properties, rights, titles, interests, estates, remedies, powers and privileges intended to be conveyed to Buyer under this Agreement and to assure fully to each Seller and its Subsidiaries and their respective successors and assigns, the assumption of the Liabilities and obligations intended to be assumed by Buyer under this Agreement, and to otherwise make effective the Transactions.

Section 1.9 Buyer Designees. Buyer shall be entitled to designate, in accordance with the terms and subject to the limitations set forth in this Section 1.9, one or more Affiliates of Buyer to (i) purchase specified Transferred Assets and/or (ii) assume specified Assumed Liabilities, in each case, as of the Closing Date (any Person that shall be properly designated by Buyer in accordance with this clause, a "Buyer Designee"); it being understood and agreed, however, that any such right of Buyer to designate a Buyer Designee is conditioned upon such Buyer Designee being able to perform the applicable covenants under this Agreement and, as applicable, any other Transaction Document to which Buyer is party and demonstrate satisfaction of the requirements of Section 365 of the Bankruptcy Code (to the extent applicable). As soon as reasonably practicable and in no event later than one (1) Business Days prior to the Closing, Buyer shall make any such designations of Buyer Designees by way of a written notice to be delivered to the Sellers. For the avoidance of doubt, and notwithstanding anything to the contrary herein, all Buyer Designees appointed in accordance with this Section 1.9 shall be included in the definition of "Buyer" *mutatis mutandis* for all purposes under this Agreement. Notwithstanding anything in this Agreement, no designation of a Buyer Designee pursuant to this Section 1.9 shall relieve Buyer of any obligation under this Agreement or the Transaction Documents, and in the event of such designation, both Buyer and such Buyer Designee shall be jointly and severally liable for each obligation of Buyer under this Agreement and the Transaction Documents.

Section 1.10 Swisstech. Notwithstanding anything herein to the contrary, in the event the Action set forth on Schedule 1.10 has not been settled in a manner acceptable to Buyer, Buyer shall have the option, in its sole discretion, by providing written notice to Sellers at least five (5) Business Days prior to the Closing (a "Swisstech Removal Notice") to remove all assets and Liabilities primarily related to Swisstech from the Transferred Assets and Assumed Liabilities. In the event a Swisstech Removal Notice is validly and timely delivered to Buyer, the following changes to this Agreement shall automatically take effect without any further action of the Parties or any other Person:

(a) The Estimated Debt Consideration and Final Debt Consideration shall be reduced by $4,050,000;

(b) The reference to "Swisstech" shall be removed from the definition of the "Business";

(c) The reference to "Swisstech" shall be removed from the definition of "Royalty Adjustment" and the amount referenced in such definition shall be reduced to $57,100,000; and

(d) For the avoidance of doubt, the Transferred Assets (including the Closing Assumed Contracts and the Additional Assumed Contracts) and Assumed Liabilities (including the Closing Assumed Accounts Payable) shall in no event include any assets or Liabilities primarily related to the Swisstech brand and any such assets or Liabilities shall instead, for all purposes of this Agreement, be considered Excluded Assets or Excluded Liabilities.

To the extent necessary following delivery of the Swisstech Removal Notice and prior to the Closing, the Parties shall negotiate in good faith such additional changes to this Agreement, if any, as may be necessary to give effect to the removal of all assets and Liabilities of the Swisstech brand from "Transferred Assets" and "Assumed Liabilities."

ARTICLE II

CONSIDERATION; CLOSING

Section 2.1 Consideration.

(a) At the Closing, in consideration for the purchase, sale, assignment and conveyance of Sellers' right, title and interest in, to and under the Transferred Assets:

(i) Buyer shall pay or cause to be paid an amount equal to the Estimated Cash Consideration less the Escrow Amount (the "Closing Date Payment") to Sellers by wire transfer of immediately available funds to the account of Sellers designated in the Estimated Closing Statement, which Closing Date Payment shall be distributed in accordance with the Sale Order;

(ii) Buyer shall issue or cause to be issued a number of Series A Units of Gainline Galaxy Holdings LLC equal to 11.3% of the aggregate outstanding Series A Units and Series B Units of Gainline Galaxy Holdings at the Closing (the "Equity Consideration"), pursuant to a subscription in substantially the form attached hereto as Exhibit E, such units to be valued at $50 million and to be distributed in accordance with the Sale Order;

(iii) Buyer shall issue or caused to be issued the Estimated Debt Consideration, with such indebtedness (i) subject to adjustment upon determination of the Final Debt Consideration and (ii) to be distributed in accordance with the Sale Order and ;

(iv) Buyer shall deliver, or cause to be delivered, to the Escrow Agent in accordance with the terms of the Escrow Agreement an amount equal to the Escrow Amount to be held in the Escrow Account; and

(v) Buyer shall assume the Assumed Liabilities, and assume and be assigned the Closing Assumed Contracts and the Additional Assumed Contracts.

(b) No later than five (5) Business Days prior to the Closing Date, Sellers shall prepare and deliver to Buyer a statement (the "Estimated Closing Statement") setting forth (i) Sellers' good faith determination, together with reasonable supporting documentation, of (A) the Royalty Adjustment (the "Estimated Royalty Adjustment"), (B) the Delinquent Accounts Receivable Deficiency, (C) any amounts related to the East Asia Delinquent Accounts Receivable collected by Sellers as of the Closing Date, (D) the Closing Assumed Accounts Payable and (E) the Marketing Adjustment, together with a calculation of the Cash Consideration based on the foregoing amounts (the "Estimated Cash Consideration") and (ii) the account or accounts of the Sellers to which the Closing Date Payment shall be wired. The Estimated Closing Statement shall be prepared on a basis consistent with this Agreement and the illustrative calculation attached as Exhibit I hereto (the "Sample Calculation"). Sellers and Buyer shall consult and cooperate with respect to the preparation of the Estimated Closing Statement, and Sellers shall provide access to such working papers, financial records, information (including working papers, financial records and information of their respective independent accountants) and individuals relating to the preparation of the Estimated Closing Statement as may be reasonably requested by Buyer or any of its Affiliates and their respective Representatives. Sellers shall consider in good faith any comments provided by Buyer or its Representatives with respect to the calculation of the Estimated Cash Consideration and the elements thereof; provided, however that no Party shall be entitled to delay the Closing on the basis of the foregoing.

Section 2.2 Purchase Price Adjustment.

(a) Following the Closing, but in any event no later than 90 days thereafter, Buyer shall cause to be prepared and delivered to the Sellers a statement (the "Closing Date Statement") setting forth its calculation of the (i) the Royalty Adjustment (the "Final Royalty Adjustment"), (ii) the Delinquent Accounts Receivable Deficiency, (iii) any amounts related to the East Asia Delinquent Accounts Receivable collected by Sellers as of the Closing Date, (iv) the Closing Assumed Accounts Payable and (v) the Marketing Adjustment, and the calculation of the Cash Consideration resulting therefrom (the "Final Cash Consideration"). The Closing Date Statement (A) shall be prepared on a basis consistent with this Agreement and the Sample Calculation. To the extent any actions following the Closing with respect to the accounting books and records of Sellers on which the Closing Date Statement and the calculation of the Final Cash Consideration is to be based are not consistent with the Sample Calculation, such changes shall not be taken into account in preparing the Closing Date Statement or calculating amounts reflected thereon.

(b) Buyer shall make such information, personnel and resources available to the Sellers and their Representatives as may be reasonably requested by the Sellers to enable the Sellers to review the Closing Date Statement.

(c) In the event that Sellers dispute the calculation of the Final Cash Consideration set forth in the Closing Date Statement, Sellers shall notify Buyer in writing (the "Dispute Notice") of the amount, nature and basis of such dispute, within thirty (30) days after delivery of the Closing Date Statement. In the event of such a dispute, Buyer and Sellers shall first use their respective commercially reasonable efforts to resolve such dispute. If Buyer and Sellers are unable to resolve the dispute within thirty (30) calendar days after delivery of the Dispute Notice then any remaining items in dispute shall be submitted to a nationally recognized accounting firm jointly chosen by Buyer and Sellers (the "Audit Firm"). If such disagreement and the determination of the Final Cash Consideration are submitted to the Audit Firm for resolution, then (i) Sellers and Buyer shall execute any agreement(s) required by the Audit Firm to accept their engagement pursuant to this Section 2.2(c), (ii) Buyer shall promptly furnish or cause to be furnished to the Audit Firm and to Sellers such work papers and other documents and information relating to the computation of the Final Cash Consideration as the Audit Firm or Sellers may reasonably request and are available to Buyer, (iii) each Party shall be afforded the opportunity to present to such Audit Firm, with a copy to the other Party, any other written material relating to the computation of the Final Cash Consideration, (iv) the Audit Firm shall review only those items that are in dispute, (v) the Audit Firm shall not attribute a value to any single disputed amount greater than the greatest amount proposed by either Party nor an amount less than the least amount proposed by either Party, and (vi) Sellers, on the one hand, and Buyer, on the other hand, shall each bear the proportion of the fees and expenses of the Audit Firm based on the degree (as determined by the Audit Firm) to which the Audit Firm has accepted the positions of Buyer and Sellers; provided, however, that the engagement agreement(s) referred to in subpart (i) above may require the Parties to be bound jointly and severally to the Audit Firm for those fees and costs and, therefore, in the event Sellers or Buyer pays to the Audit Firm an amount in excess of its proportionate share determined in accordance with clause (vi) above of the fees and costs of the Audit Firm's engagement, the other Party agrees to reimburse Sellers or Buyer, as the case may be, to the extent required to correct the payments made by the Sellers and Buyer with respect to the fees and costs of the Audit Firm. The written decision of the Audit Firm shall be rendered within no more than sixty (60) days from the date that the matter is referred to such firm and shall be final and binding on the Parties and, in the absence of fraud or manifest error, shall not be subject to dispute or review. Following any such dispute resolution (whether by mutual agreement of the Parties or by written decision of the Audit Firm), the Final Cash Consideration (as determined in such dispute resolution) shall be determined final.

(d) Immediately upon the expiration of the thirty (30) day period for giving the Dispute Notice, if no such notice is given, or upon notification by Sellers to Buyer that no such notice will be given, Buyer's calculations set forth in the Closing Date Statement shall be final and binding on the Parties and shall not be subject to dispute or review.

(e) If the Final Cash Consideration (as set forth in the Closing Date Statement or as finally determined pursuant to Section 2.2(c) and Section 2.2(d), as the case may be) is less than the Estimated Cash Consideration (the absolute value of such difference between the Final Cash Consideration and the Estimated Cash Consideration the "Shortfall Amount"), Buyer and Sellers shall (i) promptly (but in any event within five (5) Business Days) deliver instructions in accordance with the Escrow Agreement to the Escrow Agent to pay to Buyer the Shortfall Amount from the Escrow Account and (ii) in the event the Shortfall Amount exceeds the amount of funds then remaining in the Escrow Account, Buyer shall be entitled to deduct such difference from (x)

the portion of any Shared Payables that otherwise are or become payable to the Sellers and (y) any East Asia A/R Payment. In the event that the funds available in the Escrow Account are in excess of the Shortfall Amount (such excess, the "Escrow Excess Amount"), Sellers and Buyer shall simultaneously with the delivery of the instructions described in the first sentence of this Section 2.2(e), deliver instructions in accordance with the Escrow Agreement to the Escrow Agent to pay to Sellers the Escrow Excess Amount.

(f) If the Final Cash Consideration (as set forth in the Closing Date Statement or as finally determined pursuant to Section 2.2(c) and Section 2.2(d), as the case may be) is greater than the Estimated Cash Consideration (such difference between the Final Cash Consideration and the Estimated Cash Consideration the "Excess Amount"), Buyer and Sellers shall promptly (but in any event within five (5) Business Days) deliver instructions in accordance with the Escrow Agreement to the Escrow Agent to pay to Seller the funds in the Escrow Account. In the event that the funds available in the Escrow Account are less than the Excess Amount, Buyer shall, within five (5) Business Days of the determination of the Final Cash Consideration, pay to Sellers such deficiency amount by wire transfer of immediately available funds to one (1) or more accounts of Sellers, and in such amounts, designated by Sellers to Buyer.

(g) The Parties agree that any payments made pursuant to Section 2.2 of this Agreement shall be treated for all federal, state and local income tax purposes as an adjustment to the Purchase Price, unless otherwise required by applicable Law.

Section 2.3 Closing. The closing (the "Closing") of the purchase and sale of the Transferred Assets and the assumption of the Assumed Liabilities (together with the other transactions contemplated by this Agreement, the "Transactions") shall take place remotely, via electronic exchange of documents, at 10:00 a.m., prevailing Eastern time, (a) on the third (3rd) Business Day following the date on which the last conditions set forth in Section 7.1, Section 7.2, and Section 7.3 (other than those conditions that by their nature are to be satisfied at the Closing but subject to the fulfillment or waiver of those conditions) has been satisfied or waived; or (b) at such other date, time and place as the Parties may mutually agree. The date on which the Closing occurs is called the "Closing Date."

Section 2.4 Closing Deliveries by Buyer. At the Closing, Buyer shall deliver, or cause to be delivered, to Sellers, the following:

(a) the payment required to be made to Sellers pursuant to Section 2.1(a)(i);

(b) the certificate to be delivered pursuant to Section 7.3(c);

(c) duly executed counterparts to one or more assumption and assignment agreements, substantially in the form of Exhibit B attached hereto (the "Assumption and Assignment Agreement");

(d) duly executed counterparts to one or more instruments of assignment substantially in the form of Exhibit C attached hereto with respect to the transfer of the issued, registered and applied-for Transferred Intellectual Property (the "IP Assignment and Assumption Agreement");

(e) duly executed counterparts to one or more bill of sale agreements, substantially in the form of Exhibit F attached hereto (the "Bill of Sale");

(f) with respect to the Transactions, all Transfer Tax returns required to be prepared by Sellers and Buyer pursuant to Section 6.4(a), duly executed by Buyer;

(g) a duly executed counterpart to the Second Amended and Restated Limited Liability Company Agreement of Gainline Galaxy Holdings LLC (the "Holdings Second A&R LLC Agreement");

(h) a duly executed counterpart to the Escrow Agreement; and

(i) such other instruments of assumption and other instruments or documents, including, without limitation, bills of sale and/or assignment and assumption agreements, in form and substance reasonably acceptable to Sellers and Buyer, as may be necessary to effect Buyer's assumption of the Assumed Liabilities and the Transfer of any Transferred Assets in accordance with the requirements of applicable Law and this Agreement, in each case duly executed by Buyer.

Section 2.5 Closing Deliveries by Sellers. At the Closing, Sellers shall deliver, or cause to be delivered, to Buyer, the following:

(a) the certificate to be delivered pursuant to Section 7.2(c);

(b) an IRS Form W-9 with respect to such Seller that is a United States person within the meaning of Section 7701 of the Code, duly completed and executed;

(c) duly executed counterparts to the Assumption and Assignment Agreements;

(d) duly executed counterparts to the Bills of Sale;

(e) duly executed counterparts to the IP Assignment and Assumption Agreements;

(f) with respect to the Transactions, all Transfer Tax returns required to be prepared by Sellers and Buyer pursuant to Section 6.4(a), duly executed by Sellers;

(g) Lien Release Letters;

(h) a duly executed counterpart to the Holdings Second A&R LLC Agreement;

(i) a duly executed counterpart to the Escrow Agreement; and

(j) such other instruments of assumption and other instruments or documents, including, without limitation, bills of sale and/or assignment and assumption agreements and other documents evidencing or otherwise necessary to give effect to the Transfer of the Transferred Assets and Buyer's assumption of the Assumed Liabilities and the effective Transfer of the Transferred Assets in accordance with the requirements of applicable Law and this Agreement, in each case duly executed by the applicable Seller.

Section 2.6 Withholding. Buyer shall be entitled to deduct and withhold from amounts payable pursuant to this Agreement any amounts required to be deducted and withheld under the Code or any provision of any U.S. federal, state, local or foreign Tax Law. Any amounts so withheld shall be paid over to the appropriate Governmental Entity. To the extent that amounts are so deducted and withheld, such deducted and withheld amounts shall be treated for all purposes of this Agreement as having been paid to Sellers. The Parties shall cooperate and use their commercially reasonable efforts to prepare and submit all necessary filings in connection with obtaining any available exemption from such withholding requirement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the corresponding numbered section or subsection of a Schedule (it being agreed that (i) for the purposes of the representations and warranties made by Sellers in this Agreement, disclosure of any item in any Schedule shall be deemed disclosure with respect to any other section or sub-section of the Agreement to which the relevance of such item is reasonably apparent on its face and (ii) the information and the dollar thresholds set forth herein shall not be used as a basis for interpreting the terms "material" or "Material Adverse Effect" or other similar terms in this Agreement), Sellers, jointly and severally, represent and warrant to Buyer as follows:

Section 3.1 Organization; Good Standing; Qualification and Power. Each Seller is duly organized, validly existing and in good standing under the Laws of the State of its organization, has all requisite power and authority to own, lease and operate its assets and to carry on its business as presently being conducted and as contemplated to be conducted, and is qualified to do business and in good standing in every jurisdiction in which the operation of the business of such Seller requires such company to be so qualified, except for any failure to be in good standing as would not, individually or in the aggregate, have a Material Adverse Effect.

Section 3.2 Authorization. Subject to the issuance of the Bid Procedures Order and the Sale Order and any other Order necessary to consummate the transactions contemplated by this Agreement and the other Transaction Documents:

(a) each Seller has the requisite power and authority to enter into this Agreement and the other Transaction Documents to which it is a party and to consummate the Transactions;

(b) the execution and delivery of this Agreement and the other Transaction Documents to which such Seller is a party and the consummation of the Transactions by such Seller has been, or prior to the Closing will be, duly authorized by all necessary action on the part of such Seller; and

(c) this Agreement and the other Transaction Documents to which such Seller is a party have each been, or will be at the Closing, duly executed and delivered by such Seller and, assuming this Agreement and the other Transaction Documents to which it is a party constitute the valid and binding obligation of Buyer, will constitute the valid and binding obligation of such Seller, enforceable against such Seller in accordance with their respective terms except as limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or

preferential transfer and other Laws of general applicability affecting enforcement of creditors' rights generally and (b) Laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

Section 3.3 Non-contravention. Except as set forth in Schedule 3.3 and except as would not, individually or in the aggregate, have a Material Adverse Effect, the execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party by each Seller, and the consummation of the Transactions, and compliance with the provisions hereof and thereof do not and will not (a) violate any Law to which such Seller or any of its assets is subject, (b) violate any provision of the Organizational Documents of such Seller, (c) violate, conflict with, result in a breach of, constitute (with due notice or lapse of time or both) a default under, result in the acceleration of, create in any Person the right to accelerate, terminate, modify or cancel, require any notice under, or otherwise give rise to any Liability under, any Contract that is a Transferred Asset, or (d) result in the creation or imposition of any Lien upon any of the Transferred Assets.

Section 3.4 Consents and Approvals. Schedule 3.4 sets forth a true, correct and complete list of each consent, waiver, authorization or approval of any Governmental Entity or regulatory authority, domestic or foreign, or any other Person, firm or corporation, and each declaration to or filing or registration with any such Governmental Entity or regulatory authority, that is required of or to be made by each Seller in connection with the execution and delivery of this Agreement or the other Transaction Documents or the performance by such Seller of its obligations hereunder and thereunder, except for such consents, waivers, authorizations or approvals, the failure of which to be received or made as would not, individually or in the aggregate, have a Material Adverse Effect.

Section 3.5 RESERVED.

Section 3.6 Litigation. Except as set forth on Schedule 3.6 or as would have a Material Adverse Effect, there is no Action pending or, to the Knowledge of Sellers, threatened by or against, or affecting the Transferred Assets, the Business or any Seller with respect to the Business or to the Knowledge of the Sellers, against any officer, director, shareholder, employee or agent of any Seller in their capacity as such or relating to their employment services or relationship with the Business, and none of the Business or any Seller with respect to the Business is bound by any Order affecting the Transferred Assets. None of the Business or any Seller with respect to the Business has any Action pending against any Governmental Entity or other Person affecting the Transferred Assets. None of the Business or any Seller with respect to the Business has been engaged in a dispute with any customer which, either individually or in the aggregate, has adversely affected or would be reasonably likely to materially adversely affect the Business. To the Knowledge of Sellers, there is no basis for any Person to assert a claim against any Seller based upon such Seller entering into this Agreement, the other Transaction Documents or the consummation of the Transactions.

Section 3.7 Real Property. The Sellers do not own, and have never owned, any real property Related to the Business.

Section 3.8 Material Contracts.

(a) Other than this Agreement and the other Transaction Documents, Schedule 3.8(a) sets forth a true and correct list of the following Contracts as of the date hereof that are Related to the Business (together, the "Material Contracts"):

(i) Contract that provides for a payment or benefit, or accelerated vesting, upon the execution of this Agreement or the Closing or in connection with any of the transactions contemplated by the Transaction Documents;

(ii) Contract relating to Indebtedness or to the mortgaging, pledging or otherwise placing a Lien on any asset or group of assets of the Business;

(iii) Contract involving the sale of the accounts receivable Related to the Business to any other Person;

(iv) guarantee of any obligation for borrowed money or otherwise that is Related to the Business;

(v) Contract (other than license agreements) under which any of the Sellers is the lessor of or permits any third Person to hold or operate any personal property that is a Transferred Asset;

(vi) Contract under which any Seller is licensed by any third Person to use Intellectual Property, with the exception of (1) shrink-wrap, click-wrap, or similar nonexclusive licenses to generally commercially available off-the-shelf software granted to Sellers and (2) open source licenses;

(vii) Contract under which any Seller licenses to any third Person the right to practice or use, or a covenant not to sue under, any material Transferred Intellectual Property;

(viii) Contract that limits or purports to limit the ability of the Business or a Seller to (1) solicit or hire any Person, (2) acquire any product or other asset or any service from any other Person, (3) develop, sell, supply, distribute, offer support to or service any product or any technology or other asset to or for any other Person, (4) charge certain prices pursuant to a "most-favored nation" or similar clause or (5) compete in any line of business, with any Person, in any geographic area or during any period of time;

(ix) Contract with any Affiliate of the Sellers;

(x) Contract or group of related Contracts with any Person which gives rise to payments in excess of $500,000 in any 12-month period;

(xi) Contract involving (1) the Business sharing its profits, losses, costs or liabilities with any other Person or (2) a vendor's sharing of its profits, losses, costs or liabilities with the Business;

(xii) Contract with Governmental Entities; or

(xiii) Contract related to joint ventures, partnerships, relationships for joint marketing (other than co-marketed items) or joint development with another Person.

(b) Except as set forth on Schedule 3.8(b), each Material Contract (a) is valid, binding and enforceable against Sellers and, to the Knowledge of Sellers, against each other party thereto, in accordance with its terms, except that such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and general principles of equity, and (b) is in full force and effect and Sellers, as applicable, have performed all material obligations, including, but not limited to, the timely making of any payments, required to be performed by them under, and are not in material default or breach of in respect of, any Material Contract, and no event has occurred which, with due notice or lapse of time or both, would constitute such a material default. Except as set forth on Schedule 3.8(b), the ability of Sellers to perform all obligations required to be performed by them under the Material Contracts has not been materially limited or adversely affected by or as a result of COVID-19 or any COVID-19-related Laws, Orders, guidance or directives. Except as set forth on Schedule 3.8(b), to the Knowledge of Sellers, each other party to each Material Contract has performed all material obligations required to be performed by it under, including, but not limited to, the timely making of any payments, and is not in material default or breach of in respect of, any Material Contract, and no event has occurred which, with due notice or lapse of time or both, would constitute such a material default. There has been made available to Buyer a true, correct and complete copy of each of the Material Contracts listed on Schedule 3.8(a), together with all amendments, waivers or other changes thereto.

Section 3.9 Compliance with Laws; Permits.

(a) In each case to the extent Related to the Business, each of the Sellers and the Business has not been in, is not in, and does not have Liability in respect of any, material violation of, and no event has occurred or circumstance exists that (with or without notice or lapse of time) would constitute or result in a material violation by such Seller or the Business, as applicable, of, or failure on the part of such Seller or the Business, as applicable, to comply with, in all material respects, or any Liability suffered or incurred by such Seller or the Business, as applicable, in respect of any material violation of or noncompliance with, any Laws that are or were applicable to such Seller or the Business, as applicable, or the conduct or operation of the Business or the ownership or use of any of their respective assets, and no Action is pending, or to the Knowledge of the Sellers, threatened, alleging any such violation or noncompliance.

(b) To the Knowledge of Sellers, each Seller and the Business have all material Permits necessary for the conduct of the Business as presently conducted and as contemplated to be conducted and (i) each such Permit is in full force and effect, (ii) such Seller and the Business are in material compliance with the terms, provisions and conditions thereof, (iii) there are no material outstanding violations, notices of noncompliance, Orders or Actions adversely affecting any such Permits, and (iv) no condition (including, without limitation, the execution of this Agreement and the consummation of the Transactions) exists and no event has occurred which (whether with or without notice, lapse of time or the occurrence of any other event) would reasonably be expected to result in the suspension or revocation of such Permits other than by expiration of the term set

forth therein. Schedule 3.9(b) sets forth a list of all the material Permits necessary for the conduct of the Business, and the Sellers have furnished to Buyer true, correct and complete copies of all such Permits.

(c) To the Knowledge of Sellers, none of the Business, Sellers with respect to the Business or to the Knowledge of Sellers, any of the Representatives of Sellers with respect to the Business, has, directly or indirectly, made, offered, promised or authorized, or caused to be made offered, promised or authorized any payment, contribution, gift or favor of anything of value, including but not limited to money, property or services, whether or not in contravention of the U.S. Foreign Corrupt Practices Act, as amended from time to time (the "FCPA"), or any similar other applicable law prohibiting public or commercial bribery or corruption (collectively, including the FCPA, the "Legislation"), (i) as a kickback, gratuity, or bribe to any person, including, but not limited to, any foreign official as defined in the FCPA, or (ii) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of the Business. None of the Business, the Sellers with respect to the Business or to the Knowledge of the Sellers, any of the Representatives of the Business or the Sellers with respect to the Business, (i) is under investigation for any potential violation of the Legislation, (ii) has received any notice or other communication (in writing or otherwise) from any Governmental Entity regarding any actual, alleged, or potential violation of, or failure to comply with, any Legislation, (iii) is aware of or has any reason to believe that there has been any violation or potential violation of the Legislation by any of the Business, the Sellers with respect to the Business, any Representatives of the Business or the Sellers with respect to the Business, or any other business entity or enterprise with which the Business is or has been engaged, affiliated or associated, or (iv) has committed any act that would constitute a violation of the Legislation irrespective of whether the Legislation applies as a jurisdictional matter. None of the Business or the Sellers with respect to the Business, any of their respective officers, directors, employees, or other Representatives or any direct, indirect, or beneficial owners of the foregoing, is or has been a foreign official as defined under the FCPA (including any employee of a state-owned or state-controlled entity, business, or corporation).

(d) To the Knowledge of Sellers, none of the Sellers with respect to the Business, or any Related Person of the Sellers with respect to the Business is (i) a person listed in any Sanctions-related list of designated persons maintained by OFAC or the U.S. Department of State, (ii) a person operating, organized or resident in a country or region which is itself the subject or target of any Sanctions ("Sanctioned Country"), or (iii) any person owned or controlled by any person or persons specified in (i) or (ii) above or otherwise the target of Sanctions (together "Sanctioned Persons"). Each of the Business, the Sellers with respect to the Business and any Related Person of the Sellers is in compliance with applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in the Business, any Seller or any Related Person of Sellers being designated as a Sanctioned Person. None of the Business or Sellers with respect to the Business or any Related Person of Sellers with respect to the Business is engaged directly in any business or transactions with any Sanctioned Person or in any Sanctioned Country, or knowingly engaged in any indirect business or transactions with any Sanctioned Person or in any Sanctioned Country or any in any manner that would result in the violation of Sanctions by any Person.

(e) (i) Each of the Business and Sellers with respect to the Business is in compliance in all material respects with all anti-money laundering laws, rules, regulations and orders of jurisdictions applicable to the Business (collectively, "AML Laws"), including without limitation, the USA PATRIOT Act and (ii) no proceeding involving the Business or the Sellers with respect to the Business, with respect to AML Laws, is currently pending or, to the Knowledge of the Sellers, threatened which in each case would be reasonably expected to result in a material violation of this representation. No Seller is required to be registered with the U.S. Department of the Treasury as a money services business, as such term is defined by federal law or regulation, nor is any Seller required to be registered or licensed as a money services business, money transmitter, or equivalent enterprise under the applicable Law of any other jurisdiction.

Section 3.10 Brokers and Finders. There are no claims, and will not be any claims, against Buyer for brokerage commissions or finder's fees or similar compensation in connection with the Transactions based on any arrangement made by or on behalf of the Sellers or any of their respective Affiliates.

Section 3.11 Material Customers and Suppliers. Except as set forth on Schedule 3.11, there are no pending or threatened disputes between the Business on the one hand, and any material customer or supplier of the Business on the other hand and no such material customer or supplier has provided notice to the Sellers that such material customer or supplier intends to terminate or adversely change its relationship with the Business, in each case that would, individually or in the aggregate, reasonably be expected to be material to the Business, taken as a whole.

Section 3.12 Title to and Sufficiency of Transferred Assets.

(a) Except as set forth on Schedule 3.12(a), and subject to Section 1.6, each Seller has good and valid title to, or in the case of leased assets, has good and valid leasehold interests in, all Transferred Assets, free and clear of all Liens (other than Permitted Encumbrances) and, at the Closing, subject to the terms of the Sale Order, Buyer will be vested with good and valid title to, or in the case of leased assets, good and valid leasehold interests in, such Transferred Assets, free and clear of all Liens (other than Permitted Post-Closing Encumbrances) and Excluded Liabilities, to the fullest extent permissible under Law, including Section 363(f) of the Bankruptcy Code.

(b) Except as set forth on Schedule 3.12(b) and except for back office and administrative support and assets provided by Sellers' corporate office (including legal services, human resources, finance and accounting, insurance policies, and internal information technology support), the Transferred Assets constitute all of the tangible and intangible assets and properties that are used or held for use by Sellers exclusively in connection with the Business as currently conducted, and are sufficient for Buyer to conduct and operate the Business from and after the Closing Date in substantially the same manner (and without interruption as a result of the Closing) as it was conducted by Sellers since January 1, 2020.

Section 3.13 Intellectual Property.

(a) Sellers own all right, title and interest in and to the Transferred Intellectual Property (other than the Specified Intellectual Property) and the Intellectual Property owned or purported to be owned by the Business ("Seller Intellectual Property"), respectively, free and clear of all

Liens other than Permitted Encumbrances. Schedule 3.13(a) sets forth a true, complete and correct list, as of the date hereof, of all Transferred Intellectual Property that is registered or the subject of an application for registration with a Governmental Entity, including all issued patents, registered Trademarks, copyright registrations, domain names, and all applications therefor. Except as set forth in Schedule 3.13(a), all registered Transferred Intellectual Property and all registered Seller Intellectual Property is valid, subsisting and enforceable, and is not subject to any outstanding order, judgment, decree or agreement adversely affecting Sellers' use thereof or rights thereto. Each of the Sellers, as applicable, have taken commercially reasonable steps to enforce, protect and maintain each item of Transferred Intellectual Property or Seller Intellectual Property.

(b) Sellers' conduct of the Business as currently conducted does not infringe, misappropriate or otherwise violate, and in the three year period prior to the date hereof, has not infringed, misappropriated or otherwise violated the Intellectual Property of any other Person. Except as set forth on Schedule 3.13(b), Sellers have not, in the three year period prior to the date hereof, received any written notice (i) alleging any such infringement, misappropriation of violation by any of Sellers of Intellectual Property owned by any other Person or (ii) challenging or questioning any of the Sellers' right, title or interest in or to any of the Transferred Intellectual Property or Seller Intellectual Property, respectively. To the Knowledge of Sellers, none of the Transferred Intellectual Property or Seller Intellectual Property has been or is being infringed, misappropriated or otherwise violated by any Person.

(c) Except as set forth on Schedule 3.13(c), there is no Action pending before any Governmental Entity concerning the ownership, validity, registrability, enforceability, infringement, misappropriation or violation of any Transferred Intellectual Property or Seller Intellectual Property, excluding ordinary course prosecution or examination, consistent with past practice, before the United States Patent and Trademark Office or other similar applicable Governmental Entities. Except as set forth on Schedule 3.13(c), none of the Transferred Intellectual Property or Seller Intellectual Property is subject to any outstanding injunction, directive, order, decree, award, settlement or judgment restricting the use or validity thereof.

(d) To the Knowledge of Sellers, each of the Sellers (with respect to the Transferred Assets) has, during the past three (3) years, complied in all material respects with (i) all applicable Laws governing the collection, use, security, handling, and sharing of Personal Information, (ii) their respective policies governing the collection, use, security, handling, and sharing of Personal Information, and (iii) provisions of contracts related to the collection, use, security, handling, and sharing of Personal Information.

(e) Sellers have taken commercially reasonable security measures to safeguard and maintain the secrecy and confidentiality of, and their proprietary rights in and to, all material non-public Transferred Intellectual Property and Seller Intellectual Property, and to maintain the security of all Personal Information in the possession of the Sellers.

(f) No employee, officer, director, consultant or advisor of the Sellers (i) has any right, license, and claim or interest whatsoever in or with respect to any Transferred Intellectual Property or Seller Intellectual Property, or (ii) is in violation of any IP Assignment.

(g) Sellers make no representations or warranties in this Section 3.13 or otherwise regarding the Specified Intellectual Property.

Section 3.14 Taxes.

(a) Each Seller has timely filed all material Tax Returns with respect to the Transferred Assets required under applicable Law to be filed with the appropriate Governmental Entities in all jurisdictions in which such Tax Returns are required to be filed (taking into account any extension of time to file). All such Tax Returns are true, correct and complete in all respects, and such Seller has paid all Taxes owed by it with respect to the Transferred Assets (whether or not shown as due on such Tax Returns).

(b) All income and other material Tax Returns of or with respect to each Seller have been filed with the appropriate Governmental Entities in all jurisdictions in which such Tax Returns are required to be filed (taking into account any extension of time to file). All such Tax Returns are true, correct and complete in all respects, and each Seller has paid all Taxes owed by it (whether or not shown as due on such Tax Returns).

(c) No audit or other proceeding with respect to any income or other material Taxes or income or other material Tax Returns with respect to the Transferred Assets or any Seller is currently in progress, or has been proposed or threatened in writing.

(d) No Seller has received written notice of any outstanding, proposed or assessed Tax deficiency that has not been paid, accrued for or been contested in good faith and in accordance with applicable Law (with appropriate reserves taken in accordance with applicable accounting standards), nor has any Seller executed any waiver of any statute of limitations in respect of material Taxes nor agreed to any extension of time with respect to a Tax assessment, collection or deficiency.

(e) There are no liens for Taxes upon any of the Transferred Assets or any assets of a Seller.

(f) There are not any outstanding ruling requests, and no rulings have been received, by any Seller relating to Taxes with respect to the Transferred Assets.

(g) No claim has been made by a Governmental Entity in a jurisdiction where a Seller has not filed a Tax Return with respect to the Transferred Assets, that such Seller is or may be subject to Tax by such jurisdiction with respect to the Transferred Assets (as applicable), nor to Sellers' Knowledge is any such assertion threatened.

(h) Each Seller with respect to the Business and Transferred Assets has collected all sales and use Taxes required to be collected and has remitted or will remit on a timely basis such amounts to the appropriate Governmental Entity, or has been furnished properly completed exemption certificates.

(i) Each Seller has, to the extent related to the Transferred Assets or the Business, withheld and paid all Taxes required to be withheld with respect to amounts paid or owing to any employee, creditor, independent contractor or other third party.

(j) None of the Transferred Assets constitutes a United States real property interest pursuant to Section 897 of the Code (including any below-market leases) such that the withholding pursuant to Section 1445 of the Code is required in connection with this Agreement.

Section 3.15 Absence of Certain Developments. Since December 31, 2020 to and including the date of this Agreement, except as expressly contemplated by this Agreement, the Transaction Documents, or as set forth on Schedule 3.15, (a) the Business has been operated in all material respects in the Ordinary Course, (b) there has not been a Material Adverse Effect and (c) Sellers have not taken any action that, if it had been taken after the date of this Agreement, would require the consent of Buyer under Section 6.2(b)(i), (iv), (viii), or (xii).

Section 3.16 Data Privacy and Security.

(a) The Business and Sellers (to the extent Related to the Business) comply with, and have for the three (3) years prior to the date hereof complied with, in all material respects, all Data Protection Laws, internal or publicly posted policies, procedures, agreements, and notices, and in connection with the collection, access, processing, use, storage, disclosure, transmission, or transfer (including cross-border transfer) of Personal Information, the requirements of any Material Contract and/or applicable industry standards, including the Payment Card Industry Data Security Standard (collectively the "Data Protection Requirements"). None of the Sellers has used, disclosed, transferred, or otherwise processed any Personal Information that is Related to the Business in any manner that violates any Data Protection Requirement.

(b) In each case to the extent Related to the Business, none of the Sellers has received any subpoenas, demands, or other notices from any Governmental Entity investigating, inquiring into, or otherwise relating to any actual or potential violation of any Data Protection Law and, to the Knowledge of the Sellers, none of the Sellers is under investigation by any Governmental Entity for any actual or potential violation of any Data Protection Law.

(c) No notice, complaint, claim, enforcement action, or litigation of any kind that is Related to the Business has been served on, or initiated against the Sellers or the Business under any applicable Data Protection Requirement.

(d) The Sellers have established and maintain physical, technical, and administrative security measures and policies, compliant with applicable Data Protection Requirements, that (i) protect the operation, confidentiality, availability, integrity, and security of the Sellers' and the Business's software, systems, and websites that are involved in the collection and processing of Personal Information and/or business data for the Business, and (ii) identify internal and organizational risks to the confidentiality, integrity, security, and availability of Personal Information of the Business and/or business data and data systems of the Business.

(e) To the Knowledge of Sellers, none of the Business or the Sellers has experienced any security breaches or incidents, unauthorized access, use, modification, or disclosure, or other adverse events or incidents related to Personal Information of the Business and/or business data and data systems of the Business that would require notification of individuals, other affected parties, law enforcement, or any Governmental Entity.

(f) Each Seller with respect to the Business has made all required registrations and notifications in accordance with all applicable Data Protection Requirements, and all such registrations and notifications are current, complete, and accurate in all respects.

(g) The execution, delivery, and performance of this Agreement shall not cause, constitute, or result in a breach or violation of any Data Protection Requirement or other standard terms of service entered into by the users of the Business's service(s).

Section 3.17 No Other Representations or Warranties.

(a) Except for the representations and warranties contained in the Transaction Documents, no Seller or any other Person makes any other express or implied representation or warranty with respect to Sellers, the Business, the Transferred Assets, the Assumed Liabilities or the Transactions and Sellers disclaim any other representations or warranties, whether made by Sellers, any Affiliate of Sellers or any of Sellers' or their respective Affiliates' respective Representatives. Except for the representations and warranties contained in the Transaction Documents, Sellers (i) expressly disclaim and negate any representation or warranty, expressed or implied, at common law, by statute or otherwise, relating to the condition of the Transferred Assets (including any express or implied warranty of merchantability or fitness for a particular purpose) and (ii) disclaim all liability and responsibility for any representation, warranty, projection, forecast, statement or information made, communicated or furnished (orally or in writing) to Buyer or its Affiliates or Representatives (including any opinion, information, projection or advice that may have been or may be provided to Buyer by any Representative of Sellers or any of their respective Affiliates). Sellers make no representations or warranties to Buyer regarding the probable success or profitability of the Business or the Transferred Assets. Notwithstanding anything to the contrary herein, the foregoing shall not limit, in any way, the specific representations and warranties made by Sellers in the Transaction Documents and nothing in this Agreement shall be deemed to be a waiver of any claim for Fraud.

(b) Sellers acknowledge and agree that, except for the representations and warranties expressly set forth in this Agreement and the other Transaction Documents, neither Buyer nor any other Person has made any express or implied representation or warranty with respect to the Transactions or with respect to the accuracy or completeness of any other information provided, or made available, to Sellers in connection with the Transactions and none of the Sellers have relied on any representation or warranty other than those expressly set forth in Article IV.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Sellers as follows:

Section 4.1 Organization, Good Standing. Buyer is duly organized, validly existing and in good standing under the Laws of the State of Delaware, has all requisite limited liability company power to own, lease and operate its assets and to carry on its business as presently being conducted and as contemplated to be conducted, and is qualified to do business and in good standing in every jurisdiction in which the operation of the business of Buyer requires it to be so qualified.

Section 4.2 Authorization. Buyer has the requisite limited liability company power and authority to enter into this Agreement and the other Transaction Documents to which it is a party and to consummate the Transactions. The execution and delivery of this Agreement and the other Transaction Documents to which it is a party and the consummation of the Transactions by Buyer have been duly authorized by all necessary limited liability company action on the part of Buyer. This Agreement and the other Transaction Documents to which it is a party have been duly executed and delivered by Buyer and, assuming this Agreement and the other Transaction Documents constitute the valid and binding obligation of each of the other parties hereto and thereto, constitute the valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms except as limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium and other Laws of general applicability affecting enforcement of creditors' rights generally and (b) Laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

Section 4.3 Non-contravention. The execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party by Buyer and the consummation of the Transactions do not and will not (a) violate any Law to which Buyer or any of its Affiliates or any of Buyer's assets are subject, (b) violate any provision of the Organizational Documents of Buyer or any Affiliate of Buyer, or (c) violate, conflict with, result in a breach of, constitute (with due notice or lapse of time or both) a default under, result in the acceleration of, create in any Person the right to accelerate, terminate, modify or cancel, require any notice under, or otherwise give rise to any Liability under, any material Contract, lease, loan agreement, mortgage, security agreement, trust indenture or other material agreement or instrument to which Buyer or any of its Affiliates is a party or by which any of them is bound or to which any of the respective properties or assets of Buyer is subject; except as would not, individually or in the aggregate, reasonably be expected to have a Buyer Material Adverse Effect.

Section 4.4 Financing.

(a) Buyer has delivered true, correct and complete copies of (i) the executed debt commitment letter, dated as of the date hereof, together with true, correct and complete copies of any related executed fee letters (provided that, solely with respect to any such fee letters, the fee amounts and other economic terms (none of which would affect the availability or amount of, impose additional or new conditions on (or expand or modify any existing conditions), affect the enforceability or termination of, impair the validity of, or prevent or delay the consummation of the Debt Financing at the Closing) may be redacted in a customary manner from such true, correct and complete copies) (collectively, including all exhibits, schedules, amendments, supplements, modifications and annexes thereto, the "Debt Commitment Letter"), pursuant to which the Persons (other than Buyer) party to the Debt Commitment Letter (such parties, the "Debt Financing Sources") have agreed, subject to (and only to) the terms and conditions expressly set forth therein and assuming the accuracy of the representations and warranties herein, to provide debt financing and (ii) the executed subscription agreements for equity investments in Buyer, dated as of the date hereof, from the Equity Financing Sources party thereto (the "Equity Commitment Letters" and, together with the Debt Commitment Letter, the "Commitment Letters"), pursuant to which the Persons (other than Buyer) party to the Equity Commitment Letters (such parties, the "Equity Financing Sources" and, together with the Debt Financing Sources, the "Financing Sources") have agreed, subject to (and only to) the terms and conditions expressly set forth therein and assuming the accuracy of the representations and warranties herein, to provide equity financing in an amount

equal to $146,027,243 in the aggregate, in each case in the amounts set forth therein for, among other things, the purposes of financing the Transactions on the date on which the Closing should occur (such debt financing, the "Debt Financing" and together with the equity financing, the "Financing").

(b) Each Commitment Letter is in full force and effect and has not been withdrawn, terminated, rescinded, amended, supplemented or otherwise modified in a manner which, when taken as a whole, is materially adverse to Sellers, and the respective commitments contained in each Commitment Letter have not been withdrawn, terminated or rescinded, in each case, in any respect, and no such withdrawal, termination or rescission is contemplated by Buyer or, to Buyer's Knowledge, any other party thereto. Buyer has fully paid or caused to be fully paid any and all commitment fees or other fees in connection with and required by the Commitment Letters that are due and payable by it or its Affiliates on or prior to the date hereof. The Commitment Letters have been duly executed by Buyer and, to Buyer's Knowledge, the Financing Sources, and each Commitment Letter is a valid, binding and enforceable obligation of Buyer and, to Buyer's Knowledge, the Financing Sources, to provide the Financing subject only to the satisfaction or waiver of the conditions specified in such Commitment Letter except that (i) such enforcement may be subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar Laws, now or hereafter in effect, affecting creditors' rights and remedies generally and (ii) the remedies of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(c) Assuming the accuracy of Sellers' representations and warranties set forth in Article III, as of the date of this Agreement, no event has occurred that (with or without notice or lapse of time, or both) would constitute a material breach or material default under the Commitment Letters on the part of Buyer, or to Buyer's Knowledge, any other parties thereto. As of the date hereof, Buyer is not aware of any fact or occurrence that makes any of the representations or warranties of Buyer in either Commitment Letter inaccurate in any material respect. As of the date hereof, Buyer has not incurred, and is not contemplating or aware of, any obligation, commitment, restriction or other liability of any kind, in each case, that would impair or adversely affect the Financing, other than those set forth in the Commitment Letters. As of the date hereof, there are no conditions precedent related to the initial funding of the Commitment Letters at the Closing, other than as set forth in the Commitment Letters. As of the date of this Agreement, assuming (i) the accuracy of Sellers' representations and warranties set forth in Article III and (ii) the performance by Sellers of their obligations hereunder in all material respects, Buyer has no reason to believe that it will be unable to satisfy on a timely basis any term or condition to be satisfied by it and contained in the Commitment Letters.

(d) At the Closing, assuming satisfaction or waiver of the conditions to Buyer's obligation to consummate the Closing as set forth in Section 7.1 and Section 7.2, the net proceeds from the Debt Financing, together with the available cash of Buyer, will be sufficient for Buyer to pay the Cash Consideration and to pay all related fees and expenses of Buyer required to be paid at the Closing.

Section 4.5 Brokers and Finders. There are no claims, and will not be any claims, against Sellers for brokerage commissions or finder's fees or similar compensation in connection with the Transactions based on any arrangement made by or on behalf of Buyer.

Section 4.6 No Other Representations or Warranties.

(a) Except for the representations and warranties contained in the Transaction Documents, neither Buyer nor any other Person makes any other express or implied representation or warranty with respect to the Transactions, and Buyer disclaims any other representations or warranties, whether made by Buyer, any Affiliate of Buyer or any of Buyer's or its Affiliates' respective Representatives.

(b) Buyer acknowledges and agrees that, except for the representations and warranties expressly set forth in this Agreement and the other Transaction Documents, no Seller nor any other Person has made any express or implied representation or warranty with respect to the Transactions or with respect to the accuracy or completeness of any other information provided, or made available, to Buyer in connection with the Transactions.

(c) BUYER HAS CONDUCTED ITS OWN INDEPENDENT REVIEW AND ANALYSIS OF SELLERS AND THE BUSINESS, INCLUDING THE OPERATIONS, ASSETS, LIABILITIES, RESULTS OF OPERATIONS, FINANCIAL CONDITION, SOFTWARE, TECHNOLOGY AND PROSPECTS OF SELLERS AND THE BUSINESS, AND ACKNOWLEDGES THAT IT HAS BEEN PROVIDED ACCESS TO THE PERSONNEL, PROPERTIES, PREMISES AND RECORDS OF SELLERS FOR SUCH PURPOSE. IN ENTERING INTO THIS AGREEMENT, BUYER HAS RELIED SOLELY UPON ITS OWN INVESTIGATION AND ANALYSIS, AND SELLERS' REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE III. BUYER ACKNOWLEDGES THAT, SHOULD THE CLOSING OCCUR, BUYER SHALL ACQUIRE THE TRANSFERRED ASSETS, THE ASSUMED LIABILITIES AND THE BUSINESS WITHOUT ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS THEREOF FOR ANY PARTICULAR PURPOSE, IN AN "AS IS" CONDITION AND ON A "WHERE IS" BASIS.

ARTICLE V

BANKRUPTCY MATTERS

Section 5.1 Bankruptcy Court Filings.

(a) Within one Business Day of the Petition Date, Sellers shall file with the Bankruptcy Court a motion (the "Bid Procedures Motion") in form and substance reasonably satisfactory to Buyer and Sellers seeking:

(i) entry of the Bid Procedures Order, *inter alia*, (A) establishing the Bid Procedures, (B) approving the payment of the Bid Protections, and (C) providing that the Bid Protections shall (1) constitute superpriority administrative expenses of the Debtors and (2) be part of the Carve-Out; and

(ii) entry of the Sale Order, authorizing and approving, *inter alia*, the sale of the Transferred Assets to Buyer on the terms and conditions set forth herein, free and clear of all Liens (other than Permitted Post-Closing Encumbrances) and Liabilities (other than Assumed Liabilities), and the assumption and assignment of the Closing Assumed Contracts and Additional Assumed Contracts to Buyer.

(b) Sellers shall use their respective commercially reasonable efforts to have (i) the Bankruptcy Court enter the Bid Procedures Order as promptly as practicable after the filing of the Bid Procedures Motion and (ii) the Bankruptcy Court enter the Sale Order as promptly as practicable after the completion of the Auction, in each case, prior to the deadlines set forth in Section 8.1(d)(ii), and become Final Orders. Sellers and Buyer shall cooperate in good faith to obtain the Bankruptcy Court's entry of the Bid Procedures Order, the Sale Order, and any other Order reasonably necessary in connection with the transactions contemplated by this Agreement, including furnishing affidavits, nonconfidential financial information, or other documents or information for filing with the Bankruptcy Court and making such advisors of Sellers and Buyer and their respective Affiliates available to testify before the Bankruptcy Court for the purposes of obtaining entry of such orders, including, among other things, providing adequate assurances of performance by Buyer as required under Section 365 of the Bankruptcy Code, and demonstrating that Buyer is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code. Sellers and Buyer agree that they will each promptly take such actions as are reasonably requested by the other Party to assist in obtaining entry of the Bid Procedures Order, the Sale Order, and any other Order reasonably necessary, consistent with the above.

(c) Sellers shall consult with Buyer regarding any pleadings or other submissions that they intend to file with the Bankruptcy Court in connection with, or which might reasonably affect the Bankruptcy Court's approval of, the Bid Procedures Order or Sale Order, including sharing in advance any drafts thereof in sufficient time for Buyer's and its Representatives reasonable review and comment, which Sellers shall consider in good faith. No Seller shall seek any modification to the Bid Procedures Order or the Sale Order by the Bankruptcy Court or any other Governmental Entity of competent jurisdiction to which a decision relating to the Bankruptcy Proceeding has been appealed, in each case, without the prior written consent of Buyer in its sole discretion; provided, however, that the forgoing shall only apply to modifications that are adverse as to the Buyer or may result in the delay of Bankruptcy Court approval, or consummation, of this Agreement.

(d) If the Bid Procedures Order, Sale Order, or any other orders of the Bankruptcy Court relating to this Agreement or the Transactions are appealed by any Person (or if any petition for certiorari or motion for reconsideration, amendment, clarification, modification, vacation, stay, rehearing or reargument shall be filed with respect to the Bid Procedures Order and the Sale Order, or other such order), subject to rights otherwise arising from this Agreement, Sellers shall use their commercially reasonable efforts to prosecute such appeal, petition or motion and obtain an expedited resolution of any such appeal, petition or motion in favor of the Sellers.

(e) The Debtors and Buyer acknowledge that this Agreement, their obligations hereunder and the Transactions are subject to (i) entry of, as applicable, the Bid Procedures Order and the Sale Order and (ii) as permitted by this Agreement and the Bid Procedures Order, the consideration by Sellers of higher or otherwise better competing bids (whether through any and all

types of consideration, including, without limitation, cash and assumed liabilities or credit bid) in respect of a sale, reorganization, or other disposition of the Sellers, the Business or the Transferred Assets. In the event of any discrepancy between this Agreement and the Bid Procedures Order and the Sale Order, the Bid Procedures Order and the Sale Order (as applicable) shall govern.

Section 5.2 Alternative Transaction.

(a) During the period from the date of this Agreement through entry of the Bid Procedures Order, Sellers shall not pursue an Alternative Transaction; provided, however, that Sellers may, in response to any third party that has made (and not withdrawn) an unsolicited Proposal in writing after the date of this Agreement that Sequential's board of directors determines in good faith after consultation with outside legal counsel and Sequential's financial advisor constitutes or is reasonably likely to result in a Superior Proposal: (i) participate in discussions or negotiations with such third party with respect to an Alternative Transaction and (ii) furnish to such third party non-public information relating to the Business pursuant to an executed confidentiality agreement that constitutes an Acceptable Confidentiality Agreement; provided further, however, for the avoidance of doubt, in no event shall the Sellers enter into a definitive agreement with respect to, or consummate, an Alternative Transaction prior to the entry of the Bid Procedures Order. Upon entry of the Bid Procedures Order, Sellers shall only pursue an Alternative Transaction in accordance with the terms of the Bid Procedures. If Buyer is chosen as the Successful Bidder at the Auction, Sellers shall not take any steps in furtherance of an Alternative Transaction at any time after the Auction other than with respect to any Backup Bid, pursuant to the terms of the Bid Procedures.

(b) If, upon completion of the Auction, Sellers have agreed to sell their assets under an Alternative Transaction, Buyer shall have no obligation to serve as a Backup Bidder unless Buyer shall have participated in the Auction and submitted an overbid in respect of any qualified competing bid (such overbid, a "Buyer Backup Bid").

Section 5.3 Bid Protections. Subject to entry of the Bid Procedures Order, Sellers shall make payment of the Seller Termination Fee in accordance with Section 8.3 hereof.

ARTICLE VI

COVENANTS

Section 6.1 Access and Information.

(a) From the date hereof through the Closing Date, subject to Section 6.1(b), Buyer will be entitled, through its Representatives, to have reasonable access to the offices, employees and properties of each of the Sellers Related to the Business for any reasonable purpose related to this Agreement and the transactions contemplated hereby. Any such access will be conducted upon reasonable advance notice and under reasonable circumstances and will be subject to restrictions under COVID-19 Measures and applicable Law. Sellers will direct and use their commercially reasonable efforts to cause their Representatives to cooperate with Buyer and Buyer's Representatives in connection with such access, and Buyer and its Representatives will cooperate with Sellers and its Representatives; provided that (i) any such access shall be conducted, at

Buyer's expense, in accordance with binding Contracts, applicable Law (including applicable privacy and competition laws), during normal business hours, under the supervision of Sellers' personnel, and in such a manner as to not unreasonably interfere with the normal operations of the Business or of Sellers and their respective Affiliates and (ii) the foregoing shall not require Sellers to disclose information or materials (1) protected by attorney-client, attorney work product or other legally recognized privileges or immunity from disclosure, (2) the disclosure of which would violate any binding Contracts, applicable Laws or fiduciary duties, or (3) pertinent to any litigation in which Sellers or any of their Affiliates, on the one hand, and Buyer or any of its Affiliates, on the other hand, are engaged (provided that, at Buyer's reasonable request, the Parties shall take commercially reasonable efforts to implement appropriate and mutually agreeable measures to permit the disclosure of such information in a manner to remove the basis for the non-disclosure to the greatest extent reasonably possible, including by arrangement of appropriate clean room procedures, redaction of text from documents or entry into a customary joint defense agreement with respect to any information to be so provided).

(b) All information received pursuant to this Section 6.1 shall be governed by the terms of the Confidentiality Agreement.

(c) For a period not to exceed five (5) years following the Closing, Buyer shall provide to Sellers and their Affiliates and Representatives (at Sellers' expense) reasonable access to, including the right to make copies of, all books and records included in the Transferred Assets and Assumed Liabilities relating to periods prior to the Closing to the extent necessary to permit Sellers to prepare financial reports, Tax returns, any Tax audits, or the defense or prosecution of any Action; provided that (i) any such access shall be conducted in accordance with binding Contracts and applicable Law (including applicable privacy and competition laws), during normal business hours, under the supervision of Sellers' personnel, and in such a manner as to not unreasonably interfere with the normal operations of the Business or of Buyer and its Affiliates and (ii) the foregoing shall not require Buyer to disclose information or materials (1) protected by attorney-client, attorney work product or other legally recognized privileges or immunity from disclosure, (2) the disclosure of which would violate any binding Contracts, applicable Laws or fiduciary duties, or (3) pertinent to any litigation in which Sellers or any of their Affiliates, on the one hand, and Buyer or any of its Affiliates, on the other hand, are engaged. Any such access will also be conducted upon reasonable advance notice and under reasonable circumstances and will be subject to restrictions under COVID-19 Measures and applicable Law. Notwithstanding anything herein to the contrary, Buyer may destroy any such books and records, provided that Buyer shall notify Sellers in writing at least 30 days in advance of destroying any such books and records prior to the five-year anniversary of the Closing Date in order to provide Sellers the opportunity to copy such books and records in accordance with this Section 6.1(c). Notwithstanding anything herein to the contrary, Buyer acknowledges that Sellers have the right to retain originals or copies of all books and records and other materials included in or related to the Transferred Assets or Assumed Liabilities.

Section 6.2 Interim Operations of the Business.

(a) Except (i) as required by applicable Law (including COVID-19 Measures and as may be ordered by the Bankruptcy Court), which order is not inconsistent with this Agreement, (ii) as otherwise expressly required by this Agreement or another Transaction Document, (iii) with

the prior written consent of Buyer, not to be unreasonably withheld, conditioned, or delayed or as taken or caused by Buyer on behalf of Sellers under the Buyer Consulting Agreement, (iv) as set forth on Schedule 6.2 or (v) to the extent primarily related to any Excluded Assets or Excluded Liabilities (so long as any such action would not reasonably be expected to (1) prevent, materially impair or materially delay the consummation of the Transactions or (2) adversely affect the Business or the Transferred Assets), during the period from the date hereof to and through the Closing Date, Sellers shall (A) subject to the DIP Order, timely approve and pay all marketing expenditures that are reasonably requested by Buyer in accordance with the Budget, (B) use commercially reasonable efforts to conduct the Business in the Ordinary Course and maintain, preserve, and protect in all material respects the Transferred Assets in their current condition, ordinary wear and tear excepted, (C) use commercially reasonable efforts to preserve in all material respects the present business operations, organization and goodwill of the Business, and the present relationships with material customers and material suppliers of the Business, (D) use commercially reasonable efforts to maintain in all material respects their books, accounts and records in the Ordinary Course; and (E) use commercially reasonable efforts to (x) comply in all material respects with all applicable Laws respecting the Business or any Transferred Asset, (y) comply in all material respects with contractual obligations applicable to or binding upon them pursuant to any Closing Assumed Contract or Additional Assumed Contract and (z) maintain in full force and effect all Permits necessary for the conduct of the Business and comply with the terms of each such Permit.

(b) In furtherance of and not in limitation of Section 6.2(a), except (i) as required by applicable Law (including COVID-19 Measures and as may be ordered by the Bankruptcy Court, which order is not inconsistent with this Agreement), (ii) as otherwise expressly contemplated by this Agreement or another Transaction Document, (iii) with the prior written consent of Buyer, not to be unreasonably withheld, conditioned, or delayed or as taken or caused by Buyer on behalf of Sellers under the Buyer Consulting Agreement, (iv) as set forth on Schedule 6.2 or (v) to the extent solely related to any Excluded Assets or Excluded Liabilities (so long as any such action would not reasonably be expected to (1) prevent, materially impair or materially delay the consummation of the Transactions or (2) adversely affect the Business or the Transferred Assets), during the period from the date hereof to and through the Closing Date, Sellers shall not take any of the following actions, in each case only to the extent such action relates to the Business, an Assumed Liability or a Transferred Asset:

(i) sell, lease, Transfer, mortgage, pledge, assign, exclusively license or otherwise dispose of or encumber any of the Transferred Assets (or permit any of such Transferred Assets to become subject to any additional Lien, other than in respect of Permitted Encumbrances), other than dispositions in the Ordinary Course;

(ii) (x) other than in the Ordinary Course, enter into any new Contract that would constitute a Material Contract if entered into prior to the date of this Agreement, or (y) terminate, amend or modify any Material Contract (other than any Excluded Contract or pursuant to Section 1.5(b));

(iii) make or authorize any payment of, or accrual or commitment for, capital expenditures Related to the Business, other than capital expenditures less than $100,000

individually or $250,000 in the aggregate, other than expenditures contemplated by the Budget;

(iv) waive, release, assign, settle or compromise any material Action relating to the Business or the Transferred Assets, to the extent that such waiver, release, assignment, settlement or compromise (A) imposes any binding obligation or restriction, whether contingent or realized, on the Business, the Transferred Assets and/or Buyer, or (B) waives or releases any material rights or claims that would constitute Transferred Assets;

(v) with respect to the Business or the Transferred Assets, make or change any Tax election, file any amended Tax Return, enter into any closing agreement, settle any Tax claim or assessment, consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment, or take any other similar action relating to the filing of any Tax Return or the payment of any Tax, in each case solely to the extent binding on Buyer after the Closing;

(vi) assume, reject or assign any Closing Assumed Contract or Additional Assumed Contract other than pursuant to Section 1.5;

(vii) with respect to the Business, change accounting policies or procedures, other than as required by GAAP or applicable Law;

(viii) (A) amend or modify pricing policies or delay or postpone payment of any accounts payable or commissions or any other Liability that is an Assumed Liability, or enter into any agreement or negotiation with any Person to extend the payment date of any accounts payable or commissions or any other Liability that is an Assumed Liability, or (B) accelerate the collection of, or cancel or discount, any accounts receivable Related to the Business;

(ix) grant any refunds, credits, rebates or other allowances to any end user, customer, reseller or distributor to the extent that they are Related to the Business;

(x) acquire (by merger, consolidation, acquisition of stock or assets or otherwise) any corporation, partnership or other business organization or division;

(xi) incur, assume or guarantee any Indebtedness, other than Indebtedness of Sellers that will not constitute an Assumed Liability;

(xii) cancel, surrender, allow to expire or fail to renew any Transferred Permit;

(xiii) propose or adopt a plan of complete or partial liquidation or dissolution, merger, consolidation, restructuring, recapitalization or other reorganization in respect of the Transferred Assets or that would adversely affect their ability to consummate this Agreement;

(xiv) enter into a joint venture, partnership, joint development program or similar transaction;

(xv) abandon, cancel, permit to lapse or enter the public domain any Transferred Intellectual Property; or

(xvi) authorize, or commit or agree to take, any of the foregoing actions.

Section 6.3 Cooperation; Status Updates; Regulatory Filings.

(a) Cooperation. Subject to the terms and conditions set forth in this Agreement, the Parties shall cooperate with each other and use their respective commercially reasonable efforts to: (i) take or cause to be taken all actions reasonably necessary, proper or advisable on their part under this Agreement or applicable Law to Transactions contemplated hereby as promptly as reasonably practicable in accordance with the Bid Procedures; (ii) execute, acknowledge and deliver in proper form any further documents, certificates, agreements and other writings, and take such other action as such other Party may reasonably require, in order to effectively carry out the intent of the Transaction Documents; (iii) make or cause to be made all registrations, filings, notifications, submissions and applications with, to give all notices to and to obtain any consents, governmental transfers, approvals, orders, qualifications and waivers from any Governmental Entity necessary for the consummation of the Transactions; (iv) not to take any action prior to the Closing that would reasonably be expected to prevent, materially impair or materially delay the consummation of the Transactions, except to the extent such action is otherwise expressly required by this Agreement, any other Transaction Document or the Bid Procedures; (v) provide each other Party with cooperation and take such actions as such other Party may reasonably request in connection with the consummation of the Transactions and by the Transaction Documents; and (vi) cause the fulfillment at the earliest practicable date of all of the conditions to their respective obligations to consummate the Transactions.

(b) Status Updates. Each of Sellers and Buyer shall promptly notify the other Party of the occurrence, to such Party's knowledge, of any event or condition, or the existence of any fact or circumstance, that would reasonably be expected to result in any of the conditions set forth in Article VII not being satisfied as of a reasonably foreseeable Closing Date.

(c) Regulatory Filings.

(i) Sellers and Buyer shall prepare and file as promptly as practicable all documentation to effect all necessary notices, reports and other filings and to obtain as promptly as practicable all consents, clearances, registrations, approvals, permits and authorizations necessary or advisable to be obtained from any Governmental Entity in order to consummate the Transactions, including, (A) all filings pursuant to the HSR Act within ten (10) Business Days after the date of this Agreement and (B) all other filings for required competition or other governmental approvals as promptly as practicable after the date of this Agreement, in each case subject to Sellers supplying as promptly as practicable (and in any event no later than five (5) Business Days following the later of the date hereof or the date requested, if available) any information and documentary material Buyer reasonably requests in connection with such filings.

(ii) Subject to applicable Law, Sellers and Buyer shall cooperate with each other and shall furnish to the other Party all information necessary or desirable in

connection with making any filing under the HSR Act and for any application or other filing to be made pursuant to any competition or foreign investment review Law, and in connection with resolving any investigation or other inquiry by any Governmental Entity under any competition or foreign investment review Laws with respect to the Transactions. Each of the Parties shall promptly inform the other Party of any substantive communication with any Governmental Entity regarding any such filings relating to the HSR Act or other competition Laws. To the extent practicable, neither Sellers nor Buyer shall participate in any substantive pre-scheduled meeting with any Governmental Entity in respect of any such filings, investigation or other inquiry without giving the other Party prior notice of the meeting. Such other Party shall be permitted to participate in any substantive pre-scheduled meeting with any Governmental Entity in respect of any such filings, investigation or other inquiry relating to the HSR Act or other competition Laws, to the extent permitted by such Governmental Entity. The Parties will consult and cooperate with one another in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any Party in connection with all meetings, actions and proceedings under or relating to the HSR Act or other competition Laws (including, with respect to making a particular filing, by providing copies of all such documents to the non-filing Party and their advisors prior to filing and, if requested, giving due consideration to all reasonable additions, deletions or changes suggested in connection therewith); provided that the Parties shall not be required to provide to each other any confidential information or business secrets, which information shall be provided on an outside counsel-only basis; provided, further, that Buyer shall control and direct the processes relating to all consents, clearances, registrations, approvals, permits and authorizations necessary or advisable to be obtained from any Governmental Entity in order to consummate the Transactions.

(d) Efforts.

(i) During the period from the date hereof and continuing until the earlier of the valid termination of this Agreement and the Closing Date, Buyer and its Affiliates shall not take any action, including entering into any transaction, that would reasonably be expected to prevent or delay any filings or approvals required under the HSR Act or any applicable competition Laws.

(ii) Notwithstanding anything in this Agreement to the contrary, Buyer and its Subsidiaries shall take, or cause to be taken, any and all actions and do, or cause to be done, any and all things necessary, proper or advisable to avoid, eliminate and resolve each and every impediment and obtain all consents required to permit the satisfaction of the conditions in Article VII, as promptly as reasonably practicable, including by offering to:

(A) proffer and agree to sell, divest, lease, license, transfer, dispose of or otherwise encumber, or hold separate pending such disposition, and effectuate such actions with respect to such assets of Buyer or its Subsidiaries (and the entry into agreements with, and submission to Orders giving effect thereto) if such action is necessary to avoid, prevent, eliminate or remove the issuance of any Order that would reasonably be expected to materially delay, restrain, prevent, enjoin or otherwise prohibit consummation of the Transactions by any Governmental Entity;

(B) terminate any existing relationships and contractual rights and obligations of Buyer including, after the Closing, with respect to the Business or any of the Transferred Assets;

(C) amend or terminate existing licenses or other intellectual property agreements and to enter into such new licenses or other intellectual property agreements;

(D) take any and all actions and make any and all behavioral commitments, whether or not they limit or modify Buyer's rights of ownership in, or ability to conduct the business of, the Business or any of the Transferred Assets; and

(E) enter into agreements, including with the relevant Governmental Entity, giving effect to the foregoing clauses (A) through (D) (such actions in clauses (A) through (E), "Required Actions"); provided that (1) such Required Actions are conditioned upon and become effective only from and after the Closing and (2) for the avoidance of doubt, no Affiliate of Buyer (other than any Subsidiary) shall be required to take any of the Required Actions.

Section 6.4 Tax Matters.

(a) Transfer Taxes. All documentary, stamp, transfer, motor vehicle registration, sales, use, value added, excise and other similar non-income Taxes and all filing and recording fees (and any penalties and interest associated with such Taxes and fees) arising from or relating to the consummation of the Transactions (collectively, "Transfer Taxes") will be borne 50% by Buyer and 50% by Sellers, regardless of the Party on whom liability is imposed under the provisions of the Laws relating to such Transfer Taxes. Sellers and Buyer will consult and cooperate in timely preparing and making all filings, Tax Returns, reports and forms as may be required to comply with the provisions of the Laws relating to such Transfer Taxes, and will cooperate and otherwise take commercially reasonable efforts to obtain any available refunds for or exemptions from such Transfer Taxes, including preparing exemption certificates and other instruments as are applicable to claim available exemptions from the payment of Transfer Taxes under applicable Law and executing and delivering such affidavits and forms as are reasonably requested by the other Party.

(b) Asset Taxes. Sellers shall be allocated and bear all Asset Taxes for any period or portion thereof ending on or prior to the Closing Date and Buyer shall be allocated and bear all Asset Taxes for any period or portion thereof that begins after the Closing Date. For purposes of this Section 6.4(b), (i) Asset Taxes that are based upon or related to income or receipts or imposed on a transactional basis (other than such Asset Taxes described in clause (ii)), shall be allocated to the period in which the transaction giving rise to such Asset Taxes occurred, and (ii) Asset Taxes that are ad valorem, property or other Asset Taxes imposed on a periodic basis pertaining to a Straddle Period shall be allocated between the portion of such Straddle Period ending on the Closing Date and the portion of such Straddle Period beginning after the Closing Date by prorating each such Asset Tax based on the number of days in the applicable Straddle Period ending on and including the Closing Date, on the one hand, and the number of days in such Straddle Period that occur after the Closing Date, on the other hand. To the extent the actual amount of an Asset Tax is not known at the time an adjustment is to be made with respect to such Asset Tax pursuant to Article II, no later than two Business Days prior to the Closing Date, the Parties shall utilize the

most recent information available in estimating in good faith the amount of such Asset Tax for purposes of such adjustment. For the avoidance of doubt, to the extent any Seller has prepaid or deposited any amounts of any Asset Taxes prior to the Closing Date, such Seller shall receive credit for such amounts in determining payments of Asset Taxes. Buyer shall be responsible for the preparation and timely filing of any Tax Returns and the payment to the applicable Governmental Entity of all Asset Taxes that become due and payable after the Closing Date. Sellers shall be responsible for the preparation and timely filing of any Tax Returns and payment to the applicable Governmental Entities of all Asset Taxes that become due and payable on or prior to the Closing Date.

(c) Cooperation and Audits. Buyer and Sellers will cooperate fully with each other regarding Tax matters and will make available to the other as reasonably requested all information, records and documents relating to Taxes with regard to the Transferred Assets until the expiration of the applicable statute of limitations or extension thereof or the conclusion of all audits, appeals or litigation with respect to such Taxes. Notwithstanding anything in this Section 6.4(c) to the contrary, Sellers, Buyer and their respective Affiliates shall not be required to provide to Sellers and their respective Affiliates or Buyer and its Affiliates, as the case may be, any records, Tax Returns or any other information, in each case, to the extent such records, Tax Returns, or any other information do not relate to the Transferred Assets.

(d) Purchase Price Allocation.

(i) As promptly as practicable after the Closing Date, but no later than 30 days thereafter, and subject to Section 6.4(d)(iii), Buyer will prepare and deliver to Sellers, an allocation schedule setting forth the amounts to be allocated among Sellers and the Transferred Assets, pursuant to (and to the extent necessary to comply with) Section 1060 of the Code and the applicable regulations promulgated thereunder (or, if applicable, any similar provision under state, local or foreign Law or regulation) (the "Proposed Allocation Statement"). Sellers will have 20 Business Days following delivery of the Proposed Allocation Statement during which to notify Buyer in writing (an "Allocation Notice of Objection") of any objections to the Proposed Allocation Statement, setting forth in reasonable detail the basis of their objections. If Sellers fail to deliver an Allocation Notice of Objection in accordance with this Section 6.4(d)(i), the Proposed Allocation Statement will be conclusive and binding on all Parties and will become the "Final Allocation Statement." If Sellers submit an Allocation Notice of Objection, then for 20 Business Days after the date Buyer receives the Allocation Notice of Objection, Buyer and Sellers will use their commercially reasonable efforts to agree on the allocations. If Buyer and Sellers agree on the allocations, such revised allocations will become the Final Allocation Statement. Failing such agreement within 20 Business Days of such notice, the unresolved allocations will be submitted to an independent, nationally recognized accounting firm mutually agreeable to Buyer and Sellers, which firm will be instructed to determine its best estimate of the allocation schedule based on its determination of the unresolved allocations and provide a written description of the basis for its determination within 45 Business Days after submission, such written determination to be final, binding and conclusive. The allocations determined by such accounting firm (or those on the Proposed Allocation Statement to the extent Sellers did not object) will be conclusive and binding on all Parties and will become the "Final Allocation Statement." The fees and

expenses of such accounting firm will be apportioned 50% to Sellers and 50% to Buyer. For the avoidance of doubt, in administering any Action, the Bankruptcy Court shall not be required to apply the Final Allocation Statement in determining the manner in which the Purchase Price should be allocated.

(ii) Subject to Section 6.4(d)(iii), except to the extent otherwise required by a "determination" within the meaning of Section 1313(a) of the Code or by applicable Law, Sellers and Buyer and their respective Affiliates will report, act and file Tax Returns (including, but not limited to IRS Form 8594) in all respects and for all purposes consistent with the Final Allocation Statement and neither Sellers nor Buyer will take any position (whether in audits, Tax Returns, or otherwise) that is inconsistent with the Final Allocation Statement.

(iii) Notwithstanding anything to the contrary contained herein, including, without limitation, this Section 6.4(d), (x) Buyer shall have the unilateral right to allocate the Purchase Price solely for the purpose of calculating the Transfer Taxes described in Section 6.4(a) with respect to the Transferred Assets and (y) Buyer shall provide written notice to Sellers no later than three Business Days prior to the Closing Date of Buyer's Purchase Price allocation to such Transferred Assets for Transfer Tax purposes; provided, however, (A) no such Purchase Price allocation shall result in a change to the Purchase Price and (B) any Purchase Price allocation shall be reasonable and proposed for a valid business purpose. To the extent required by Law, each Seller of its respective Transferred Assets shall execute any applicable Transfer Tax return containing such allocation in accordance with this Section 6.4(d).

(e) Buyer and Sellers agree to treat the equity issuance described in Section 2.1(a)(ii) as a tax deferred transaction to the maximum extent permitted by applicable Law.

Section 6.5 Confidentiality. Each Party acknowledges that the information being provided to it in connection with the Transactions is subject to the terms of the Confidentiality Agreement. If, for any reason, the Closing does not occur, the Confidentiality Agreement shall continue in full force and effect in accordance with its terms. Buyer acknowledges and understands that this Agreement, before it becomes otherwise publicly available, may be publicly filed in the Bankruptcy Court and further made available by Sellers to prospective bidders and that, except as prohibited herein, such disclosure will not be deemed to violate any confidentiality obligations owing to Buyer, whether pursuant to this Agreement, the Confidentiality Agreement or otherwise. Sellers acknowledge and agree that from and after the Closing, all non-public information relating to the Business, the Transferred Assets and the Assumed Liabilities (other than any such information that is now or subsequently becomes generally available to the public other than as a direct or indirect disclosure by Sellers or any of their Representatives in violation of this Agreement, will be valuable and proprietary to Buyer and its Affiliates, including, but not limited to, any and all confidential and proprietary information that relates to the actual or anticipated business and/or products, research, or development of the Business, or to any technical data, trade secrets, or know-how, including, but not limited to, research, product plans, or other information regarding the Business's products or services and markets, customer lists, and customers, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other confidential and proprietary

information about the Business. Sellers agree that, from and after the Closing, Sellers and their respective Representatives will hold in confidence, will not disclose to any Person and will not use any information relating to Buyer and its Affiliates, the Business, the Transferred Assets or the Assumed Liabilities, except as required by Law or Order or Bankruptcy Court requirement, or as otherwise becomes available in the public domain other than through any action by Sellers in violation of its obligations under this Section 6.5.

Section 6.6 Publicity. Except as required by the Bankruptcy Court in connection with the Bankruptcy Proceeding, with the exception of the initial press releases issued by Sequential and Buyer in connection with signing on the date hereof and the Closing Date in forms mutually agreeable to Sequential and Buyer, any disclosure statement that the Debtors may file in connection with the Bankruptcy Proceeding and any public disclosure issued by Sequential pursuant to its contractual obligations under any confidentiality agreement or as required by Law (including any SEC reporting obligation), Buyer and Sellers will not issue any press release or public announcement concerning this Agreement or the Transactions without obtaining the prior written approval of the other Party, which approval may not be unreasonably withheld, except that such consent shall not be required in connection with ordinary or required pleadings made by any Debtor in the Bankruptcy Court or if disclosure is otherwise required by applicable Law or by the Bankruptcy Court; provided, however, that Buyer or Sellers, as applicable, will consult with the other Party with respect to the text of any such required disclosure; provided further, that nothing in this Section 6.6 shall restrict any Party and its Affiliates' disclosure of information regarding the Transactions, including information related to such Party's determination to enter into this Agreement, to advisors, lenders, investors or prospective investors in such Party or its Affiliates.

Section 6.7 Use of Names and Marks. As soon as reasonably practicable, but in no event more than 60 Business Days after the Closing, Sellers shall cause an amendment to the certificate or articles of incorporation or formation (or any equivalent organizational documents) of each Seller to be filed with the appropriate Governmental Entity and shall take all other action necessary to change each Seller's legal, registered, assumed, trade and "doing business as" name, as applicable, to a name or names not containing any Transferred Intellectual Property, including "Galaxy" or any name confusingly similar to the foregoing, and will cause to be filed as soon as practicable after the Closing, in all jurisdictions in which each Seller is qualified to do business, any documents necessary to reflect such change in its legal, registered, assumed, trade and "doing business as" name, as applicable, or to terminate its qualification therein. Sellers further agree that from and after the Closing, each Seller and its Subsidiaries will cease to make any use of any Transferred Intellectual Property, in whole or in part.

Section 6.8 Financing.

(a) Notwithstanding anything to the contrary contained in this Agreement, prior to the Closing, Sellers shall use commercially reasonable efforts to, and shall use commercially reasonable efforts to cause its senior management, agents and representatives to, provide cooperation and assistance reasonably requested by Buyer in connection with obtaining the Debt Financing, including: (i) participating in meetings, presentations and due diligence sessions with Buyer, the Debt Financing Sources and their respective Representatives and promptly furnishing such reasonably available information (including financial information) as may be reasonably requested by Buyer; (ii) executing and delivering any definitive financing documents and

certificates as may be reasonably requested by Buyer (the "Financing Cooperation Request") and otherwise facilitating the pledging of collateral and the providing of guarantees (provided that the effectiveness thereof shall be conditioned upon, or become operative after, the Closing); (iii) permitting Buyer, the Debt Financing Sources and their respective Representatives to evaluate, examine or audit the Transferred Assets and the Business, including the current assets, cash management and accounting systems and policies and procedures relating thereto, and cooperating with any reasonable requests in connection with such efforts, including due diligence requests relating thereto, (iv) furnishing Buyer, the Debt Financing Sources and their respective Representatives as promptly as practicable with available financial, borrowing base and other pertinent available information regarding the Business as may be reasonably requested by Buyer, (v) facilitating the granting of a security interest (and perfection thereof) in collateral, guarantees, mortgages, other definitive financing documents or other certificates or documents as may reasonably be requested by Buyer, including obtaining releases of existing liens, (vi) cooperating in satisfying the conditions precedent set forth in any definitive document relating to the Debt Financing, (vii) identifying any portion of the information provided in rating agency presentations, lender and investor presentations, offering documents, bank information memoranda, business projections and similar documents that constitutes material, non-public information and (viii) providing (A) documentation and other information about Sellers, the Transferred Assets and the Business as is reasonably required under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act, and (B) to the extent required by applicable Law, beneficial ownership certifications required pursuant to 31 C.F.R. § 1010.230 (provided, in the case of this clause (B), that Sellers shall not be responsible for including in any such certification information relating to the ownership of the Transferred Assets or the Business, in each case, following the Closing), in each case of this clause (v), at least five Business Days prior to the Closing Date to the extent requested by or on behalf of Buyer in writing at least ten (10) Business Days prior to the Closing Date. Sellers hereby consent to the use of any logos related to the Transferred Assets and the Business in connection with the Debt Financing; provided that such logos shall not be used in a manner that is intended to or reasonably likely to harm or disparage the Business, Sellers, any of their Subsidiaries or any of their Affiliates or the reputation or goodwill of the Business, Sellers, any of their Subsidiaries or any of their Affiliates. Sellers hereby expressly authorize the use of the financial statements and other information provided hereunder for purposes of the Debt Financing and are not aware of any limitation on the use of such financial statements required by any independent accountant.

(b) Notwithstanding anything to the contrary contained herein, if Buyer makes a Financing Cooperation Request, nothing in this Section 6.8 shall require any such cooperation or assistance to the extent that it would (i) require any Seller to waive or amend any terms of this Agreement or agree to pay any commitment or other fees or reimburse any expenses prior to the Closing (other than expenses reimbursed by Buyer at or prior to Closing in accordance with the terms of Section 6.8(c)), or incur any liability or give any indemnities to any third party or otherwise commit to take any similar action, except in the case of normal costs incurred by such Seller in the ordinary course of business, for which it is not reimbursed or indemnified by Buyer, (ii) unreasonably interfere with the ongoing business or operations of Sellers and their Subsidiaries or the Business, taken as a whole, (iii) require Sellers, any of their Subsidiaries or any of their Affiliates to commit to take any action that is not contingent upon the Closing, (iv) require Sellers, any of their Subsidiaries or any of their Affiliates to take any action that would (A) subject any director, manager, officer or employee of any Seller, any of their Subsidiaries or any of their

Affiliates to any actual or reasonably likely personal liability relating to the Debt Financing, (B) conflict with, violate or result in any breach of or default under any Organizational Documents of any Seller, any of its Subsidiaries or of any of their Affiliates, any Contract or any Law, (C) require providing access to or disclose information that Sellers reasonably determine would jeopardize any attorney client privilege of, or conflict with any confidentiality requirements applicable to, any Seller, any of its Subsidiaries or any of their Affiliates (provided that in such instances any Seller, any of its Subsidiaries or any of their Affiliates shall inform Buyer and its Debt Financing Sources of the general nature of the information being withheld and reasonably cooperate with Buyer and its Debt Financing Sources to provide such information, in whole or in part, in the manner that would not result in the loss of such privilege or the conflict with such applicable confidentiality requirements) or (D) require any such entity to change any fiscal period, (v) require any director or manager or equivalent of a Seller or any of its Subsidiaries to pass resolutions or covenants to approve the Debt Financing or authorize the creation of any agreements, documents or actions in connection therewith, unless, in each case, such documents shall not become effective until the Closing or thereafter, (vi) cause or result in any representation or warranty in Article III of this Agreement to be inaccurate or breached, (vii) cause or result in any closing condition set forth in Article VII to fail to be satisfied or (viii) otherwise cause the breach of this Agreement.

(c) If a Financing Cooperation Request is made by Buyer to Sellers, Buyer shall (i) promptly upon request by any Seller, reimburse Sellers for all reasonable and documented out of pocket fees, costs and expenses (including, to the extent incurred at the request or consent of Buyer, reasonable and documented out-of-pocket legal fees) incurred by Sellers and their Affiliates in connection with the cooperation or assistance contemplated by this Section 6.8; provided, that Buyer shall not be required to reimburse Sellers for costs and expenses related to any items that Sellers would have prepared in the ordinary course of its business and (ii) indemnify and hold harmless Sellers, their Subsidiaries and their Affiliates and representatives from and against any and all losses suffered or incurred by them in connection with the arrangement of the Debt Financing, any action taken by them at the request of Buyer pursuant to this Section 6.8 and any information used in connection therewith, other than to the extent such losses are a result of Sellers' fraud, gross negligence or willful misconduct or Sellers acting in bad faith through the knowing, intentional or the material breach of Sellers' obligations under this Section 6.8. Without limiting the foregoing and if a Financing Cooperation Request is made by Buyer to Sellers, neither any Seller nor any of its Subsidiaries shall be required, under the provisions of this Section 6.8 or otherwise in connection with the Debt Financing to pay any commitment or other similar fee prior to the Closing that is not advanced to such Seller or its applicable Subsidiary.

(d) Buyer shall use best efforts to arrange and obtain the Debt Financing on the terms and conditions described in the Debt Commitment Letter on or prior to Closing. Without limiting the foregoing, Buyer shall use commercially reasonable efforts to (i) maintain in effect the Debt Commitment Letter until the earlier of (x) the funding of the Debt Financing at or prior to the Closing or (y) the termination of this Agreement, (ii) comply with all of Buyer's obligations thereunder, (iii) satisfy (and if unable to so satisfy, use commercially reasonable efforts to obtain the waiver of) on a timely basis all conditions within Buyer's control applicable to Buyer obtaining the Debt Financing and (iv) to enter into definitive agreements with respect to the Debt Financing reflecting terms and conditions no less favorable, taken as a whole, to Buyer with respect to conditionality than those contained in the Debt Commitment Letter, so that such agreements are in effect no later than the Closing. In the event that all of the conditions set forth in Section 7.1

and Section 7.2 have been satisfied or waived, Buyer shall use commercially reasonable efforts to cause the funding on the Closing Date of the full amount of the Debt Financing (or such lesser amount as may be required to consummate the transactions contemplated by this Agreement), and shall enforce all of its rights under the Debt Commitment Letter, including, if necessary, to comply with Section 9.7 hereof, commencing and diligently pursuing proceedings against the Debt Financing Sources in good faith. Without limiting the generality of the preceding two sentences, Buyer shall give Sellers prompt notice: (A) if Buyer or any of its Affiliates materially breaches or materially defaults under or materially deviates from the terms of, or obtains Knowledge of any other party's material breach or material default under or material deviation from the terms of, the Debt Commitment Letter or any definitive documents related thereto; or (B) of the receipt by it of any written notice or other written communication from any Person with respect to any actual or alleged breach, default, termination or repudiation by any party of the Debt Commitment Letter or any definitive document related to the Debt Financing.

(e) Prior to the Closing, Buyer shall not amend, modify or agree to any waiver under any Equity Commitment Letter without the prior written consent of Sellers if such amendment, modification or waiver would (i) reduce the aggregate amount committed pursuant to the Equity Commitment Letters below an amount sufficient to satisfy the payment obligations of Buyer in cash at the Closing under this Agreement or (ii) impose new or additional conditions to the funding of such amounts. Prior to the Closing, neither Buyer nor any of its Affiliates shall amend, modify, supplement, replace or agree to any waiver or consent under the Debt Commitment Letter without the prior written consent of Sellers if such amendment, modification, supplement, replacement or waiver would (i) reduce the aggregate amount of the Debt Financing below an amount sufficient to satisfy the payment obligations of Buyer in cash at the Closing under this Agreement, including by changing the amount of fees to be paid or original issue discount of the Debt Financing, or (ii) impose new or additional conditions to the Debt Financing, otherwise materially directly or indirectly expand, amend or modify any of the conditions to the Debt Financing in a manner that would reasonably be expected to (A) delay, prevent, or impair the funding or availability of all or any portion of the Debt Financing (or satisfaction of the conditions to the Debt Financing) on the Closing Date, (B) adversely affect the ability of Buyer to enforce its material rights against the Debt Financing Sources or any other parties to the Debt Commitment Letter or any definitive documents related thereto or (C) adversely affect the ability of Buyer to timely consummate the transactions contemplated hereby; provided that Buyer may modify, amend or supplement the Debt Commitment Letter to (A) correct typographical errors or mistakes, (B) add lenders, arrangers, bookrunners, agents or similar entities or titles that have not executed the Debt Commitment Letter as of the date hereof or amend titles, allocations and fee sharing arrangements in connection therewith or (C) increase the amount of the Debt Financing. Notwithstanding any of the foregoing, Buyer may reduce the commitment under the Debt Commitment Letter on a dollar-for-dollar basis with the net proceeds of consummated offerings or other incurrences of any debt for borrowed money incurred after the date of this Agreement for the purpose of financing payment of the Cash Consideration and other amounts payable by Buyer or its Subsidiaries pursuant to this Agreement and the other Transaction Documents to which Buyer is a party. In the event that new commitment letters are entered into in accordance with any amendment, replacement, supplement or other modification of the Debt Commitment Letter permitted pursuant to this Section 6.8(e), Buyer shall promptly deliver to Sellers a true, complete and accurate copy thereof.

(f) In the event any portion of the Debt Financing becomes unavailable on the terms and conditions (including the flex provisions) contemplated in the Debt Commitment Letter, Buyer shall (i) promptly notify Sellers in writing thereof and the reasons therefor and (ii) use its commercially reasonable efforts to arrange to obtain alternative financing from alternative sources on terms not materially less favorable, in the aggregate, to Buyer (as determined in the reasonable judgment of Buyer, taking into account the flex provisions set forth in the Debt Commitment Letter), in an amount sufficient to consummate the transactions contemplated by this Agreement.

Section 6.9 No Successor Liability. The Parties intend that, to the fullest extent permitted by Law (including under Section 363(f) of the Bankruptcy Code), upon the Closing, Buyer shall not be deemed to: (a) be the successor or successor employer any Seller, including with respect to Environmental Liabilities; (b) have, de facto or otherwise, merged with or into any Seller; (c) have any common law successor liability in relation to any Multiemployer Plan, including with respect to withdrawal liability or contribution obligations, (d) be a mere continuation or substantial continuation of any Seller; or (e) be liable for any acts or omissions of any Seller in the conduct of the Business or arising under, or related to, the Transferred Assets, other than as expressly set forth in this Agreement. Without limiting the generality of the foregoing, and except as otherwise provided in this Agreement, the Parties intend that Buyer shall not be liable for any Liability or Lien (other than Assumed Liabilities) against the Debtors or any of the Debtors' predecessors or Affiliates, and Buyer shall have no successor or vicarious Liability of any kind or character whether known or unknown as of the Closing Date, whether now existing or hereafter arising, or whether fixed or contingent, with respect to the Business, the Transferred Assets or any Liabilities of Sellers arising prior to the Closing Date. The Parties agree that the provisions substantially in the form of this Section 6.9 shall be reflected in the Sale Order.

Section 6.10 Intercompany Arrangements. All intercompany and intracompany accounts or contracts between the Business, on the one hand, and any Seller or its Affiliates, on the other hand, shall be cancelled without any consideration or further liability to any Party and without the need for any further documentation, immediately prior to the Closing.

Section 6.11 Release; Termination of Buyer Consulting Agreement. Upon the Closing, (a) Sellers shall pay all amounts due and owing by them under the Buyer Consulting Agreement solely through the Closing Date which, for the avoidance of doubt, shall include the proration of any amounts purported to be paid on a weekly, monthly, quarterly, semi-annual or annual basis, so that the Sellers shall only be obligated to pay amounts due and owing through the Closing Date, and (b) thereafter, without any further action on the part of Buyer or Seller, the Buyer Consulting Agreement shall terminate and be of no further effect. Effective as of the Closing, (i) Buyer, on its own behalf and on behalf of its direct and indirect Affiliates, hereby absolutely, irrevocably and unconditionally releases and forever discharges Sequential and its direct and indirect Affiliates from, and agrees not to assert any cause of action or proceeding with respect to, any losses or Liabilities whatsoever, of any kind or nature, whether at law or in equity, which have been or could have been asserted against Seller or its Affiliates, which Buyer or its Affiliates has or ever had, which arises out of or in any way relates to events, circumstances or actions occurring, existing or taken prior to or as of the Closing Date in respect of the Buyer Consulting Agreement and (ii) Sequential, on its own behalf and on behalf of its direct and indirect Affiliates, hereby absolutely, irrevocably and unconditionally releases and forever discharges Buyer and its direct and indirect Affiliates from, and agrees not to assert any cause of action or proceeding with respect to, any losses

or Liabilities whatsoever, of any kind or nature, whether at law or in equity, which have been or could have been asserted against Buyer or its Affiliates, which Sequential or its Affiliates has or ever had, which arises out of or in any way relates to events, circumstances or actions occurring, existing or taken prior to or as of the Closing Date in respect of the Buyer Consulting Agreement.

Section 6.12 R&W Insurance Policy.

(a) Buyer shall cause any R&W Insurance Policy purchased by Buyer with respect to the Transactions to include terms to the effect that the insurer waives its rights to bring any claim against Sellers by way of subrogation, claim for contribution or otherwise, other than claims by way of subrogation against Sellers to the extent that the relevant losses arose out of Fraud by Sellers, and will ensure that such terms are held by Buyer in trust for Sellers.

(b) Sellers shall, and shall cause each of their Subsidiaries and their respective directors, officers, managers, employees, members and Representatives to, provide reasonable access upon reasonable advance notice and during business hours to the books, records and personnel and other Representatives of the Sellers and each of their Subsidiaries, as may be reasonably requested by Buyer or any insurance broker or insurance carrier in connection with working with Buyer in connection with Buyer's considering or obtaining the R&W Insurance Policy prior to the Closing.

Section 6.13 Receivables.

(a) Subject to reduction pursuant to Section 2.2, within ten (10) Business Days following receipt of any amounts relating to Shared Receivables, Buyer shall pay or cause to be paid to Sellers the Seller Portion of any such amounts actually received, net of any taxes with respect thereto and shall, concurrently with such payment, deliver to Sellers a statement setting forth a calculation of such payment in sufficient detail to identify the accounts with respect to which such payments relate.

(b) Subject to reduction pursuant to Section 2.2, within ten (10) Business Days following receipt of any amount of the East Asia Delinquent Accounts Receivables, Buyer shall pay or cause to be paid to the Term B Lenders 50% of such collected amount (each such payment, an "East Asia A/R Payment") and shall, concurrently with such payment, deliver to Sellers a statement setting forth a calculation of such payment in sufficient detail to identify the accounts with respect to which such payments relate. The Term B Lenders shall be third party beneficiaries of this Section 6.13.

(c) Notwithstanding the foregoing or anything herein to the contrary, in no event shall Buyer by required to make any payments under Section 6.13(a) or Section 6.13(b) prior to Buyer's submission of the Closing Date Statement in accordance with Section 2.2(a). Upon Buyer's submission of the Closing Date Statement, in the event the Final Cash Consideration (as set forth in the Closing Date Statement) is less than the Estimated Cash Consideration, Buyer shall promptly pay to Sellers all amounts payable pursuant to Section 6.13(a) and Section 6.13(b) in excess of the amount by which the Shortfall Amount included in the Closing Date Statement exceeds the Escrow Amount and may continue to withhold payments under Section 6.13(a) and Section 6.13(b) up to the amount by which the Shortfall Amount included in the Closing Date Statement exceeds the

Escrow Amount, until the Final Cash Consideration is finally determined pursuant to Section 2.2(c) and Section 2.2(d) and any resulting Shortfall Amount is fully paid.

(d) The dispute procedures set forth in Section 2.2 shall govern in the event of a dispute with respect to any of the payments contemplated by this Section 6.13.

(e) Buyer shall, subject to applicable Law, use commercially reasonable efforts to collect the East Asia Delinquent Accounts Receivable and the Shared Receivables to the same extent as Buyer would in the ordinary course of its business if the East Asia A/R Payments and the Seller Portion of the Shared Receivables were not payable to Sellers, and shall not offset any East Asia Delinquent Accounts Receivable or Shared Receivables against amounts otherwise owed by Buyer or any of its Subsidiaries or Affiliates.

Section 6.14 Expense Reimbursement. Immediately following the execution of this Agreement, Sellers shall deliver to Buyer an amount equal to the Expense Reimbursement Amount by wire transfer of immediately available funds, which amount Buyer shall be entitled to utilize to satisfy its reasonable and documented expenses whether incurred prior to or following the Petition Date and whether or not the Bankruptcy Court enters the Bid Procedures Order.

Section 6.15 Data Room. As promptly as practicable following the date hereof, and in any event prior to the Closing, Sellers shall deliver to Buyer an electronic copy of the Data Room as of 11:59 p.m. eastern time on the date that was two (2) Business Days prior to the date hereof.

Section 6.16 Consulting Agreement. From the date hereof through the Closing Date, Sellers shall pay to Buyer amounts due and owing pursuant to the terms of the Buyer Consulting Agreement.

ARTICLE VII

CONDITIONS TO CLOSING

Section 7.1 Conditions Precedent to Each Party's Obligation. The Parties' obligations to consummate the Transactions are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by the Parties in whole or in part to the extent permitted by applicable Law):

(a) the waiting period (and any extension thereof) applicable to the consummation of the Transactions under the HSR Act shall have expired or been earlier terminated;

(b) there shall not be in effect any Order of a Governmental Entity of competent jurisdiction or any Law preventing, restraining, enjoining, making illegal or otherwise prohibiting the consummation of the Transactions; and

(c) the Bankruptcy Court shall have entered each of the Bid Procedures Order and the Sale Order, and the Sale Order shall have become a Final Order and shall be in full force and effect.

Section 7.2 Conditions Precedent to Obligations of Buyer. The obligation of Buyer to consummate the Transactions is subject to the fulfillment, on or prior to the Closing Date, of each

of the following conditions (any or all of which may be waived by Buyer in whole or in part to the extent permitted by applicable Law):

(a) (i) the Fundamental Representations shall be true and correct in all respects on and as of the Closing, except to the extent expressly made as of an earlier date, in which case such representations and warranties shall be true and correct in all respects as of such earlier date (in each case except for any failure to be so true and correct that is *de minimis* in nature); and (ii) all other representations of Sellers contained in this Agreement (without giving effect to any materiality limitations, such as "material," "in all material respects" and "Material Adverse Effect" set forth therein) shall be true and correct on and as of the Closing, except to the extent expressly made as of an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date, except in either case for any failure of any such representation and warranty to be so true and correct that has not had, individually or in the aggregate, a Material Adverse Effect;

(b) Sellers shall have performed and complied in all material respects with all obligations and agreements required in this Agreement to be performed or complied with by them prior to or on the Closing Date;

(c) Buyer shall have received from Sellers a certificate signed by an authorized officer of Sellers on behalf of Sellers certifying that the conditions set forth in Section 7.2(a), Section 7.2(b) and Section 7.2(d) have been satisfied;

(d) since the date of this Agreement, there shall not have been any Material Adverse Effect;

(e) Sellers shall have assumed and assigned to Buyer the Closing Assumed Contracts and the Additional Assumed Contracts, in each case pursuant to Section 365 of the Bankruptcy Code, the Sale Order, the Bid Procedures Order and Section 1.5 subject to Buyer's provision of adequate assurance of future performance in respect of the Closing Assumed Contracts and the Additional Assumed Contracts as may be required under Section 365 of the Bankruptcy Code; and

(f) Sellers shall have delivered (or caused to be delivered) each of the documents and instruments to be delivered by Sellers at the Closing pursuant to Section 2.5.

Section 7.3 Conditions Precedent to Obligations of Sellers. The obligations of Sellers to consummate the Transactions are subject to the fulfillment, prior to or on the Closing Date, of each of the following conditions (any or all of which may be waived by Sellers in whole or in part to the extent permitted by applicable Law):

(a) the representations and warranties of Buyer contained in this Agreement shall be true and correct (without giving effect to any materiality limitations, such as "material," "in all material respects" or "Buyer Material Adverse Effect", set forth therein) on and as of the Closing, except to the extent expressly made as of an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date, except for any failure of any such representation and warranty to be so true and correct that has not had, individually or in the aggregate, a Buyer Material Adverse Effect;

(b) Buyer shall have performed and complied in all material respects with all obligations and agreements required in this Agreement to be performed or complied with by Buyer prior to or on the Closing Date;

(c) Sellers shall have received from Buyer a certificate signed by an authorized officer of Buyer on behalf of Buyer certifying that the conditions set forth in Section 7.3(a) and Section 7.3(b) have been satisfied; and

(d) Buyer shall have delivered (or caused to be delivered) each of the documents and instruments to be delivered by Buyer at the Closing pursuant to Section 2.4.

Section 7.4 No Frustration of Closing Conditions. Neither Buyer nor Sellers may rely on the failure of any condition to their respective obligations to consummate the Transactions set forth in Section 7.1, Section 7.2 or Section 7.3 as the case may be, to be satisfied if such failure was caused by such Party's or its Affiliates' failure to use its commercially reasonable efforts (or such other applicable efforts standard expressly contemplated hereby) to satisfy the conditions to the consummation of the Transactions or by any other breach of a representation, warranty, or covenant hereunder.

ARTICLE VIII

TERMINATION

Section 8.1 Termination of Agreement Prior to Closing. This Agreement may be terminated prior to the Closing as follows:

(a) by mutual written consent of Buyer and Sellers;

(b) automatically, if the Bankruptcy Court enters an order approving an Alternative Transaction (unless Buyer has submitted a Buyer Backup Bid);

(c) by either Party, upon written notice to the other Party:

(i) if the Closing has not occurred by 5:00 p.m., prevailing Eastern time, on the date that is 75 days after the Petition Date (the "Termination Date"), which date (x) shall be extended (by the same number of days) to the extent the Milestone set forth in Section 8.1(d)(ii)(E) is extended pursuant to the Bid Procedures Order, and (y) be extended by mutual agreement of the Parties; provided that if the Closing has not occurred on or before the Termination Date due to a material breach of any covenants or agreements contained in this Agreement by Buyer or Sellers so as to cause any of the conditions of the other Party set forth in Section 7.1, Section 7.2 or Section 7.3, to not be satisfied, as applicable, then such breaching Party may not terminate this Agreement pursuant to this Section 8.1(c)(i);

(ii) if there is in effect a final non-appealable Order of a Governmental Entity of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the Transactions; provided, that the party so requesting termination shall have complied with Section 6.3;

(iii) if, other than as a result of a request by any Seller, the Bankruptcy Proceeding of any Seller is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code or an order is entered by the Bankruptcy Court appointing a trustee or other Person for operation or administration of any of the Sellers or their Business or assets, or a responsible officer for any of the Sellers, or an examiner with enlarged power relating to the operation or administration of Sellers or its Business or assets; or

(iv) if Buyer is not selected as a Successful Bidder or the Backup Bidder (but only if Buyer has submitted a Buyer Backup Bid) at the conclusion of the Auction;

(d) by Buyer, upon written notice to Sellers:

(i) in the event of (x) a willful breach of Sections 5.1(a), Section 5.1(b) or Section 5.2(a) by Sellers or (y) a material breach by Sellers of any representation or warranty or any other covenant or agreement contained in this Agreement that in the case of this clause (y) (A) would result in any of the conditions set forth in Section 7.1 or Section 7.2 not being satisfied if such breach remained uncured as of the Closing, and (B) such breach is incapable of being cured prior to the Termination Date or, if capable of being cured, such breach has not been cured within 30 days after the giving of written notice by Buyer to Sellers of such breach; provided that Buyer is not then in material breach of any representation, warranty, covenant or agreement contained in this Agreement;

(ii) in the event Sellers have not (A) commenced the Bankruptcy Proceeding within one day of execution of this Agreement, (B) filed the Bid Procedures Motion within one day of the Petition Date, (C) obtained entry of the Bid Procedures Order within 23 days following the Petition Date, (D) conducted and concluded the Auction within 60 days following the Petition Date, or (E) obtained entry of the Sale Order within 65 days of the Petition Date (each of the foregoing (A)-(E), a "Milestone"); provided that, in each case, if Sellers have failed to meet a Milestone on or prior to the date set forth herein, Sellers shall have five Business Days to meet such Milestone after the giving of written notice by Buyer to Sellers that such Milestone was not met; provided further that, to the extent any such Milestone is extended pursuant to the Bid Procedures Order, such Milestone shall be deemed to be extended hereunder;

(iii) if, following entry of the Bid Procedures Order or the Sale Order, any provision of either the Bid Procedures Order or Sale Order is amended, modified or supplemented without Buyer's prior written consent or is voided, reversed or vacated; provided, that should the Bid Procedures Order or Sale Order be reversed, termination of this Agreement is subject to the Seller's rights to appeal to a higher court; provided, further, the immediately preceding proviso is subject to Buyer's other rights of termination set forth herein; provided, further, that if the Bid Procedures Order is voided post-Closing, the Transactions will remain consummated; or

(iv) if (A) any Seller seeks to have the Bankruptcy Court enter an Order (I) dismissing, or converting into cases under Chapter 7 of the Bankruptcy Code, any of the cases commenced by Sellers under Chapter 11 of the Bankruptcy Code and comprising part of the Bankruptcy Proceeding, or (II) appointing a trustee in the Bankruptcy

Proceeding or appointing a responsible officer or an examiner with enlarged powers (other than a fee examiner) relating to the operation of any Seller's business pursuant to Section 1104 of the Bankruptcy Code, or (B) such an order of dismissal, conversion or appointment is entered for any reason and is not reversed or vacated within 14 days after the entry thereof; or

(e) by Sellers, upon written notice to Buyer:

(i) in the event of a breach by Buyer of any representation or warranty or any covenant or agreement contained in this Agreement, if (A) such breach would result in a failure of a condition set forth in Section 7.1 or Section 7.3 to be satisfied if such breach remained uncured as of the Closing, and (B) such breach is incapable of being cured prior to the Termination Date or, if capable of being cured, such breach has not been cured within 30 days after the giving of written notice by Sellers to Buyer of such breach; provided that Sellers are not then in material breach of any representation, warranty, covenant or agreement contained in this Agreement;

(ii) if (A) all of the conditions set forth in Section 7.1 and Section 7.2 have been satisfied or waived (other than those that, by their nature, are to be satisfied at the Closing, all of which are capable of being satisfied at the Closing), (B) Sellers have irrevocably confirmed by written notice to Buyer that (1) all conditions set forth in Section 7.3 have been satisfied (other than those that, by their nature, are to be satisfied at the Closing, each of which is capable of being satisfied at the Closing) or that they would be willing to waive any unsatisfied conditions in Section 7.3 at the Closing, and (2) they are ready, willing and able to consummate the Closing and (C) Buyer fails to consummate the Closing within three (3) Business Days following the date the Closing should have occurred pursuant to Section 2.3; or

(iii) if Sequential's board of directors, based on the advice of outside legal counsel, determines that proceeding with the transactions contemplated by this Agreement or failing to terminate this Agreement would be inconsistent with its or such Person's or body's fiduciary duties or applicable law.

Section 8.2 Effect of Termination. In the event of termination of this Agreement pursuant to Section 8.1, this Agreement shall become void and of no effect; provided, however, that the provisions set forth in Section 5.3, this Section 8.2, Section 8.3, Article IX and in the Confidentiality Agreement shall survive the termination of this Agreement; provided, further, that nothing in this Section 8.2 shall be deemed to release any Party from liability for (i) any willful or material breach of the covenants in this Agreement prior to termination or (ii) any willful and material breach of the representations in this Agreement prior to termination.

Section 8.3 Fees and Expenses Following Termination.

(a) If this Agreement is terminated by (i) operation of Section 8.1(b), (ii) either Party pursuant to Section 8.1(c)(iv), (iii) Buyer pursuant to Section 8.1(d)(ii) or Section 8.1(d)(iv)(A), or (iv) Seller pursuant to Section 8.1(e)(iii), then Sellers shall pay to Buyer (by wire transfer of immediately available funds), an amount equal to the Seller Termination Fee no later than the date

that is the earlier of (x) 45 days of the date of such termination and (y) the date of consummation of an Alternative Transaction. If this Agreement is terminated by Buyer pursuant to Section 8.1(d)(i), then Sellers shall pay to Buyer (by wire transfer of immediately available funds), within ten (10) Business Days after such termination, an amount equal to the Seller Termination Fee. If this Agreement is (x) terminated by Buyer pursuant to Section 8.1(d)(iii) or Section 8.1(d)(iv)(B) or by either Party pursuant to Section 8.1(c)(iii) and (y) within one year of such termination the Sellers enters into or consummate an Alternative Transaction, then Sellers shall pay to Buyer (by wire transfer of immediately available funds), an amount equal to the Seller Termination Fee no later than the date of the consummation of such Alternative Transaction.

(b) If this Agreement is terminated by Sellers pursuant to Section 8.1(e)(i) or Section 8.1(e)(ii), then Buyer shall pay to Sellers (by wire transfer of immediately available funds), within ten (10) Business Days after such termination, an amount equal to the Buyer Termination Fee; provided, that if the Debt Financing Sources' failure to consummate the Debt Financing when required to so pursuant to the terms of the Debt Commitment Letter (a "Debt Financing Failure") is the sole cause of Buyer's breach in the event of a termination pursuant to Section 8.1(e)(i) or failure to close in the event of a termination pursuant to Section 8.1(e)(ii), Buyer shall not be required to pay the Buyer Termination Fee to Seller.

(c) The Parties acknowledge and hereby agree that the provisions of this Section 8.3 and Section 5.3 are an integral part of the Transactions, in light of the difficulty of accurately determining actual damages with respect to the foregoing, the amount of such payment constitutes a reasonable estimate of the losses that will be suffered by reason of any such termination of this Agreement and constitutes liquidated damages (and not a penalty) and that, without such provisions, the Parties would not have entered into this Agreement. If a Party shall fail to pay in a timely manner the amounts due pursuant to this Section 8.3 or Section 6.14, and, in order to obtain such payment, Sellers or Buyer makes a claim against the other Party pursuant to this Section 8.3 or Section 5.3 that results in a judgment, Sellers or Buyer, as applicable, shall pay to the claimant the reasonable costs and expenses of such Party (including its reasonable attorneys' fees and expenses) incurred or accrued in connection with such suit, together with interest on the amounts set forth in this Section 8.3 or Section 5.3, as applicable, at the prime rate as published in *The Wall Street Journal* in effect on the date such payment was required to be made through the date such payment was actually received, or a lesser rate that is the maximum permitted by applicable Law. The Parties acknowledge and agree that in no event shall Sellers or Buyer be obligated to pay the Seller Termination Fee or Buyer Termination Fee, as applicable, on more than one occasion.

(d) Notwithstanding anything to the contrary in this Agreement, the Parties hereby acknowledge and agree that (i) in the event that the Seller Termination Fee is payable and paid by Sellers to Buyer, or the Buyer Termination Fee is payable and paid by Buyer to Sellers, the Seller Termination Fee or the Buyer Termination Fee, as applicable, shall be the sole and exclusive remedy under any Theory of Liability under this Agreement of such Party and their respective Subsidiaries and any of their respective Related Persons, for any loss suffered as a result of the failure of the Closing or the other Transactions to be consummated or for a breach or failure to perform hereunder or otherwise (whether intentional, willful, negligent or otherwise), and, upon payment of such amount, none of any Party's Related Persons shall have any further liability or obligation relating to or arising out of this Agreement, the Closing or the other Transactions and no Party or its Related Persons shall be entitled to assert, bring or maintain, and each Party on

behalf of itself and its Related Persons, hereby waives any right to assert, bring or maintain, any claim, suit, action or proceeding against such other Party or its Related Persons arising out of or in connection with this Agreement or the Transactions (and the abandonment or termination thereof) or any matter forming the basis for such termination, whether by or through any Theory of Liability, (ii) if a Debt Financing Failure was the sole cause of any breach by Buyer under this Agreement (including a failure to consummate the Transactions) giving rise to the termination of this Agreement, Buyer shall not have any liability to Sellers or any other Person for such breach, (iii) under no circumstances will Sellers or any of their respective Related Persons be entitled to monetary damages in excess of the amount of the Buyer Termination Fee and (iv) under no circumstances will Buyer or any of its Related Persons be entitled to monetary damages in excess of the amount of the Seller Termination Fee. Notwithstanding anything to the contrary contained in this Agreement, under no circumstances will Sellers be entitled to, and in no event shall Sellers seek to recover, monetary damages from any Related Persons of Buyer. Each Party's Related Persons shall be third party beneficiaries of this Section 8.3. For purposes hereof, "Theory of Liability" shall mean any claim, obligation, liability, cause of action, or proceeding (in each case, whether in contract or in tort, at law or in equity, or pursuant to law or equity) 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 or any document referenced herein, or the negotiation, execution, performance, termination or breach (whether intentional, willful, negligent or otherwise) of this Agreement or any other document referenced herein, including any representation or warranty made in, in connection with, or as an inducement to enter into, this Agreement and including theories of equity, agency, control, instrumentality, alter ego, domination, sham, single-business enterprise, piercing the veil, unfairness, undercapitalization or otherwise. Upon payment of the Buyer Termination Fee, none of Buyer or any Related Person of Buyer will have any further liability or obligation to Sellers relating to or arising out of this Agreement or the Transactions other than for collection costs or expenses that Buyer requested the Sellers incur, and that Sellers actually incurred, in accordance with the terms of this Agreement. Upon payment of the Seller Termination Fee, none of Sellers nor any Related Person of Sellers will have any further liability or obligation to Buyer relating to or arising out of this Agreement or the Transactions other than for collection costs or expenses that Buyer requested the Sellers incur, and that Sellers actually incurred, in accordance with the terms of this Agreement. No Financing Source shall be subject to any special, consequential, punitive or indirect damages or damages of a tortious nature.

ARTICLE IX

MISCELLANEOUS

Section 9.1 No Survival. Between the Parties (and not, for the avoidance of doubt, for purposes of the R&W Insurance Policy), none of the representations, warranties or covenants (other than covenants that expressly survive the Closing) contained in this Agreement or in any instrument delivered under this Agreement will survive the Closing.

Section 9.2 Notices. Unless otherwise set forth herein, all notices and other communications, including consents and waivers, to be given or made hereunder shall be in writing and shall be deemed to have been duly given or made on the date of delivery to the recipient thereof if received prior to 5:00 p.m. in the place of delivery and such day is a Business Day (or otherwise on the next succeeding Business Day) if (a) delivered by registered or certified mail, return receipt

requested with notice by email of such delivery or (b) sent by email to the email addresses set forth below.

To Buyer:

c/o Gainline Capital Partners LP
700 Canal Street, 5th Floor
Stamford, CT 06902
Attn: Allan Weinstein
Email: allan@gainlinecapital.com

With a copy to:

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019
Attn: Gregory B. Astrachan
Paul V. Shalhoub
Jonathan S. Kubek
Email: gastrachan@willkie.com
pshalhoub@willkie.com
jkubek@willkie.com

To Sellers or Debtors:

Sequential Brands Group, Inc.
1407 Broadway
38th Floor
New York, NY 10018
Attn: Eric Gul
Email: EGul@sbg-ny.com

With a copy to:

Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Attn: Joshua Brody
William Sorabella
Jason Zachary Goldstein
Email: jbrody@gibsondunn.com
wsorabella@gibsondunn.com
jgoldstein@gibsondunn.com

or to such other Person or addressees as may be designated in writing by the Party to receive such notice as provided above; provided, however, that copies to outside counsel are for convenience only and the provision of a copy to outside counsel does not constitute notice or alter the effectiveness of any notice, request, instruction or other communication otherwise made or given in accordance with this Section 9.2.

Section 9.3 Entire Agreement; Amendments and Waivers. This Agreement (including any exhibits and schedules hereto), the Confidentiality Agreement and the other Transaction Documents represent the entire understanding and agreement between the Parties with respect to the subject matter hereof and thereof and supersede all prior discussions and agreements between the Parties with respect to the subject matter hereof and thereof. This Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed, in the case of an amendment, supplement or change, by Buyer and Sequential, or in the case of a waiver, by the Party against whom enforcement of such waiver is sought. The waiver by any Party of a breach of any provision of this Agreement will not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy hereunder will operate as a waiver thereof, nor will any single or partial exercise of such right, power or remedy by such Party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by Law.

Section 9.4 Assignment. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Except as expressly set forth herein, nothing in this Agreement or any other Transaction Document (including any exhibit or schedule hereto or thereto) will create or be deemed to create any third party beneficiary rights in any Person or entity not a party to this Agreement. No assignment of this Agreement or of any rights or obligations hereunder may be made by either Sellers or Buyer (by operation of law or otherwise) without the prior written consent of the other Party and any attempted assignment without the required consents will be void; provided, however, that (a) Buyer may assign some or all of its rights or delegate some or all of its obligations hereunder to one or more Affiliates (including to a Buyer Designee), (b) Buyer may collaterally assign its rights and benefits hereunder, in whole or in part, to any of the Debt Financing Sources in connection with the Debt Financing and (c) each Seller may assign some or all of its rights or delegate some or all of its obligations hereunder to successor entities (including any liquidating trust) pursuant to a Chapter 11 plan confirmed by the Bankruptcy Court, in the case of each of clauses (a), (b) and (c) above, without any other Party's consent. No assignment or delegation of any obligations hereunder will relieve the Parties of any such obligations. Upon any such permitted assignment, the references in this Agreement to Sellers or Buyer will also apply to any such assignee unless the context otherwise requires.

Section 9.5 Expenses. Except with regard to the Expense Reimbursement Amount or as otherwise expressly provided in this Agreement, whether or not the Transactions are consummated, each of Sellers, on the one hand, and Buyer, on the other hand, will bear its own expenses incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the consummation of the Transactions and all proceedings incident thereto. For the avoidance of doubt, the cost of the R&W

Insurance Policy, and the fees and expenses incurred in connection with obtaining R&W insurance, will be the sole cost and expense of Buyer, and Seller will not have any liability with respect thereto.

Section 9.6 Governing Law. This Agreement will be governed by and construed in accordance with the internal Laws of the State of New York, without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of New York, and the obligations, rights and remedies of the Parties shall be determined in accordance with such Laws.

Section 9.7 Specific Performance.

(a) The Parties agree that irreparable damages would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached, and that damages at law may be an inadequate remedy for the breach of any of the covenants, promises and agreements contained in this Agreement. Accordingly, prior to a valid termination of this Agreement in accordance with its terms, any Party will be entitled to injunctive relief to prevent any such breach, and to specifically enforce the terms and provisions of this Agreement without the necessity of posting bond or other security against it or proving damages. The rights set forth in this Section 9.7 will be in addition to any other rights which a Party may have at law or in equity pursuant to this Agreement. For the avoidance of doubt, notwithstanding anything else in this Agreement, in no event shall specific performance of Buyer's obligation to consummate the Closing survive if this Agreement is terminated in accordance with its terms.

(b) The Parties hereby agree not to raise any objections to the availability of the equitable remedy of specific performance to prevent or restrain breaches of this Agreement by Buyer or Sellers, as applicable, and to specifically enforce the terms and provisions of this Agreement to prevent breaches or threatened breaches of, or to enforce compliance with, the respective covenants and obligations of Buyer or Sellers, as applicable, under this Agreement all in accordance with the terms of this Section 9.7.

(c) Notwithstanding anything in this Agreement to the contrary, the Parties hereby acknowledge and agree that Sellers shall be entitled to specific performance to cause Buyer (i) to consummate and obtain the Debt Financing (which may include bringing claims or actions against the Debt Financing Sources) on the terms and conditions of the Debt Commitment Letter, solely if (A) all conditions in Section 7.1 and Section 7.2 have been satisfied or waived (other than those to be satisfied at the Closing itself, each of which is capable of being, and is, satisfied or waived upon the Closing) at the time when the Closing would have occurred pursuant to the terms hereof, (B) all conditions to the consummation of the Debt Financing provided for by the Debt Commitment Letter have been satisfied (or, with respect to certificates to be delivered at the consummation of the Debt Financing, are capable of being satisfied upon consummation) at the time when the Closing would have occurred pursuant to the terms thereof and (C) Sellers have irrevocably confirmed in a written notice delivered to Buyer that (1) all conditions set forth in Section 7.1 and Section 7.3 have been satisfied (other than those to be satisfied at the Closing itself, each of which is capable of being, and is, satisfied upon the Closing) or that it is willing to waive any unsatisfied conditions in Section 7.3 at the Closing, and (2) if the Debt Financing were

consummated, it would take such actions that are within its control to cause the Closing to occur in accordance with this Agreement and (ii) to effect the Closing solely if (A) the Debt Financing has been consummated in accordance with the terms thereof or the Debt Financing Sources have confirmed in writing that the Debt Financing shall be consummated at the Closing and (B) Sellers have irrevocably confirmed to Buyer in writing that (1) (1) all conditions set forth in Section 7.1 and Section 7.3 have been satisfied (other than those to be satisfied at the Closing itself, each of which is capable of being, and is, satisfied upon the Closing) or that it is willing to waive any unsatisfied conditions in Section 7.3 at the Closing, and (2) Sellers stand ready, willing and able to proceed with the Closing if specific performance is granted and the Debt Financing is consummated.

(d) Notwithstanding the foregoing, the Parties hereby acknowledge and agree that in no event shall Sellers or any of their Related Persons or Affiliates, or any of their respective Related Persons or Affiliates be entitled to seek (or force, or seek the remedy of specific performance to make, Buyer or any of its Related Persons or Affiliates to seek) the remedy of specific performance of this Agreement, the Debt Commitment Letter, the Debt Financing or any other financing, in each case, against any Debt Financing Source.

Section 9.8 Submission to Jurisdiction; Consent to Service of Process; Waiver of Jury Trial.

(a) Without limiting any Party's right to appeal any order of the Bankruptcy Court, (i) the Bankruptcy Court will retain exclusive jurisdiction to enforce the terms of this Agreement and to decide any claims or disputes which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, or the Transactions, and (ii) any and all proceedings related to the foregoing will be filed and maintained only in the Bankruptcy Court, and the Parties hereby consent to and submit to the jurisdiction and venue of the Bankruptcy Court for such purposes and will receive notices at such locations as indicated in Section 9.2; provided, however, that if the Bankruptcy Proceeding has been closed pursuant to Section 350 of the Bankruptcy Code, the Parties agree to unconditionally and irrevocably submit to the exclusive jurisdiction of the United States District Court for the Southern District of New York, or in the event (but only in the event) that such court does not have subject matter jurisdiction over such Action, in the Supreme Court of the State of New York, New York County, for the resolution of any such claim or dispute. The Parties hereby irrevocably waive, to the fullest extent permitted by applicable Law, any objection which they may now or hereafter have to the laying of venue of any such Action brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the Parties agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

(b) Each of the Parties hereby consents to process being served by any other Party in any Action by delivery of a copy thereof in accordance with the provisions of Section 9.2; provided, however, that such service will not be effective until the actual receipt thereof by the Party being served.

(c) Each Party to this Agreement waives any right to trial by jury in any Action regarding this Agreement or any provision hereof.

Section 9.9 Interpretation; Construction.

(a) The Table of Contents, Article and Section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the Parties and shall not in any way affect the meaning or interpretation of this Agreement.

(b) Unless otherwise specified in this Agreement or the context otherwise requires: (i) 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; (ii) any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular and the singular shall include the plural; (iii) all Preamble, Recital, Article, Section, clause, Schedule and Exhibit references used in this Agreement are to the preamble, recitals, articles, sections, clauses, schedules and exhibits to this Agreement; (iv) wherever the word "include," "includes" or "including" is used in this Agreement, it shall be deemed to be followed by the words "without limitation;" (v) the terms "date hereof" and "date of this Agreement" mean the date first written above; (vi) with respect to the determination of any period of time, the word "from" means "from and including" and the words "to" and "until" each means "to but excluding"; (vii) (A) any reference to "days" means calendar days unless Business Days are expressly specified and (B) any reference to "months" or "years" shall mean calendar months or calendar years, respectively, in each case unless otherwise expressly specified; (viii) the word "extent" in the phrase "to the extent" shall mean the degree to which a subject or other thing extends and such phrase shall not mean simply "if"; (ix) each accounting term not otherwise defined in this Agreement has the meaning commonly applied to it in accordance with GAAP; (x) the term "made available" means made available in the Data Room and accessible by Buyer and its Representatives at least two Business Days prior to the date hereof; (xi) a reference herein to $ or dollars is to U.S. dollars; and (xii) references herein to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof.

(c) Unless otherwise specified in this Agreement, any deadline or time period set forth in this Agreement that by its terms ends on a day that is not a Business Day shall be automatically extended to the next succeeding Business Day.

(d) Unless otherwise specified in this Agreement or the context otherwise requires, all references to any (i) statute in this Agreement include the rules and regulations promulgated thereunder and all applicable guidance, guidelines, bulletins or policies issued or made in connection therewith by a Governmental Entity, and (ii) Law in this Agreement shall be a reference to such Law as amended, re-enacted, consolidated or replaced as of the applicable date or during the applicable period of time.

(e) Unless otherwise specified in this Agreement all references in this Agreement to this Agreement mean this Agreement (taking into account the provisions of Section 9.3) as amended, supplemented or otherwise modified from time to time in accordance with Section 9.3.

(f) With regard to each and every term and condition of this Agreement, the Parties understand and agree that the same have or has been mutually negotiated, prepared and drafted, and that if at any time the Parties desire or are required to interpret or construe any such term or

condition or any agreement or instrument subject thereto, no consideration shall be given to the issue of which Party actually prepared, drafted or requested any term or condition of this Agreement.

(g) All capitalized terms in this Agreement (including the Exhibits and Schedules hereto) shall have the meaning set forth in Exhibit A, except as otherwise specifically provided herein. Each of the other capitalized terms used in this Agreement has the meaning set forth where such term is first used or, if no meaning is set forth, the meaning required by the context in which such term is used. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined.

Section 9.10 Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority of competent jurisdiction to be invalid, void or unenforceable, or the application of such provision, covenant or restriction to any Person or any circumstance, is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, (a) a suitable and equitable provision shall be negotiated in good faith by the Parties so as to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision, covenant or restriction to other Persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application of such provision, in any other jurisdiction and the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 9.11 Counterparts; Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same Agreement. This Agreement may be executed by .pdf signature and a .pdf signature shall constitute an original for all purposes.

Section 9.12 Bulk Transfer Laws. The Parties intend that, under section 363(f) of the Bankruptcy Code, the transfer of the Transferred Assets shall be free and clear of any encumbrances arising out of bulk transfer Laws, and the Parties shall take such steps as may be necessary or appropriate to so provide in the Sale Order. In furtherance of the foregoing, each Party hereby waives compliance by the Parties with "bulk sales," "bulk transfers" or similar Laws in respect of the Transactions.

Section 9.13 Non-Recourse. All Actions (whether in contract or in tort, in Law or in equity, or granted by statute) that may be based upon, in respect of, arise under, out or by reason of, be connected with, or related in any manner to this Agreement or the Transactions may be made only against (and are expressly limited to) the Persons that are expressly identified as Parties (the "Contracting Parties"). No Person who is not a Contracting Party, including any director, officer, employee, incorporator, member, partner, manager, equityholder, Affiliate, agent, attorney or Representative of, or any financial advisor or lender to, a Contracting Party ("Non-Party Affiliates"), shall have any Liability (whether in contract or in tort, in Law or in equity, or granted by statute or based upon any theory that seeks to impose Liability of an entity party against its

owners or Affiliates) for any Actions, obligations or Liabilities arising under, out of, in connection with or related in any manner to this Agreement or the Transactions or based on, in respect of, or by reason of this Agreement (or the negotiation, execution, performance or breach thereof) or the Transactions; and, to the maximum extent permitted by Law, each Contracting Party waives and releases all such Liabilities, claims and obligations against any such Non-Party Affiliates. Without limiting the foregoing, to the maximum extent permitted by Law, (a) each Contracting Party hereby waives and releases any and all rights, claims, demands, or causes of action that may otherwise be available at Law or in equity, or granted by statute, to avoid or disregard the entity form of a Contracting Party or otherwise impose Liability of a Contracting Party on any Non-Party Affiliate, whether granted by statute or based on theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, unfairness, undercapitalization, or otherwise, and (b) each Contracting Party disclaims any reliance upon any Non-Party Affiliates with respect to the performance of this Agreement or the Transactions or any representation or warranty made in, in connection with, or as an inducement to this Agreement. The Parties acknowledge and agree that the Non-Party Affiliates are intended third party beneficiaries of this Section 9.13.

Section 9.14 Seller Designation. Each Seller hereby designates Sequential to execute any and all instruments, certificates or other documents on behalf of such Seller, and to do any and all other acts or things on behalf of such Seller, which Sequential may deem necessary or advisable, or which may be required pursuant to this Agreement, any other Transaction Document or otherwise, in connection with the consummation of the transactions contemplated hereby or thereby and the performance of all obligations hereunder or thereunder, including the exercise of the power to: (a) execute any other Transaction Document on behalf of such Seller, (b) act for such Seller with respect to any determination of the Estimated Cash Consideration and the Final Cash Consideration under this Agreement, (c) give and receive notices and communications to or from Buyer relating to this Agreement, any other Transaction Document or any of the transactions and other matters contemplated hereby or thereby, (d) agree to, object to, negotiate, resolve, enter into settlements and compromises of, demand arbitration or litigation of, and comply with orders of arbitrators or courts with respect to, any dispute between Buyer, on the one hand, and Sellers, on the other hand, in each case relating to this Agreement, any other Transaction Document or any of the transactions and other matters contemplated hereby or thereby, (e) grant any waiver, consent or approval, or election, and making any filings with any Governmental Entity, on behalf of such Seller under this Agreement or any other Transaction Document, and (f) take all actions necessary or appropriate in the judgment of Sequential for the accomplishment of the foregoing. Sequential shall have authority and power to act on behalf of each other Seller with respect to the disposition, settlement or other handling of all claims under this Agreement and any other Transaction Document and all rights or obligations arising hereunder or thereunder. Each Seller shall be bound by all actions taken and documents executed by Sequential in connection with this Agreement and any other Transaction Document, and Buyer shall be entitled to rely on any action or decision of Sequential. The appointment of Sequential as each other Seller's attorney-in-fact revokes any power of attorney heretofore granted that authorized any other Person or Persons to represent any such Seller with regard to this Agreement or any other Transaction Document. The appointment of Sequential as attorney-in-fact pursuant hereto is coupled with an interest and is irrevocable.

Section 9.15 No Personal Liability. This Agreement shall not create or be deemed to create or permit any personal liability or obligation on the part of any direct or indirect stockholder of Sellers or Buyer or any officer, director, employee, Representative or investor of any Party.

Section 9.16 Disclosure Schedules. The representations and warranties of Sellers set forth in this Agreement are made and given subject to the disclosures in the Disclosure Schedules. Where a reference is made only to a particular disclosed document, the full contents of the document are deemed to be disclosed. Inclusion of information in the Disclosure Schedules will not be construed (i) as an admission that such information is material to the Business, (ii) as an admission of Liability or obligation of any Seller to any third Person, or (iii) to mean that such information is required to be disclosed by this Agreement. The specific disclosures set forth in the Disclosure Schedules have been organized to correspond to section references in this Agreement to which the disclosure is most likely to relate, together with appropriate cross-references when disclosure is applicable to other sections of this Agreement; provided, however, that any disclosure in any section of the Disclosure Schedules will apply to and will be deemed to be disclosed in any other section of the Disclosure Schedules, so long as the applicability of such disclosure is reasonably apparent on its face. It is understood and agreed that the specification of any dollar amount in the representations and warranties or covenants contained in this Agreement or the inclusion of any specific item in the Disclosure Schedules is not intended to imply that such amounts or higher or lower amounts, or the items so included or other items, are or are not material, and no Party or other Person shall use the fact of the setting of such amounts or the fact of the inclusion of any such item in the Disclosure Schedules in any dispute or controversy as to whether any obligation, item or matter not described in this Agreement or included in the Disclosure Schedules is or is not material for purposes of this Agreement. Nothing in this Agreement (including the Disclosure Schedules) shall be deemed an admission by either Party or any of its Affiliates, in any Action, that such Party or any such Affiliate, or any third party, is or is not in breach or violation of, or in default in, the performance or observance of any term or provisions of any Contract or Law.

[*Signature Page Follows***]**

IN WITNESS WHEREOF, the Parties have executed or caused this Agreement to be executed as of the date first written above.

GAINLINE GALAXY HOLDINGS LLC

By: _____

Name: Allan Weinstein

Title: President

SEQUENTIAL BRANDS GROUP, INC.

By: Lorraine DiSanto

Name: Lorraine DiSanto
Title: Chief Financial Officer

GALAXY BRANDS LLC

By: Lorraine DiSanto

Name: Lorraine DiSanto
Title: Chief Financial Officer & Treasurer

THE BASKETBALL MARKETING COMPANY, INC.

By: Lorraine DiSanto

Name: Lorraine DiSanto
Title: Chief Financial Officer & Treasurer

AMERICAN SPORTING GOODS CORP

By: Lorraine DiSanto

Name: Lorraine DiSanto
Title: Chief Financial Officer & Treasurer

GAIAM AMERICAS, INC.

By: Lorraine DiSanto

Name: Lorraine DiSanto
Title: Chief Financial Officer & Treasurer

EXHIBIT A
Definitions

Unless otherwise defined in this Agreement, the following terms have the meaning specified in this Exhibit A.

"Action" means any action, suit, petition, plea, charge, claim, counterclaim, demand, hearing, inquiry, right, cause of action, complaint, grievance, summons, litigation, investigation, prosecution, contest, inquest, audit, examination, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), mediation, arbitration or other similar matter.

"Actual Spend" means the amount actually paid by Sellers or their Affiliates in the current calendar year with respect to marketing expenses for the Business as of the Closing Date.

"Additional Assumed Contracts" means the executory Seller Contracts listed on Schedule 1.1(f) as modified by Buyer from time to time pursuant to Section 1.5(d) between the date hereof and two Business Days prior to the Closing Date (the "Additional Assumed Contracts Schedule").

"Additional Assumed Contracts Schedule" has the meaning set forth in the definition of "Additional Assumed Contracts".

"Additional Cash Consideration" means such additional amount of cash, if any, that Buyer may determine in its sole discretion to fund at Closing.

"Additional Rejected Contracts" means all Contracts other than the Closing Assumed Contracts and Additional Assumed Contracts that Buyer designates to reject from time to time as set forth on the Rejected Contracts Schedule pursuant to Section 1.5(d)(ii) prior to the Designation Deadline.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person as of the date on which, or at any time during the period for which, the determination of affiliation is being made (for purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise).

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

"Allocation Notice of Objection" has the meaning set forth in Section 6.4(d)(i).

"Alternative Transaction" means any reorganization, merger, transaction, consolidation, business combination, joint venture, partnership, sale of assets, financing (debt or equity), or restructuring or similar transaction of or by any Seller involving any of

the Transferred Assets other than to Buyer pursuant to this Agreement; provided, however, that an Alternative Transaction shall not include pursuit of confirmation of a Chapter 11 plan of liquidation if it does not and will not delay, and is not inconsistent with, the transactions contemplated by this Agreement, confirmation of which plan shall take place solely following the Bankruptcy Court's entry of the Sale Order, with the occurrence of any "effective date" or similar concept under such plan subject to the occurrence of the Closing Date.

"AML Laws" has the meaning set forth in Section 3.9(e).

"Asset Taxes" means ad valorem, property, excise, severance, production, sales, use or similar Taxes (excluding, for the avoidance of doubt, any Income Taxes and Transfer Taxes) based upon or measured by the ownership or operation of the Business.

"Assigned Actions" has the meaning set forth in Section 1.1(f).

"Assumed Accounts Payable" has the meaning set forth in Section 1.3(b).

"Assumed Liabilities" has the meaning set forth in Section 1.3.

"Assumption and Assignment Agreements" has the meaning set forth in Section 2.4(c).

"Auction" has the meaning set forth in the Bid Procedures Order.

"Audit Firm" has the meaning set forth in Section 2.2(c).

"Avoidance Action" means any avoidance claims, right, recovery, subordination or cause of action or remedies under Chapter 5 of the Bankruptcy Code, including any proceeds thereof, and any analogous state law claims and proceeds thereof, in each case, that relates to the Transferred Assets or the Business.

"Backup Bid" has the meaning set forth in the Bid Procedures.

"Backup Bidder" has the meaning set forth in the Bid Procedures.

"Bankruptcy Code" means Title 11 of the United States Code, 11 U.S.C. § 101 *et seq*.

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

"Bankruptcy Proceeding" has the meaning set forth in the Recitals.

"Benefit Plan" means each "employee benefit plan" within the meaning of Section 3(3) of ERISA (whether or not subject to ERISA) and all other compensation and benefits plans, policies, trust funds, programs, arrangements or payroll practices, including Multiemployer Plans, and each other stock purchase, stock option, restricted stock, profit sharing, pension, savings, severance, retention, employment, consulting, commission,

change-of-control, collective bargaining, bonus, incentive, deferred compensation, employee loan, fringe benefit, insurance, welfare, post-retirement health or welfare, health, life, tuition refund, service award, company car, scholarship, relocation, disability, accident, sick pay, sick leave, accrued leave, vacation, holiday, termination, unemployment, restrictive covenant, and other benefit plan, policy, trust fund, program, arrangement or payroll practice, whether or not subject to ERISA (including any related funding mechanism now in effect or required in the future), whether formal or informal, oral or written, funded, unfunded, insured or self-insured, in each case, that is sponsored, established, maintained, contributed to or required to be contributed to by the Sellers or any of their respective Affiliates, or under which the Sellers or any of their respective Affiliates has any current or potential Liability.

"Bid Procedures" has the meaning set forth in the Bid Procedures Order.

"Bid Procedures Motion" has the meaning set forth in Section 5.1.

"Bid Procedures Order" means an order entered by the Bankruptcy Court in the form of Exhibit D, with only such material changes as acceptable to Sellers and Buyer in their respective sole discretion.

"Bid Protections" means the Seller Termination Fee.

"Bill of Sale" has the meaning set forth in Section 2.4(d).

"Budget" means the 2021 annual budget for the Business approved and adopted by Sequential as set forth on Schedule 6.2.

"Business" has the meaning set forth in the Recitals.

"Business Day" means any day ending at 11:59 p.m., prevailing Eastern time, other than a Saturday, a Sunday, a day on which banks in New York, New York are authorized or required by Law, executive order or other governmental action to close.

"Buyer" has the meaning set forth in the Preamble.

"Buyer Consulting Agreement" means the Consulting Agreement between Galaxy Universal LLC and Seller effective as of January 1, 2021, as amended.

"Buyer Designee" has the meaning set forth in Section 1.9.

"Buyer Material Adverse Effect" means effect, event, change, occurrence, condition or state of facts that, individually or in the aggregate, is or would reasonably be expected to materially and adversely hinder or delay Buyer's ability to consummate the Transactions and to fulfill and perform its covenants and obligations under this Agreement and the other Transaction Documents.

"Buyer Termination Fee" means an amount equal to $16,650,000.

"Carve-Out" has the meaning given to it in the DIP Order.

"Cash" means all cash, cash equivalents and liquid investments, including marketable securities, bank deposits, investment accounts and similar items, excluding any security deposits or similar restricted cash and cash equivalents.

"Cash Consideration" means an amount equal to (a) $55,500,000, less (b) the Delinquent Accounts Receivable Deficiency, less (c) 50% of any amounts related to the East Asia Delinquent Accounts Receivable collected by Sellers between the date hereof and the Closing, less (d) the Closing Assumed Accounts Payable, less (e) the Marketing Adjustment, plus (f) the Additional Cash Consideration; provided, that there shall be no duplication that results in the Cash Consideration being reduced twice by the same liability.

"Closing" has the meaning set forth in Section 2.3.

"Closing Assumed Accounts Payable" means the Assumed Accounts Payable as of the Closing.

"Closing Assumed Contracts" has the meaning set forth in Section 1.1(d), except to the extent included in Excluded Assets.

"Closing Date" has the meaning set forth in Section 2.3.

"Closing Date Statement" has the meaning set forth in Section 2.2(a).

"Code" means the Internal Revenue Code of 1986, as amended through the date hereof.

"Commitment Letters" has the meaning set forth in Section 4.4(a).

"Confidentiality Agreement" means the Confidentiality and Nondisclosure Agreement, dated as of January 25, 2021 by and between Sequential and Buyer.

"Contract" means any contract, agreement, lease, sublease, license, sublicense, settlement, use agreement, occupancy agreement, permit, concession, franchise, note, bond, loan or credit agreement, mortgage, indenture, obligation, instrument, promise, undertaking, trust document, insurance policy, purchase order, commitment or other arrangement or understanding (in each case whether written or oral), and any amendments, modifications or supplements thereto.

"Contracting Parties" has the meaning set forth in Section 9.13.

"COVID-19 Measures" means (i) any quarantine, "shelter in place," "stay at home," workforce reduction, social distancing, shut down, closure, sequester or any other Law or Order, decree, judgment, injunction or other legal requirement, directive, guideline or recommendation by any Governmental Entity in connection with or in response to COVID-19, (ii) any measures, changes in business operations or other practices, affirmative or negative, adopted in good faith by Sellers directly or indirectly (A) for the

protection of the health or safety of Sellers' employees, customers, vendors, service providers or any other persons, (B) to preserve the assets utilized in connection with the business of Sellers, or (C) that are otherwise substantially consistent with actions taken by other companies in the industries or geographic regions in which Sellers operate, in each case, in connection with or in response to COVID-19 or (iii) any change, event, occurrence or effect of any of the matters contemplated by clause (i) or (ii) of this definition.

"Cure Costs" means the monetary amounts that must be paid under Sections 365(b)(1)(A) and (B) of the Bankruptcy Code in connection with the assumption and/or assignment of any Closing Assumed Contract or Additional Assumed Contract, or as otherwise agreed upon by the Parties, or determined by the Bankruptcy Court pursuant to the procedures in the Bid Procedures Order and set forth on Schedule 1.5(c).

"Data Protection Laws" means all applicable Laws pertaining to data protection, data privacy, data security, cybersecurity, cross-border data transfer, and general consumer protection laws as applied in the context of data privacy, data breach notification, electronic communication, telephone and text message communications, marketing by email or other channels, and other similar laws.

"Data Protection Requirements" has the meaning set forth in Section 3.16(a).

"Data Room" means that certain virtual data room hosted by Intralinks with the project name "Project Sea Breeze" and made accessible to Buyer and its Representatives.

"Debt Commitment Letter" has the meaning set forth in Section 4.4(a).

"Debt Financing" has the meaning set forth in Section 4.4(a).

"Debt Financing Failure" has the meaning set forth in Section 8.3(b).

"Debt Financing Sources" has the meaning set forth in Section 4.4(a).

"Debtors" means Sequential Brands Group, Inc., SQBG, Inc., Sequential Licensing, Inc., William Rast Licensing, LLC, Heeling Sports Limited, Brand Matter, LLC, SBG FM, LLC, Galaxy Brands LLC, The Basketball Marketing Company, Inc., American Sporting Goods Corporation, LNT Brands LLC, Joe's Holdings LLC, Gaiam Brand Holdco, LLC, Gaiam Americas, Inc., SBG-Gaiam Holdings, LLC, SBG Universe Brands, LLC, and GBT Promotions LLC.

"Delinquent Accounts Receivable" means the accounts receivable from the licenses set forth on Schedule 1.1(a)(i) and the East Asia Delinquent Accounts Receivable.

"Delinquent Accounts Receivable Deficiency" means the amount by which the Delinquent Accounts Receivable (including Delinquent Accounts Receivable converted to guaranteed minimum royalties, but excluding the East Asia Delinquent Accounts Receivable), is lower than $26,675,000 at the Closing.

"Designation Deadline" has the meaning set forth in Section 1.5(d).

"DIP Order" means any interim or final order entered by the Bankruptcy Court approving debtor in possession financing and/or use of cash collateral in the Bankruptcy Proceedings, which shall be in form and substance satisfactory to Buyer in its sole discretion.

"Disclosure Schedules" means the Disclosure Schedules attached hereto.

"Dispute Notice" has the meaning set forth in Section 2.2(c).

"East Asia A/R Payment" has the meaning set forth in Section 6.13(b).

"East Asia Delinquent Accounts Receivable" means the accounts receivable set forth on Schedule 1.1(a)(ii) or sale proceeds from the sale of such accounts receivable.

"Environmental Law" means all Laws, contractual obligations and all common law concerning public health and safety, worker health and safety, and pollution or protection of the environment, including, without limitation, all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or cleanup of any hazardous materials, substances or wastes, chemical substances or mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, polychlorinated biphenyls, noise or radiation.

"Environmental Liability" means any Liability arising under Environmental Law, including (a) any Liability relating to, arising from or with respect to (i) any actual or alleged violation of any Environmental Law, (ii) any actual or alleged generation, use, handling, transportation, storage, treatment, disposal, Release, or threatened Release of, or exposure to, any Hazardous Substances at any facility or location, and (iii) any Liability arising under Environmental Law relating to, arising from or with respect to any formerly owned, leased, or operated properties or any former, closed, divested, or discontinued business operations, and (b) any Liabilities arising under Environmental Law assumed or retained by contract, operation of law, or otherwise.

"Equity Commitment Letter" has the meaning set forth in Section 4.4(a).

"Equity Financing Sources" has the meaning set forth in Section 4.4(a).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"Escrow Account" means the account into which the Escrow Amount is deposited.

"Escrow Agent" means Kurtzman Carson Consultants, LLC.

"Escrow Agreement" means that certain Fund Services Agreement to be entered into as of the Closing Date, among Sequential, Buyer and the Escrow Agent, based upon the form attached as Exhibit G with such customary changes as are mutually agreed by the Parties prior to the Closing.

"Escrow Amount" means $1,665,000.

"Escrow Excess Amount" has the meaning set forth in Section 2.2(e).

"Estimated Cash Consideration" has the meaning set forth in Section 2.1(b).

"Estimated Closing Statement" has the meaning set forth in Section 2.1(b).

"Estimated Debt Consideration" means indebtedness of Buyer or its Subsidiaries in an amount equal to $227,500,000, less the Additional Cash Consideration, less the Estimated Royalty Adjustment.

"Excluded Assets" has the meaning set forth in Section 1.2.

"Excluded Contracts" has the meaning set forth in Section 1.2(i).

"Excluded Employee Liabilities" means (i) any and all Liabilities, including any Actions, obligations, payments, costs, expenses or disbursements that Sellers or any of their respective Affiliates owes or is obligated to provide, whether currently, prospectively or on a contingent basis, whether prior to, on, or following the Closing, in each case, with respect to any current or former employee of, or other service provider to, any of Sellers or any of their respective Affiliates (or any of their respective covered dependents, beneficiaries and estates), in connection with any such individual's employment with and/or engagement by Sellers or any of their respective Affiliates, or the termination thereof, and (ii) any and all Liabilities and obligations, payments, costs, expenses or disbursements which arise under or relate to any Benefit Plan or any other employee benefit plan or arrangement.

"Excluded Liabilities" has the meaning set forth in Section 1.4.

"Expense Reimbursement Amount" means an amount equal to $1,500,000.

"FCPA" has the meaning set forth in Section 3.9(c).

"Final Allocation Statement" has the meaning set forth in Section 6.4(d)(i).

"Final Cash Consideration" has the meaning set forth in Section 2.2(a).

"Final Debt Consideration" means indebtedness of Buyer or its Subsidiaries in an amount equal to $227,500,000, less the Additional Cash Consideration, less the Final Royalty Adjustment.

"Final Order" means an Order (a) as to which no appeal, leave to appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial has been timely filed (in cases in which there is a date by which such filing is required to occur, or, if any of the foregoing has been timely filed, it has been disposed of in a manner that upholds and affirms the subject order in all respects without the possibility for further appeal thereon), (b) in respect

of which the time period for instituting or filing an appeal, leave to appeal, motion for rehearing or motion for new trial shall have expired (in cases in which such time period is capable of expiring), and (c) as to which no stay is in effect; provided, however, that if no person, entity or governmental unit has specifically questioned, challenged or objected to the good faith (as such term is used within the meaning of section 363 of the Bankruptcy Code) of Buyer at or before the time of entry of the Sale Order (any such question, challenge or objection, a "Good Faith Objection"), and the Sale Order is not subject to a pending appeal, vacatur, reversal or motion for reconsideration based on a Good Faith Objection or the Bankruptcy Court's determination that Buyer is a good faith purchaser within the meaning of section 363 of the Bankruptcy Code, and is not subject to a stay, as of the Closing, then the Sale Order need only have been entered by the Bankruptcy Court and be in full force and effect and not subject to a stay as of the Closing in order to be considered a Final Order for purposes of Section 5.1(b) and Section 7.1(c) hereof.

"Financing" has the meaning set forth in Section 4.4(a).

"Financing Cooperation Request" has the meaning set forth in Section 6.8(a).

"Financing Sources" has the meaning set forth in Section 4.4(a).

"Fraud" means actual and intentional fraud with respect to Articles III and IV hereof that involves a knowing and intentional misrepresentation therein with the intent that the other Party rely thereon, and for the avoidance of doubt, does not include constructive fraud or other claims based on constructive knowledge, negligent misrepresentation, recklessness or similar theories.

"Fundamental Representations" means the representations and warranties of Sellers set forth in Section 3.1 (Organization; Good Standing; Qualification and Power), Section 3.2 (Authorization), Section 3.10 (Brokers and Finders) and Section 3.12(a) (Title to Transferred Assets).

"GAAP" means United States generally accepted accounting principles.

"Governmental Entity" means any domestic or foreign governmental or regulatory authority, agency, commission, body, court or other legislative, executive or judicial governmental entity.

"Hazardous Substance" means any chemical, pollutant, contaminant, or material, waste or substance, whether hazardous, toxic, deleterious, radioactive, noxious, harmful, or otherwise, petroleum and petroleum products, by-products, derivatives or wastes, greenhouse gases, asbestos or asbestos-containing materials or products, per- and polyfluoroalkyl substances, polychlorinated biphenyls (PCBs) or materials containing same, lead or lead-based paints or materials, pesticides, radon, fungus, mold in quantities or concentrations that may adversely affect human health or materially affect the value or utility of the building(s) in which it is present, or other substances that may have an adverse effect on human health or the environment.

"Holdings Second A&R LLC Agreement" has the meaning set forth in Section 2.4(g).

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

"Identified Contract" has the meaning set forth in Section 1.5(c).

"Income Taxes" means any income, franchise or similar Taxes.

"Indebtedness" means, with respect to any Person, without duplication, the outstanding principal amount of, accrued and unpaid interest on, and other payment obligations (including any prepayment premiums or penalties payable as a result of the repayment thereof) arising under, any obligations consisting of (i) indebtedness for borrowed money or indebtedness issued in substitution or exchange for borrowed money for the deferred purchase price of property or services, (ii) indebtedness evidenced by any note, bond, debenture or other debt security, (iii) all obligations under financing or capital leases, including obligations created or arising under any conditional sale or other title retention agreement, or incurred as financing, (iv) all deferred obligations to reimburse any bank or other Person in respect of amounts paid or advance under a letter of credit, surety bond, performance bond or other instrument and (v) all Indebtedness of others guaranteed, directly or indirectly by such Person or as to which such person has an obligation (contingent or otherwise that is substantially the economic equivalent of a guarantee or that is otherwise recognized in the financial statements of such Person).

"Intellectual Property" means all intellectual property rights arising in any jurisdiction of the world, including with respect to any of the following: (a) trademarks, service marks, trade dress, trade names, and other indicia of origin, applications and registrations for the foregoing, and all goodwill associated therewith and symbolized thereby (collectively, "Trademarks"); (b) inventions (whether or not patentable), discoveries, improvements, ideas, know-how, formulas, methodology, models, algorithms, systems, processes, technology, patents and patent applications, including divisionals, continuations, continuations-in-part and renewal applications, and including renewals, re-examinations, extensions and reissues; (c) trade secrets and rights in confidential information or information, in each case that derive independent economic value from not generally being known to the public; (d) copyrightable works, works of authorship, software (including interpretive code or source code, object code, development documentation, programming tools, drawings, specifications and data), copyrights, applications and registrations therefor, and renewals, extensions, restorations and reversions thereof and all moral rights thereof; (e) Internet domain names; (f) social media accounts, identifiers and designations; and (g) all other proprietary rights or similar rights recognized in any jurisdiction around the world.

"Intracompany Payables" means all account, note or loan payables recorded on the books of Sellers or any of their respective Affiliates (the "Seller Payor") for goods or services purchased by or provided to the Seller Payor, or advances (cash or otherwise) or any other extensions of credit to the Seller Payor, in each case, from any such other Seller or any of its Affiliates (other than the Seller Payor), whether current or non-current.

"Intracompany Receivables" means all account, note or loan receivables recorded on the books of Sellers or any of their respective Affiliates (the "Seller Payee") for goods or services sold or provided by the Seller Payee or advances (cash or otherwise) or any other extensions of credit made by the Seller Payee, in each case, to any such other Seller or any of its Affiliates (other than the Seller Payee), whether current or non-current.

"IP Assignment" has the meaning set forth in Section 3.13(e).

"Knowledge" means, with respect to Sellers, the actual knowledge (after reasonable inquiry) of the Persons set forth on Schedule 1.1(e)(i), and, with respect to Buyer, the actual knowledge (after reasonable inquiry) of the Persons set forth on Schedule 1.1(e)(ii).

"Law" means any federal, state, provincial, local**,** or municipal law, statute or ordinance, common law, or any rule, regulation, standard, judgment, order, writ, injunction, subpoena, discovery request, including interrogatory, decree, arbitration award, or agency requirement of any Governmental Entity.

"Legislation" has the meaning set forth in Section 3.9(c).

"Liabilities" means any and all claims (as defined in the Bankruptcy Code), debts, liabilities, commitments and obligations of any kind, whether fixed, contingent or absolute, matured or unmatured, liquidated or unliquidated, accrued or not accrued, asserted or not asserted, known or unknown, express or implied, primary or secondary, direct or indirect, determined, determinable or otherwise, due or to become due, whenever or however arising (including, whether arising out of any contract or tort based on negligence or strict liability).

"Lien" means, with respect to any property or asset, all pledges, liens, mortgages, charges, encumbrances, hypothecations, claims, options, rights of first refusal, rights of first offer, easements, servitudes, licenses to use, occupancy agreements, encroachments, transfer restrictions or other similar rights and security interests of any kind or nature whatsoever.

"Lien Release Letters" means one or more release letters or termination statements or customary release documentation in the applicable jurisdiction with respect to obligations under the Prepetition Credit Agreements with respect to which a Lien is granted on the Transferred Assets or the Business, in form and substance reasonably satisfactory to Buyer, which letters and other instruments provide that all obligations of the Business in respect of such obligations (including any guaranty thereof), and all Liens on the Transferred Assets or any asset of the Business securing such obligations, in each case, shall be released and terminated effective concurrently with the Closing with no Liability to Buyer or any of its Affiliates, unless, in each case above, such release has been included in the Sale Order.

"Marketing Adjustment" means an amount, which may be positive or negative, equal to the Targeted Spend minus the Actual Spend.

"Material Adverse Effect" means any effect, event, change, occurrence, condition or state of facts which (A) is or would reasonably be expected to be, individually or when considered together with any other effects, events, changes, occurrences, conditions or states of facts, materially adverse to the financial condition, assets, liabilities, business or results of operations of the Business, taken as a whole; provided, however, that in no event shall an effect, event, change, occurrence, condition or state of fact occurring after the date hereof and resulting from the following, either alone or in combination, be deemed to constitute or be taken into account in determining whether there has occurred a Material Adverse Effect: (i) any change in interest or exchange rates or in the United States or foreign economies or financial, banking, capital, credit, or securities markets in general; (ii) any economic conditions that generally affect the industries or markets in which Sellers conduct the Business; (iii) any change arising in connection with acts of God, natural or manmade disasters, crises, calamities, emergencies, hurricanes, floods, tornados, tsunamis, earthquakes, epidemics, plagues, pandemics, disease outbreaks or public health events (including, for the avoidance of doubt, COVID-19), the declaration of a national emergency, hostilities, acts of war, armed hostilities, sabotage or terrorism (including cyber-terrorism) or military actions or any escalation or material worsening of any of the foregoing; (iv) any change in applicable Laws or accounting rules or the interpretation thereof; (v) any actions required to be taken by Sellers pursuant to this Agreement; (vi) the public announcement of this Agreement, including (1) the initiation of litigation by any Person with respect to this Agreement and (2) the impact of such announcement on relationships, contractual or otherwise, with customers, suppliers, licensors, distributors, partners, providers and employees; (vii) actions required under this Agreement to obtain any approval or authorization under applicable antitrust or competition Laws for the consummation of the Transactions; (viii) COVID-19 Measures; (ix) any failure to meet any projections (although the underlying facts and circumstances resulting in such failure may be taken into account to the extent not otherwise excluded from this definition); or (x) any actions taken (or omitted to be taken) at the request of or with the consent of Buyer; provided, however, that with respect to clauses (i), (ii), (iii) and (iv), such effects, events, changes, occurrences, conditions or states of facts will not be excluded to the extent the same disproportionately adversely affects the Business, taken as a whole, as compared to other similarly situated businesses or (B) would reasonably be expected to prevent or materially delay Sellers from consummating the Transactions.

"Material Contracts" has the meaning set forth in Section 3.8(a).

"Milestone" has the meaning set forth in Section 8.1(d)(ii).

"Multiemployer Plan" means each Benefit Plan that is a "multiemployer plan" as defined in Section 3(37) or 4001(a)(3) of ERISA or Section 414(f) of the Code.

"Necessary Consent" has the meaning set forth in Section 1.6.

"Non-Party Affiliates" has the meaning set forth in Section 9.13.

"Notice of Potential Assignment" has the meaning set forth in Section 1.5(c).

"OFAC" has the meaning set forth in the definition of "Sanction".

"Order" means any administrative decision or award, decree, injunction, judgment, order, quasi-judicial decision or award, ruling or writ of any arbitrator, mediator or Governmental Entity.

"Ordinary Course" means the ordinary and usual course of day-to-day operations of the Business, consistent with past practices, other than as a result of COVID-19 Measures.

"Organizational Documents" means, with respect to any Person that is not an individual, such Person's charter, certificate or articles of incorporation or formation, bylaws, memorandum or articles of association, operating agreement, limited liability company agreement, partnership agreement, limited partnership agreement, limited liability partnership agreement or other similar constituent or organizational documents of such Person.

"Party" and "Parties" have the meaning set forth in the Preamble.

"Permit" means any consent, license, permit, certificate, clearance, qualification, franchise, waiver, approval, authorization, certificate, registration, certificate of occupancy or filing issued by, obtained from or made with a Governmental Entity, other than any Intellectual Property.

"Permitted Encumbrance" means (a) any Liens that are expressly permitted by the Sale Order to remain attached to the Transferred Assets following the Closing, (b) any Lien on the Transferred Assets that will be expunged, released or discharged at the Closing by operation of the Sale Order, and (c) licenses, covenants not to sue and similar rights granted with respect to Intellectual Property, in each case, entered into in the Ordinary Course.

"Permitted Post-Closing Encumbrance" means those non-monetary encumbrances, if any, identified on Schedule 1.1(b) hereto.

"Person" means any natural person, corporation, company, partnership (general or limited), limited liability company, trust or other entity.

"Personal Information" means information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual or household, and when referring to a Data Protection Requirement, has the same meaning as the similar or equivalent term defined thereunder.

"Petition Date" means the date that Sellers and their affiliated debtors and debtors in possession commenced the Bankruptcy Proceeding.

"Prepetition Credit Agreements" means, collectively, (i) that certain the Third Amended and Restated First Lien Credit Agreement, dated as of July 1, 2016 (as amended, restated, supplemented or modified and in effect as of the date hereof), among Sequential,

as the borrower, certain Subsidiaries of Sequential, as guarantors, Bank of America, N.A., as administrative agent and collateral agent, and the lenders party thereto and (ii) that certain Third Amended and Restated Credit Agreement, dated as of July 1, 2016 (as amended, restated, supplemented or modified and in effect as of the date hereof), among Sequential, as the borrower, certain Subsidiaries of Sequential, as guarantors, Wilmington Trust, National Association, as administrative agent and collateral agent, and the lenders party thereto.

"Previously Omitted Contract" has the meaning set forth in Section 1.5(k).

"Previously Omitted Contract Designation" has the meaning set forth in Section 1.5(k).

"Previously Omitted Contract Notice" has the meaning set forth in Section 1.5(l).

"Proposal" means an inquiry, proposal, or offer from, or indication of interest in making a proposal or offer by, any Person or group (other than Buyer and its Affiliates), relating to any transaction or series of related transactions (other than the transactions contemplated by this Agreement), involving the acquisition of a material portion of the Transferred Assets or all or substantially all of the Sellers' assets related to the Business.

"Proposed Allocation Statement" has the meaning set forth in Section 6.4(d)(i).

"Purchase Price" means an aggregate of $333,000,000, comprised of (i) the Cash Consideration, (ii) the Final Debt Consideration and (iii) the Equity Consideration.

"R&W Insurance Policy" means a representation and warranty insurance policy to be issued in the name of Buyer or any of its Affiliates.

"Rejected Contracts Schedule" has the meaning set forth in Section 1.5(c).

"Rejected Identified Contracts" has the meaning set forth in Section 1.5(c).

"Related Person" means, (i) with respect to an individual (A) the family members of such individual, including (1) any individual related by lineal consanguinity to such Person or such Person's spouse, (2) such Person's spouse and the spouse of any individual described in clause (1) preceding and (3) all individuals related by lineal consanguinity to any of the individuals described in clause (1) or clause (2) preceding, (B) any Affiliate of such individual or of a member of his family or of a combination of the foregoing and (C) any Person with respect to which he or one or more members of his family serves as a director, officer, partner, executor, or trustee (or in a similar capacity) and (ii) with respect to a Person (other than an individual), (A) an Affiliate of such Person, (B) each Person that serves as a director, officer, partner, executor, or trustee of such Person (or in a similar capacity) and (C) any Person with respect to which such Person serves as a general partner or a trustee (or in a similar capacity).

"Related to the Business" means primarily related to, owned, leased, licensed, used, held for use or in consignment primarily in connection with the Business as conducted by

Sellers prior to the Closing; provided, however, for the avoidance of doubt, that corporate assets of Sellers not dedicated to any particular brand of Sellers, including the GAIAM, SPRI, And1, AVIA, and Swisstech brands, shall be deemed not to be "Related to the Business".

"Release" means any release, spill, emission, discharge, leaking, pumping, injection, deposit, placing, disposal, dispersal, leaching or migration into or through the environment (including, without limitation, ambient air, vapor, surface water, groundwater and surface or subsurface strata) or into or out of any property, including the movement of Hazardous Substances through or in the ambient air, vapor, soil, surface water, groundwater or property, and including the abandonment or discarding of barrels, containers and other receptacles containing any Hazardous Substances.

"Representatives" means with respect to a Person, such Person's officers, directors, employees, stockholders, partners, members, managers, agents, attorneys, accountants, consultants, advisors and other representatives.

"Royalty Adjustment" means the amount by which the remaining cash payments in respect of royalties under the AVIA and Swisstech agreements with Walmart at the Closing is less than $63,500,000. For the avoidance of doubt, in no event shall the Royalty Adjustment be a negative amount.

"Sale Order" means an order entered by the Bankruptcy Court or other court of competent jurisdiction approving and authorizing this Agreement and the Transactions (including, without limitation, approving and authorizing Sellers' assumption of the Closing Assumed Contracts and Additional Assumed Contracts pursuant to Section 365 of the Bankruptcy Code), which Sale Order shall be in the form attached hereto as Exhibit H to this Agreement, with such changes that are acceptable to Sellers and Buyer in their respective sole discretion (provided that changes to the Sale Order that do not adversely affect the Sellers or Buyer need only be reasonably acceptable to Sellers or Buyer, as applicable).

"Sanction" means any sanction administered or enforced by the United States Government, including without limitation the Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the Department of State, and the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority.

"Sanctioned Country" has the meaning set forth in Section 3.9(d).

"Sanctioned Persons" has the meaning set forth in Section 3.9(d).

"Securities Act" means the Securities Act of 1933.

"Seller Contracts" means any Contracts to which any Seller is a party.

"Seller Intellectual Property" has the meaning set forth in Section 3.13(a).

"Seller Payee" has the meaning set forth in the definition of "Intracompany Receivables."

"Seller Payor" has the meaning set forth in the definition of "Intracompany Payables."

"Seller Portion" means a fraction, the numerator of which is equal to the number of days elapsed in the calendar month in which the Closing occurs on the Closing Date (but not, for the avoidance of doubt, including the Closing Date) and the denominator of which is equal to the total number of days in such calendar month.

"Seller Termination Fee" means an amount equal to $12,987,000 in cash.

"Sellers" has the meaning set forth in the Preamble.

"Sequential" has the meaning set forth in the Preamble.

"Shared Receivables" means any receivables of the Business derived from the calendar month in which the Closing occurs.

"Shortfall Amount" has the meaning set forth in Section 2.2(e).

"Specified Intellectual Property" means the Intellectual Property identified on Schedule 3.13(a) as potentially not being owned by Sellers or potentially not Related to the Business.

"Straddle Period" means any Tax period beginning before and ending on or after the Closing Date.

"Subsidiary" means, with respect to any Person, any other Person of which at least a majority of the securities or ownership interests having by their terms ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions is directly or indirectly owned or controlled by such Person and/or by one or more of its Subsidiaries.

"Successful Bidder" has the meaning set forth in the Bid Procedures Order.

"Superior Proposal" means a written Proposal that Sequential's board of directors determines in good faith, after consultation with outside counsel and its financial advisor, (i) is more favorable to the Sellers than the Transactions, taking into account all factors that Sequential's board of directors deems relevant and (ii) is reasonably likely to be completed on the terms proposed, taking into account all legal, financial, regulatory and other aspects of such proposal.

"Targeted Spend" means an amount equal to (x) $1,665,000 multiplied by (y) a fraction, the numerator of which is equal to the total number of days elapsed in the calendar year in which the Closing occurs on the Closing Date (but not, for the avoidance of doubt, including the Closing Date) and the denominator of which is equal to 365.

"Tax Returns" means any return, report, declaration, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto and any amendment thereof.

"Taxes" means (a) any and all taxes of any kind, including, without limitation, any charges or other assessments, all income, profits, environmental, capital stock, stamp, gross receipts, windfall profits, premium, value added, severance, property, production, sales, harmonized sales, goods and services, use, occupancy, duty, license, excise, franchise, payroll, unemployment, employment, disability, escheat and unclaimed property, transfer, registration, mortgage, withholding or similar taxes and other taxes, duties or assessments in the nature of a tax, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties and (b) any liability for any items described in cause (a) payable by reason of contract, transferee liability or operation of Law (including Treasury Regulation Section 1.1502-6) or otherwise.

"Term B Credit Agreement" means that certain Third Amended and Restated Credit Agreement, dated as of July 1, 2016 (as amended, restated, supplemented or modified and in effect as of the date hereof), among Sequential, as the borrower, certain Subsidiaries of Sequential, as guarantors, Wilmington Trust, National Association, as administrative agent and collateral agent, and the lenders party thereto.

"Term B Lenders" means the lenders party to the Term B Credit Agreement.

"Termination Date" has the meaning set forth in Section 8.1(c)(i).

"Theory of Liability" has the meaning set forth in Section 8.3(d).

"Trademarks" has the meaning set forth in the definition of "Intellectual Property."

"Transaction Documents" means this Agreement and all other ancillary agreements to be entered into by, or documentation delivered by, any Party pursuant to this Agreement.

"Transactions" has the meaning set forth in Section 2.3.

"Transfer" means to sell, assign, transfer, convey and deliver.

"Transfer Taxes" has the meaning set forth in Section 6.4.

"Transferred Assets" has the meaning set forth in Section 1.1.

"Transferred Intellectual Property" means the Intellectual Property owned by Sellers that is Related to the Business, including the Intellectual Property listed on Schedule 3.13(a).

"Transferred Permits" has the meaning set forth in Section 1.1(g).

Exhibit B
ASSUMPTION AND ASSIGNMENT AGREEMENT

THIS ASSUMPTION AND ASSIGNMENT AGREEMENT (including the exhibits hereto, this "Assumption and Assignment Agreement") is made effective as of [●], 2021, by and among Gainline Galaxy Holdings LLC, a Delaware limited liability company ("Assignee"), Sequential Brands Group, Inc., a Delaware corporation ("Sequential"), and each Subsidiary of Sequential listed on the signature pages to this Assumption and Assignment Agreement (collectively with Sequential, "Assignors"). Assignee and Assignors are collectively referred to as the "Parties" and individually as a "Party".

WHEREAS, Assignors intend to commence voluntary proceedings (the "Bankruptcy Proceeding") under Chapter 11 of the Bankruptcy Code by filing petitions for relief in the U.S. Bankruptcy Court for the [●] (the "Bankruptcy Court");

WHEREAS, pursuant to that certain Asset Purchase Agreement, dated as of August 31, 2021 (as amended or otherwise modified from time to time in accordance with its terms, the "Agreement"), by and among Assignors and Assignee, Assignors have agreed to Transfer to Assignee, and Assignee has agreed to assume from Assignors, the entirety of the Assignors' right, title and interest in, to and under all of the enumerated assets set forth on Exhibit A (excluding in each case any assets that would be Excluded Assets), as they exist at the time of the Closing (collectively, the "Transferred Assets"); and

WHEREAS, the execution, delivery and performance of this Assumption and Assignment Agreement is an integral part of the transactions contemplated by the Agreement.

NOW, THEREFORE, in consideration of the foregoing, and of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignors and Assignee agree as follows:

1. All capitalized terms used in this Assumption and Assignment Agreement but not otherwise defined herein are given the meanings set forth in the Agreement.

2. Effective as of the Closing, (i) Assignors hereby sell, assign, transfer, convey and deliver to Assignee all right, title and interest of Assignors of any nature whatsoever in, to and under the Transferred Assets (collectively, the "Assignment"), and (ii) Assignee hereby accepts the Assignment and assumes from Assignors and otherwise agrees to perform all of the obligations, terms, covenants and conditions contained in the Transferred Assets, which, by the terms therein, are required to be performed by Assignors, on the terms and subject to the conditions set forth in the Agreement.

3. EXCEPT AS EXPRESSLY PROVIDED IN THE AGREEMENT, ASSIGNORS HAVE NOT MADE, AND ASSIGNORS HEREBY EXPRESSLY DISCLAIM AND NEGATE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, RELATING TO THE TRANSFERRED ASSETS, IT BEING THE EXPRESS INTENTION OF ASSIGNORS AND ASSIGNEE THAT ASSIGNEE SHALL ACQUIRE THE TRANSFERRED ASSETS WITHOUT ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS THEREOF FOR ANY

PARTICULAR PURPOSE, IN AN "AS IS" CONDITION AND ON A "WHERE IS" BASIS AS MORE FULLY SET OUT IN SECTION 4.6 OF THE AGREEMENT, EXCEPT, IN EACH CASE, FOR THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN ARTICLE III OF THE AGREEMENT ON THE TERMS AND SUBJECT TO THE CONDITIONS SET FORTH THEREIN.

4. Notwithstanding the foregoing, nothing contained herein shall be construed to include the contribution, transfer, conveyance, assignment or delivery of any of the Excluded Assets or Excluded Liabilities. It is expressly agreed that all such Excluded Assets and Excluded Liabilities shall remain the sole responsibility of Assignors.

5. Nothing contained herein shall in any way modify the Agreement. Assignors and Assignee hereby acknowledge and agree that any representations, warranties, covenants, indemnities, limitations and other terms contained in the Agreement shall not be superseded or expanded hereby and shall remain in full force and effect to the fullest extent provided therein. In the event of any conflict or inconsistency between the terms of the Agreement and the terms hereof, the terms of the Agreement shall govern and control.

6. Subject to the provisions of this Assumption and Assignment Agreement and the Agreement, each of the Parties agrees to execute, acknowledge, deliver, file and record such further certificates, amendments, instruments and documents, and to do all such other acts and things, as may be reasonably requested by any other Party in order to carry out the intent and purpose of this Assumption and Assignment Agreement.

7. Section 9.2 (*Notices*), Section 9.3 (*Entire Agreement; Amendments and Waivers*), 9.4 (*Assignment*), Section 9.6 (*Governing Law*), Section 9.8 (*Submission to Jurisdiction; Consent to Service of Process; Waiver of Jury Trial*), Section 9.9 (*Interpretation; Construction*), Section 9.10 (*Severability*) and Section 9.11 (*Counterparts; Signatures*) of the Agreement are each hereby incorporated by reference *mutatis mutandis*.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the Parties have executed or caused this Assumption and Assignment Agreement to be executed as of the date first written above.

GAINLINE GALAXY HOLDINGS LLC

By: _____

Name: Allan Weinstein

Title: President

SEQUENTIAL BRANDS GROUP, INC.

By: _____

Name:

Title:

GALAXY BRANDS LLC

By: _____

Name:

Title:

THE BASKETBALL MARKETING COMPANY, INC.

By: _____

Name:

Title:

AMERICAN SPORTING GOODS CORP

By: _____

Name:

Title:

GAIAM AMERICAS, INC.

By: _____

Name:

Title:

EXHIBIT A

Transferred Assets

Exhibit C
INTELLECTUAL PROPERTY ASSIGNMENT AND ASSUMPTION AGREEMENT

This **INTELLECTUAL PROPERTY ASSIGNMENT AND ASSUMPTION AGREEMENT** (this "Agreement"), dated as of [●], 2021 (the "Effective Date"), is made by and among Sequential Brands Group, Inc., a Delaware corporation ("Sequential"), each Subsidiary of Sequential listed on the signature pages to this Agreement (collectively with Sequential, "Assignors") and Gainline Galaxy Holdings LLC, a Delaware limited liability company ("Assignee"). Assignee and Assignors each, a "Party" and collectively, the "Parties".

WHEREAS, Assignors and Assignee have entered into that certain Asset Purchase Agreement, dated as of August 31, 2021 (the "Purchase Agreement"); and

WHEREAS, on the terms and subject to the conditions set forth in the Purchase Agreement, Assignors desire to sell, assign, convey and transfer, and Assignee desires to accept the sale, assignment, conveyance and transfer of, all of Assignors' right, title and interest in and to the Transferred Intellectual Property including (i) all the domain names listed on Exhibit A hereto, (ii) all patents and pending patent applications listed on the schedule to Exhibit B hereto, (iii) all trademarks and pending trademark applications listed on the schedule to Exhibit C hereto, and (iv) all copyrights and pending copyright applications listed on the schedule to Exhibit D hereto, in each case, owned by the Assignors (collectively, the "Assigned Intellectual Property").

NOW, THEREFORE, for good and valuable consideration, including the premises and covenants set forth in the Purchase Agreement, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. Capitalized terms used in this Agreement that are not defined in the body of this Agreement have the meanings given to them in the Purchase Agreement.

2. Assignment of Assigned Intellectual Property. On the terms and subject to the conditions set forth in the Purchase Agreement, Assignors hereby sell and irrevocably and perpetually assign, convey and transfer to Assignee, and Assignee hereby accepts the sale, assignment, conveyance and transfer from Assignors of, all of Assignors' right, title and interest in and to (i) the Assigned Intellectual Property; and (ii) all (A) goodwill associated with any of the Assigned Intellectual Property, (B) rights to enforce the Assigned Intellectual Property, including the right to sue and recover any sums now or hereafter due or payable with respect to any or all of the Assigned Intellectual Property, and (C) rights to any claims or causes of action related to any of the Assigned Intellectual Property, whether accruing before, on or after the date hereof, including, without limitation, all rights to and claims for remedies, damages, restitution and injunctive relief for past, current, and future infringement, dilution, misappropriation, violation, misuse, breach, or default, with the right but no obligation to sue for such legal and equitable relief, and to collect, or otherwise recover, any such damages. Notwithstanding the foregoing, nothing contained herein shall be construed to include the contribution, transfer, conveyance, assignment or delivery of any of the Excluded Assets or Excluded Liabilities. It is expressly agreed that all such Excluded Assets and Excluded Liabilities shall remain the sole responsibility of Assignors.

3. Waiver of Moral Rights. To the extent not assignable to Assignee pursuant to applicable Law under Section 2, Assignors hereby waive and agree never to assert any Moral Rights in or with respect to any or all of the Assigned Intellectual Property, together with any or all claims for damages and other remedies that may be asserted on the basis of Moral Rights. For the purposes of this Section, "Moral Rights" means any right to claim authorship to or to object to any distortion, mutilation, or other modification or other derogatory action in relation to a work, whether or not such action would be prejudicial to the author's reputation, and any similar right, regardless of whether or not such right is denominated or generally referred to as a "moral right."

4. Perfection; Further Assurances. On the Effective Date, for no additional consideration, Assignors shall execute, and deliver to Assignee to file with the applicable intellectual property offices, a Patent Assignment Agreement in the form attached hereto as Exhibit B, a Trademark Assignment Agreement in the form attached hereto as Exhibit C, and a Copyright Assignment Agreement in the form attached hereto as Exhibit D, as applicable. Further, from and after Closing, at Assignee's request, and for no additional consideration but at Assignee's cost and expense, Assignors agree to execute and deliver such additional documents (including confirmatory assignment documents as necessary to be filed in appropriate jurisdictions outside of the United States), and take steps as Assignee reasonably determines are required, to perfect Assignee's ownership of or title to the Assigned Intellectual Property, as the case may be, including, without limitation, the execution, acknowledgment and recordation of specific assignments, oaths, declarations and other documents on a country-by-country basis, to assist Assignee in obtaining, perfecting, sustaining, and/or enforcing its rights in the Assigned Intellectual Property, as applicable. This includes, but is not limited to, cooperation in the registration of assignments of patents, trademarks, copyrights and any other rights which may in Assignee's reasonable opinion require registration for effective assignment. With respect to any domain names included in the Assigned Intellectual Property, Assignors shall, promptly after the Effective Date with respect to domain names included in the Assigned Intellectual Property and for no additional consideration, take all steps as may be reasonably necessary to effect such assignment and transfer in accordance with the domain name transfer procedures of the applicable registrar(s) for the assigned domain names, including, without limitation, (i) executing applicable domain name registrar transfer agreements or (ii) arranging for the domain names to be unlocked in preparation for its transfer to Assignee, and providing Assignee with the domain authorization code and any other authorization code that Assignee will need to initiate the transfer of the domain names to Assignee.

5. Power of Attorney. Assignors hereby appoint Assignee, and any agent thereof (solely to the extent acting in its capacity as agent of Assignee), as the attorney-in-fact of Assignors in all jurisdictions worldwide for the purpose of executing and delivering any document that Assignee reasonably determines is required to perfect Assignee's ownership of or title to any Assigned Intellectual Property owned by Assignors, which appointment is irrevocable and coupled with an interest.

6. No Representations and Warranties. Except as set forth in the Purchase Agreement, Assignors hereby disclaim all representations and warranties concerning the Assigned Intellectual Property.

7. General Provisions. Section 9.2 (*Notices*), Section 9.3 (*Entire Agreement; Amendments and Waivers*), 9.4 (*Assignment*), Section 9.6 (*Governing Law*), Section 9.8 (*Submission to Jurisdiction; Consent to Service of Process; Waiver of Jury Trial*), Section 9.9 (*Interpretation; Construction*), Section 9.10 (*Severability*) and Section 9.11 (*Counterparts; Signatures*) of the Purchase Agreement are each hereby incorporated by reference *mutatis mutandis*.

[*Signature pages follows*]

IN WITNESS WHEREOF, each Party hereto has caused this Agreement to be executed by its respective duly authorized representative as of the Effective Date.

Assignors:

SEQUENTIAL BRANDS GROUP, INC.

By: _____
Name: [●]
Title: [●]

[●][1]

By: _____
Name: [●]
Title: [●]

[1] Note to Draft: This is a placeholder for other Assignors.

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed by its respective duly authorized representative as of the Effective Date.

GAINLINE GALAXY HOLDINGS LLC

By: _____
Name: [●]
Title: [●]

Exhibit A

Domain Names

Exhibit B

PATENT ASSIGNMENT AGREEMENT

This Patent Assignment Agreement ("Patent Assignment Agreement") is made and entered into as of [●], 2021, by and among Sequential Brands Group, Inc., a Delaware corporation, [●], a [●] (collectively with Sequential, the "Assignors") and Gainline Galaxy Holdings LLC, a Delaware limited liability company (the "Assignee"). Assignee and Assignors each, a "Party" and collectively, the "Parties".

WHEREAS, pursuant to that certain Intellectual Property Assignment and Assumption Agreement, dated as of [●], 2021, by and between Assignee and Assignors (the "IP Agreement"), Assignors agreed to assign, sell, convey, and transfer, and desire to assign, sell, convey, and transfer all of Assignors' right, title, and interest in and to the Patents (as defined below) to Assignee, and Assignee desires to receive all right, title, and interest in and to the Patents.

NOW, THEREFORE, for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Definitions. Capitalized terms used in this Patent Assignment Agreement that are not defined in the body of this Patent Assignment Agreement have the meanings given to them in the IP Agreement.

2. Assignment. Assignors do hereby irrevocably sell, assign, transfer, convey, and deliver to Assignee, its successors and assigns, and Assignee purchases and accepts from Assignors, all of Assignors' right, title, and interest in and to (a) the the patents and patent applications set forth on Schedule A attached hereto, including the inventions described and claimed in such patents ("Inventions"), including divisionals, continuations-in-part, provisionals, reissues, reexaminations or interferences thereof (collectively, "Patents"), (b) any patents that may granted for the Inventions in the United States and all other countries, territories and jurisdictions of the world, (c) any and all royalties, fees, income, payments, and other proceeds now or hereafter due or payable with respect to any and all of the foregoing, and (d) any and all claims and causes of action with respect to any of the foregoing, whether accruing before, on, or after the date hereof, including all rights to and claims for damages, restitution, and injunctive and other legal and equitable relief for past, present, and future infringement, dilution, misappropriation, violation, misuse, breach, or default, with the right but no obligation to sue for such legal and equitable relief and to collect, or otherwise recover, any such damages. Assignors further authorize Assignee to file for and request that the United States Patent and Trademark Office, any successor offices thereto or any other corresponding bodies in each of the other countries, territories and jurisdictions of the world issue any and all patents resulting from the Patents to Assignee.

3. Governing Law. This Patent Assignment Agreement shall be construed in accordance with the domestic Laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

4. No Conflict. Nothing in this Patent Assignment Agreement shall alter any liability or obligation of the parties hereto arising under the Purchase Agreement. In the event of a conflict between the terms and conditions of this Patent Assignment Agreement and the terms and conditions of the Purchase Agreement, the terms and conditions of the Purchase Agreement shall govern. Assignee acknowledges that Assignors make no representation or warranty with respect to the Patents, except as specifically set forth in the Purchase Agreement.

5. No Modifications. This Patent Assignment Agreement may not be supplemented, altered or modified in any manner except by a writing signed by both Parties.

6. Successors and Assigns. This Patent Assignment Agreement shall bind and shall inure to the benefit of the respective parties and their assigns, transferees, and successors.

7. Counterparts. This Patent Assignment Agreement may be executed in one or more counterparts, each of which shall be deemed an original but both of which together will constitute one and the same instrument.

[*Remainder of this page intentionally left blank.*]

IN WITNESS WHEREOF, the undersigned have executed this Patent Assignment Agreement as of the date first written above.

Assignors:

SEQUENTIAL BRANDS GROUP, INC.

By: _____
Name: [●]
Title: [●]

[●]

By: _____
Name: [●]
Title: [●]

IN WITNESS WHEREOF, the undersigned have executed this Patent Assignment Agreement as of the date first written above.

Assignee:

GAINLINE GALAXY HOLDINGS LLC

By: _____
Name: [●]
Title: [●]

SCHEDULE A

PATENTS

Exhibit C

TRADEMARK ASSIGNMENT AGREEMENT

This Trademark Assignment Agreement ("Trademark Assignment Agreement") is made and entered into as of [●], 2021, by and among Sequential Brands Group, Inc., a Delaware corporation, [●], a [●] (collectively with Sequential, the "Assignors"), and Gainline Galaxy Holdings LLC, a Delaware limited liability company (the "Assignee"). Assignee and Assignors each, a "Party" and collectively, the "Parties".

WHEREAS, pursuant to that certain Intellectual Property Assignment and Assumption Agreement, dated as of [●], 2021, by and between Assignee and Assignors (the "IP Agreement"), Assignors agreed to assign, sell, convey, and transfer, and desire to assign, sell, convey, and transfer all of Assignors' right, title, and interest in and to the Trademarks (as defined below) to Assignee, and Assignee desires to receive all right, title, and interest in and to the Trademarks.

NOW, THEREFORE, for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Definitions. Capitalized terms used in this Trademark Assignment Agreement that are not defined in the body of this Trademark Assignment Agreement have the meanings given to them in the IP Agreement.

2. Assignment. Assignors do hereby irrevocably sell, assign, transfer, convey, and deliver to Assignee, its successors and assigns, and Assignee purchases and accepts from Assignors, all of Assignors' right, title, and interest in and to (a) the trademarks and trademark applications trademarks, service marks, trade dress, trade names, and other indicia of origin, applications and registrations for the foregoing set forth on Schedule A, and all goodwill associated therewith and symbolized thereby attached thereto (collectively, the "Trademarks"), (b) the right to apply for and obtain registrations and renewals for the Trademarks, (c) any and all royalties, fees, income, payments, and other proceeds now or hereafter due or payable with respect to any and all of the foregoing, and (d) any and all claims and causes of action with respect to any of the foregoing, whether accruing before, on, or after the date hereof, including all rights to and claims for damages, restitution, and injunctive and other legal and equitable relief for past, present, and future infringement, dilution, misappropriation, violation, misuse, breach, or default, with the right but no obligation to sue for such legal and equitable relief and to collect, or otherwise recover, any such damages. Assignors further authorize Assignee to file for and request that the United States Patent and Trademark Office, any successor offices thereto or any other corresponding bodies in each of the other countries, territories and jurisdictions of the world issue any and all trademarks, service marks, trade dress, trade names, and other indicia of origin resulting from the Trademarks to Assignee.

3. Governing Law. This Trademark Assignment Agreement shall be construed in accordance with the domestic Laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

4. No Conflict. Nothing in this Trademark Assignment Agreement shall alter any liability or obligation of the parties hereto arising under the Purchase Agreement. In the event of a conflict between the terms and conditions of this Trademark Assignment Agreement and the terms and conditions of the Purchase Agreement, the terms and conditions of the Purchase Agreement shall govern. Assignee acknowledges that Assignors make no representation or warranty with respect to the Trademarks, except as specifically set forth in the Purchase Agreement.

5. No Modifications. This Trademark Assignment Agreement may not be supplemented, altered or modified in any manner except by a writing signed by both Parties.

6. Successors and Assigns. This Trademark Assignment Agreement shall bind and shall inure to the benefit of the respective parties and their assigns, transferees, and successors.

7. Counterparts. This Trademark Assignment Agreement may be executed in one or more counterparts, each of which shall be deemed an original but both of which together will constitute one and the same instrument.

[*Remainder of this page intentionally left blank.*]

IN WITNESS WHEREOF, the undersigned have executed this Trademark Assignment Agreement as of the date first written above.

Assignors:

SEQUENTIAL BRANDS GROUP, INC.

By: _____
Name: [●]
Title: [●]

[●]

By: _____
Name: [●]
Title: [●]

IN WITNESS WHEREOF, the undersigned have executed this Trademark Assignment Agreement as of the date first written above.

Assignee:

GAINLINE GALAXY HOLDINGS LLC

By: _____
Name: [●]
Title: [●]

SCHEDULE A

TRADEMARKS

Exhibit D

COPYRIGHT ASSIGNMENT AGREEMENT

This Copyright Assignment Agreement ("Copyright Assignment Agreement") is made and entered into as of [●], 2021, by and among Sequential Brands Group, Inc., a Delaware corporation, [●], a [●] (collectively with Sequential, the "Assignors"), and Gainline Galaxy Holdings LLC, a Delaware limited liability company (the "Assignee"). Assignee and Assignors each, a "Party" and collectively, the "Parties".

WHEREAS, pursuant to that certain Intellectual Property Assignment and Assumption Agreement, dated as of [●], 2021, by and between Assignee and Assignors (the "IP Agreement"), Assignors agreed to assign, sell, convey, and transfer, and desire to assign, sell, convey, and transfer all of Assignors' right, title, and interest in and to the Copyrights (as defined below) to Assignee, and Assignee desires to receive all right, title, and interest in and to the Copyrights.

NOW, THEREFORE, for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Definitions. Capitalized terms used in this Copyright Assignment Agreement that are not defined in the body of this Copyright Assignment Agreement have the meanings given to them in the IP Agreement.

2. Assignment. Assignors do hereby irrevocably sell, assign, transfer, convey, and deliver to Assignee, its successors and assigns, and Assignee purchases and accepts from Assignors, all of Assignors' right, title, and interest in and to (a) the copyrights and copyright applications set forth on Schedule A (collectively, the "Copyrights"), (b) the right to apply for and obtain registrations and renewals for the Copyrights, (c) any and all royalties, fees, income, payments, and other proceeds now or hereafter due or payable with respect to any and all of the foregoing, and (d) any and all claims and causes of action with respect to any of the foregoing, whether accruing before, on, or after the date hereof, including all rights to and claims for damages, restitution, and injunctive and other legal and equitable relief for past, present, and future infringement, dilution, misappropriation, violation, misuse, breach, or default, with the right but no obligation to sue for such legal and equitable relief and to collect, or otherwise recover, any such damages. Assignors further authorize Assignee to file for and request that the United States Copyright Office, any successor offices thereto or any other corresponding bodies in each of the other countries, territories and jurisdictions of the world issue any and all copyrights resulting from the Copyrights to Assignee.

3. Governing Law. This Copyright Assignment Agreement shall be construed in accordance with the domestic Laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

4. No Conflict. Nothing in this Copyright Assignment Agreement shall alter any liability or obligation of the parties hereto arising under the Purchase Agreement. In the event of a conflict between the terms and conditions of this Copyright Assignment Agreement and the terms

and conditions of the Purchase Agreement, the terms and conditions of the Purchase Agreement shall govern. Assignee acknowledges that Assignors make no representation or warranty with respect to the Copyright, except as specifically set forth in the Purchase Agreement.

5. No Modifications. This Copyright Assignment Agreement may not be supplemented, altered or modified in any manner except by a writing signed by both Parties.

6. Successors and Assigns. This Copyright Assignment Agreement shall bind and shall inure to the benefit of the respective parties and their assigns, transferees, and successors.

7. Counterparts. This Copyright Assignment Agreement may be executed in one or more counterparts, each of which shall be deemed an original but both of which together will constitute one and the same instrument.

[*Remainder of this page intentionally left blank.*]

IN WITNESS WHEREOF, the undersigned have executed this Copyright Assignment Agreement as of the date first written above.

Assignors:

SEQUENTIAL BRANDS GROUP, INC.

By: _____
Name: [●]
Title: [●]

[●]

By: _____
Name: [●]
Title: [●]

IN WITNESS WHEREOF, the undersigned have executed this Copyright Assignment Agreement as of the date first written above.

Assignee:

GAINLINE GALAXY HOLDINGS LLC

By: _____
Name: [●]
Title: [●]

SCHEDULE A

COPYRIGHTS

Exhibit D

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
Sequential Brands Group, Inc., et al.,[1]	:	Case No. 21-_____
Debtors.	:	(Jointly Administered)

ORDER (I) APPROVING BIDDING PROCEDURES FOR THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS; (II) AUTHORIZING THE DEBTORS TO ENTER INTO ONE OR MORE STALKING HORSE AGREEMENTS 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

Upon the *Motion of the Debtors for Entry of Orders (I)(A) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Enter into One or More Stalking Horse Agreements 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*

[1] The Debtors, along with the last four digits of each Debtor's tax identification number, are: Sequential Brands Group, Inc. (2789), SQBG, Inc. (9546), Sequential Licensing, Inc. (7108), William Rast Licensing, LLC (4304), Heeling Sports Limited (0479), Brand Matter, LLC (1258), SBG FM, LLC (8013), Galaxy Brands LLC (9583), The Basketball Marketing Company, Inc. (7003), American Sporting Goods Corporation (1696), LNT Brands LLC (3923), Joe's Holdings LLC (3085), Gaiam Brand Holdco, LLC (1581), Gaiam Americas, Inc. (8894), SBG-Gaiam Holdings, LLC (8923), SBG Universe Brands, LLC (4322), and GBT Promotions LLC (7003). The Debtors' corporate headquarters and the mailing address for each Debtor is 1407 Broadway, 38th Floor, New York, NY 10018.

Assumption and Assignment of Executory Contracts and Unexpired Leases; and (III) Granting Related Relief [Docket No. __] (the "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 Motion and the First Day Declaration [Docket No. **[●]**] and the Herbert Declaration [Docket No. **[●]**], and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court on _____, 2021 to consider certain of the relief requested in the Motion (the "Bidding Procedures Hearing"); and after due deliberation, this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors, and the Debtors having demonstrated good, sufficient and sound business justifications for the relief granted herein;

IT IS HEREBY FOUND AND DETERMINED THAT:[3]

A. Jurisdiction and Venue. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Statutory and Legal Predicates. The statutory and legal predicates for the relief requested in the Motion are sections 105(a), 363, 365, 503, and 507 of the Bankruptcy Code,

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

Bankruptcy Rules 2002, 6004, 6006, 9007, 9008, and 9014 and Local Rules 2002-1, 6004-1, and 9006-1.

C. Sale Process. The Debtors and their advisors, including Stifel/Miller Buckfire, engaged in a robust and extensive prepetition sale process prior to the execution of the Stalking Horse Agreements to solicit and develop the highest and otherwise best offers for the Assets.

D. Bidding Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the bidding procedures attached hereto as Exhibit 1 (the "Bidding Procedures"). The Bidding 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 Bidding 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 Galaxy Stalking Horse Bidder and the Centric Stalking Horse Bidder as Stalking Horse Bidders, respectively, was fair and appropriate under the circumstances and in the best interests of the Debtors' estates. The Bidding Procedures comply with the requirements of Local Rule 6004-1(c).

E. Designation of the Galaxy Stalking Horse Bid. The Galaxy Stalking Horse Bid as reflected in the Galaxy APA represents the highest and otherwise best offer the Debtors have received to date to purchase the Transferred Assets, as defined and set forth in the Galaxy APA (the "Active Division Assets"). The Galaxy APA provides the Debtors with the opportunity to sell the Active Division Assets in a manner designed to preserve and maximize their value and provide a floor for a further marketing and auction process. Without the Galaxy Stalking Horse

Bid, the Debtors are at a significant risk of realizing a lower price for the Active Division Assets. As such, the contributions of the Galaxy 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 Galaxy Stalking Horse Bid will enable the Debtors to minimize disruption to the Debtors' restructuring process and secure a fair and adequate Baseline Bid (as defined in the Bidding Procedures) for the Active Division 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 Galaxy Stalking Horse Bidder. The Galaxy Stalking Horse Bidder shall act as a "stalking horse bidder" pursuant to the Galaxy APA and the Galaxy Stalking Horse Bid shall be subject to higher or otherwise better offers in accordance with the Galaxy APA and the Bidding Procedures. Pursuit of the Galaxy Stalking Horse Bidder as a "stalking horse bidder" and the Galaxy APA as a "stalking horse purchase agreement" 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 Galaxy Stalking Horse Bidder is not an "insider" or "affiliate" of any of the Debtors, as those terms are defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, or controlling stakeholders exist between the Stalking Horse Bidder and the Debtors. The Galaxy 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 Galaxy Stalking Horse Bidder's negotiation of the Bid Protections and the Bidding Procedures and entry into the Galaxy APA.

H. Galaxy Stalking Horse Bid Protections. The Debtors have articulated compelling and sufficient business reasons for the Court to approve the Debtors' provision of the

Galaxy Termination Payment. The Galaxy Termination Payment (i) has been negotiated by the Galaxy Stalking Horse Bidder and the Debtors and their respective advisors at arm's length and in good faith and the Galaxy APA (including the Galaxy Termination Payment) is the culmination of a process undertaken by the Debtors and their professionals to negotiate a transaction with a bidder that was prepared to pay the highest or otherwise best purchase price to date for the Active Division Assets; (ii) is fair, reasonable and appropriate in light of, among other things, the size and nature of the proposed Sale Transaction, the substantial efforts that have been and will be expended by the Galaxy Stalking Horse Bidder, notwithstanding that the proposed Sale Transaction is subject to higher or better offers, and the substantial benefits that the Galaxy Stalking Horse Bidder has provided to the Debtors, their estates, their creditors and parties in interest herein, including, among other things, by increasing the likelihood that the best possible purchase price for the applicable assets will be received; and (iii) provides protections that were material inducements for, and express conditions of, the Galaxy Stalking Horse Bidder's willingness to enter into the Galaxy APA, and is necessary to ensure that the Galaxy Stalking Horse Bidder will continue to pursue the Galaxy APA and the transactions contemplated thereby. The Galaxy Termination Payment, to the extent payable under the Galaxy APA, (a) provides a substantial benefit to the Debtors' estates and stakeholders and all parties in interest herein, (b)(x) is an actual and necessary cost and expense of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code and (y) shall be treated as an allowed superpriority administrative expense claim against the Debtors' estates pursuant to sections 105(a), 364, 503(b), and 507(a)(2) of the Bankruptcy Code, (c) is commensurate to the real and material benefits conferred upon the Debtors' estates by the Galaxy Stalking Horse Bidder, and (d) is fair, reasonable, and appropriate, including in light of the size and nature of the transactions and the efforts that have been and will

be expended by the Galaxy Stalking Horse Bidder. Unless it is assured that the Galaxy Stalking Horse Bid Protections will be available, the Galaxy Stalking Horse Bidder is unwilling to remain obligated to consummate the Galaxy APA or otherwise be bound under the Galaxy APA, including, without limitation, the obligations to maintain its committed offer while such offer is subject to higher or otherwise better offers as contemplated by the Bidding Procedures. The Galaxy Stalking Horse Bid Protections are a material inducement for, and condition of, the Galaxy Stalking Horse Bidder's execution of the Galaxy APA.

I. Designation of the Centric Stalking Horse Bid. The Centric Stalking Horse Bid as reflected in the Centric APA represents the highest and best offer the Debtors have received to date to purchase the Purchased Assets, as defined and set forth in the Centric APA (the "Joe's Assets"). The Centric APA provides the Debtors with the opportunity to sell the Joe's Assets in a manner designed to preserve and maximize their value and provide a floor for a further marketing and auction process. Without the Centric Stalking Horse Bid, the Debtors are at a significant risk of realizing a lower price for the Joe's Assets. As such, the contributions of the Centric 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 Centric Stalking Horse Bid will enable the Debtors to minimize disruption to the Debtors' restructuring process and secure a fair and adequate Baseline Bid for the Joe's 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.

J. Designation of the Centric Stalking Horse Bidder. The Centric Stalking Horse Bidder shall act as a "stalking horse bidder" pursuant to the Centric APA and the Centric Stalking Horse Bid shall be subject to higher or otherwise better offers in accordance with the Centric APA and the Bidding Procedures. Pursuit of the Centric Stalking Horse Bidder as a

"stalking horse bidder" and the Centric APA as a "stalking horse purchase agreement" 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.

K. The Centric Stalking Horse Bidder is not an "insider" or "affiliate" of any of the Debtors, as those terms are defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, or controlling stakeholders exist between the Stalking Horse Bidder and the Debtors. The Centric 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 Centric Stalking Horse Bidder's negotiation of the Bid Protections and the Bidding Procedures and entry into the Centric APA.

L. Centric Stalking Horse Bid Protections. The Debtors have articulated compelling and sufficient business reasons for the Court to approve the Debtors' provision of the Centric Termination Payment and the Centric Expense Reimbursement (collectively, the "Centric Stalking Horse Bid Protections"). The Centric Stalking Horse Bid Protections (i) have been negotiated by the Centric Stalking Horse Bidder and the Debtors and their respective advisors at arm's length and in good faith and the Centric APA (including the Centric Stalking Horse Bid Protections) is the culmination of a process undertaken by the Debtors and their professionals to negotiate a transaction with a bidder that was prepared to pay the highest or otherwise best purchase price to date for the Joe's Assets; (ii) are fair, reasonable and appropriate in light of, among other things, the size and nature of the proposed Sale Transaction, the substantial efforts that have been and will be expended by the Centric Stalking Horse Bidder, notwithstanding that the proposed Sale Transaction is subject to higher or better offers, and the substantial benefits that the Centric Stalking Horse Bidder has provided to the Debtors, their estates, their creditors and

parties in interest herein, including, among other things, by increasing the likelihood that the best possible purchase price for the applicable assets will be received; and (iii) provide protections that were material inducements for, and express conditions of, the Centric Stalking Horse Bidder's willingness to enter into the Centric APA, and were necessary to ensure that the Centric Stalking Horse Bidder will continue to pursue its Centric APA and the transactions contemplated thereby. The Centric Stalking Horse Bid Protections, to the extent payable under the Centric APA, (a) provide a substantial benefit to the Debtors' estates and stakeholders and all parties in interest herein, (b)(x) are actual and necessary costs and expenses of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code and (y) shall be treated as an allowed superpriority administrative expense claim against the Debtors' estates pursuant to sections 105(a), 364, 503(b), and 507(a)(2) of the Bankruptcy Code, (c) are commensurate to the real and material benefits conferred upon the Debtors' estates by the Centric Stalking Horse Bidder, and (d) are fair, reasonable, and appropriate, including in light of the size and nature of the transactions and the efforts that have been and will be expended by the Centric Stalking Horse Bidder. Unless it is assured that the Centric Stalking Horse Bid Protections will be available, the Centric Stalking Horse Bidder is unwilling to remain obligated to consummate the Centric APA or otherwise be bound under the Centric APA, including, without limitation, the obligations to maintain its committed offer while such offer is subject to higher or otherwise better offers as contemplated by the Bidding Procedures. The Centric Stalking Horse Bid Protections are a material inducement for, and condition of, the Centric Stalking Horse Bidder's execution of the Centric APA.

M. Sale Notice. The Sale Notice, the form of which is attached as Exhibit 4, is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Auction, the Sale Hearing, the Bidding 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 Motion, the Sale Transaction(s) or the Auction shall be required.

N. Assumption and Assignment Provisions. The Debtors have articulated good and sufficient business reasons for the Court to approve the Assumption and Assignment Procedures and the Assumption and Assignment Notice attached hereto as Exhibit 5, 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.

O. Assumption and Assignment Notice. The Assumption and Assignment Notice, the form of which is attached hereto as Exhibit 5, 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 Motion and the procedures described therein, except as expressly required herein.

P. Notice. Notice of the Motion, the proposed Bidding Procedures, the proposed designation of the Galaxy Stalking Horse Bidder and the Centric Stalking Horse Bidder, and the Bidding 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 Bidding Procedures and the Assumption and Assignment Procedures. A reasonable opportunity to object and be heard regarding the relief granted herein has been afforded to all parties in interest.

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

1. The Motion is GRANTED as set forth herein.

2. All objections to the relief granted in this 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 Bidding Procedures

3. The Bidding 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(s) of the Assets and the Auctions. The procedures and requirements set forth in the Bidding 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 interests. The Debtors are authorized to take all actions necessary or appropriate to implement the Bidding Procedures.

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

5. Subject to this Order and the Bidding Procedures, the Debtors, in the exercise of their reasonable business judgment and in a manner consistent with their fiduciary duties and applicable law, shall have the right to (a) determine which bidders qualify as Qualified Bidders and which bids qualify as Qualified Bids, (b) make final determinations as to which Assets or combinations of Assets for which the Debtors will conduct an Auction (each such Asset or group of Assets, an "Auction Package"), (c) select the Baseline Bid for each Auction Package; (d) determine the amount of each Minimum Overbid, (e) determine the Leading Bid (as defined in

the Bidding Procedures) for each Auction Package; (f) determine which Qualified Bid is the highest or otherwise best bid for each Auction Package (each such Qualified Bid, a "Successful Bid") and which Qualified Bid is the Backup Bid (as defined in the Bidding Procedures) after the Successful Bid for an Auction Package; (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 Bidding Procedures, the Bankruptcy Code or other applicable law, and/or (iii) contrary to the best interests of the Debtors and their estates, (h) cancel the Auction with respect to any or all of the Assets in accordance with the Bidding Procedures, and (i) adjourn or reschedule the Sale Hearing with respect to a Sale Transaction involving any or all of the Assets in accordance with the Bidding Procedures.

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

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

8. Without prejudice to the rights of a Stalking Horse Bidder under the applicable Stalking Horse Agreement, the Debtors shall have the right to, in their reasonable business judgment, and in a manner consistent with their fiduciary duties and applicable law, modify the Bidding 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 a Stalking Horse Bidder, or (d) otherwise modify the Bidding 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 Bidding Procedures, the Bankruptcy Code or any order of the Bankruptcy Court, (ii) are promptly communicated to each Qualified Bidder, (iii) do not extend the Bid Deadline, the date of the Auction or the closing of the Auction, and (iv) do not allow the submission (or the Debtors' acceptance) of additional bids after, as applicable, the Bid Deadline or the close of Auction.

B. The Galaxy Stalking Horse Bid and the Galaxy Stalking Horse Bid Protections

9. Galaxy is approved as the Galaxy Stalking Horse Bidder for the Active Division Assets pursuant to the terms of the Galaxy APA.

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

11. The Debtors are authorized to perform any obligations under the Galaxy APA that are intended to be performed prior to the entry of the order approving the Sale Transaction.

12. The Galaxy Termination Payment is approved in its entirety. The Galaxy Termination Payment shall be payable in accordance with, and subject to the terms of, the Galaxy APA. The automatic stay provided by section 362 of the Bankruptcy Code shall be automatically lifted and/or vacated to permit any Galaxy Stalking Horse Bidder action expressly permitted or provided in the Galaxy APA, without further action or order of the Court.

13. The Galaxy Termination Payment (to the extent payable under the Galaxy APA) shall constitute an allowed superpriority administrative expense claim pursuant to sections

105(a), 503(b)(1)(A), and 507(a)(2) of the Bankruptcy Code in the Debtors' cases, which in each case, shall be senior to and have priority over all other administrative expense claims of the kind specified in section 503(b) of the Bankruptcy Code. Debtors are hereby authorized and directed to pay the Galaxy Termination Payment, if and when due, in accordance with the terms of the Galaxy APA and this Order without further order of the Court. The Debtors' obligation to pay the Galaxy Termination Payment, if applicable, shall survive termination of the Galaxy APA, dismissal or conversion of any of the Chapter 11 Cases, and confirmation of any plan of reorganization or liquidation.

C. The Centric Stalking Horse Bid and the Centric Stalking Horse Bid Protections

14. Centric is approved as the Centric Stalking Horse Bidder for the Joe's Assets pursuant to the terms of the Centric APA.

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

16. The Debtors are authorized to perform any obligations under the Centric APA that are intended to be performed prior to the entry of the order approving the Sale Transaction.

17. The Centric Termination Payment and the Centric Expense Reimbursement are each approved in their entirety. The Centric Termination Payment and the Centric Expense Reimbursement shall be payable in accordance with, and subject to the terms of, the Centric APA. The automatic stay provided by section 362 of the Bankruptcy Code shall be automatically lifted and/or vacated to permit any Centric Stalking Horse Bidder action expressly permitted or provided in the Centric APA, without further action or order of the Court

18. The Centric Termination Payment and the Centric Expense Reimbursement (to the extent payable under the Centric APA) shall constitute an allowed superpriority administrative expense claim pursuant to sections 105(a), 503(b)(1)(A), and 507(a)(2) of the Bankruptcy Code in the Debtors' cases, which in each case, shall be senior to and have priority over all other administrative expense claims of the kind specific in section 503(b) of the Bankruptcy Code. Debtors are hereby authorized and directed to pay the Centric Termination Payment and the Centric Expense Reimbursement, if and when due, in accordance with the terms of the Centric APA and this Order without further order of the Court. The Debtors' obligation to pay the Centric Termination Payment and the Centric Expense Reimbursement shall survive termination of the Centric APA, dismissal or conversion of any of the Chapter 11 Cases, and confirmation of any plan of reorganization or liquidation.

D. Bid Deadline and Auction

19. Any Prospective Bidder that intends to participate in the Auction must submit in writing to the Bid Notice Parties (as defined in Section X.A of the Bidding Procedures) a Qualified Bid on or before **October 25, 2021 at 4:00 p.m. (prevailing Eastern Time)** (the "Bid Deadline").

20. Subject to the terms of the Bidding 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).

21. The Auction, if required, will be conducted on **October 28, 2021, at 10:00 a.m. (prevailing Eastern Time)**, virtually through Zoom, or if permitted, at the offices of Gibson,

Dunn & Crutcher LLP, 200 Park Avenue, New York, NY 10166, or at such other time and location as designated by the Debtors, after providing notice to the Sale Notice Parties. If held, the Auction proceedings shall be transcribed or video recorded.

22. 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 Bidding Procedures. Qualified Bidders participating in the Auction must appear in person or virtually (if applicable) 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.

23. 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.

24. 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 (as defined in Section X.B of the Bidding Procedures) and cause to be published on the website maintained by Kurtzman Carson Consultants LLC ("KCC") located at http://kccllc.net/SQBG (the "KCC Website"), a notice containing the following information (as applicable): (a) a description of the Assets available for sale in accordance with the Bidding Procedures, (b) the date, time and location

of the Sale Hearing, (c) the Sale Objection Deadline and Post-Auction Objection Deadline (each as defined in Section X.D of the Bidding Procedures) and the procedures for filing such objections, and, if applicable, (d) a summary of the material terms of any Stalking Horse Agreement, including the terms and conditions of any Termination Payment to be provided thereunder, as of the date of the Sale Notice.

25. By the **later of (a) October 29, 2021 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 KCC 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 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.

E. Credit Bidding

26. Any bidder holding a perfected security interest in any of the Assets may seek to credit bid all, or a portion of, such bidder's claims for its respective collateral in accordance with section 363(k) of the Bankruptcy Code (each such bid, a "Credit Bid"); *provided*, that such Credit Bid complies with the terms of the Bidding Procedures.

F. Sale Hearing and Objection Procedures

27. 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 **November 4, 2021, at 10:00 a.m. (prevailing Eastern Time)**; *provided*, that the Debtors may seek an

adjournment or rescheduling of the Sale Hearing, consistent with the Bidding Procedures and without prejudice to the rights of the Galaxy Stalking Horse Bidder or Centric Stalking Horse Bidder under the Galaxy APA and Centric APA, respectively.

28. 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 Section X.D of the Bidding Procedures) by no later than **October 21, 2021, at 4:00 p.m. (prevailing Eastern Time)** (the "Sale Objection Deadline").

29. 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 a the Galaxy Stalking Horse Bid, the Centric Stalking Horse Bid, or any other 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) November 1, 2021, at 4:00 p.m. (prevailing Eastern Time) and (ii) three days prior to the Sale Hearing** (the "Post-Auction Objection Deadline").

30. 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 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.

G. Notice of Sale Transaction

31. The Sale Notice, substantially in the form attached hereto as Exhibit 4, 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 Bidding Procedures and this Order.

32. By **no later than the later of (a) September 27, 2021 and (b) two 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 KCC Website, the Sale Notice.

33. Within four business days after the entry of this Order, the Debtors shall cause the information contained in the Sale Notice to be published once in the national edition of *USA Today* and once in the *New York Times* (the "Publication Notice").

H. Assumption and Assignment Procedures

34. 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.

35. The Assumption and Assignment Notice, substantially in the form attached hereto as Exhibit 5, is approved, and no other or further notice of the Debtors' proposed Cure Costs with respect to Contracts listed on an Assumption and Assignment Notice is necessary or required.

36. By **no later than the later of (a) September 28, 2021 and (b) three business days after the entry of this Order**, the Debtors shall file with the Court, serve on the

applicable Counterparties and cause to be published on the KCC Website, the Assumption and Assignment Notice.

37. Any objection to the Debtors' proposed Cure Costs (each such objection, a "Contract Objection") or assumption and assignment on any basis (except objections solely related to adequate assurance of future performance by a Successful Bidder other than a 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) served on the Objection Notice Parties by no later than the date that is **14 calendar days after service of the Cure Notice** (the "Contract Objection Deadline").

38. The Debtors and the 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 Costs or assumption and assignment and the Contract Objection at a hearing scheduled pursuant to paragraph 39 of 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.

39. 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.

40. 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 Costs set forth in the applicable Assumption and Assignment Notice shall be controlling and will be the only amount necessary to cure outstanding defaults under the Contract and satisfy the requirements of section 365(b) of the Bankruptcy Code, and the Counterparty to the Contract shall be bound by and deemed to have consented to the Cure Costs.

41. In accordance with the Bidding Procedures, Qualified Bids shall be accompanied by Adequate Assurance Information (as defined in Section VI.A.8 of the Bidding 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.

42. Any objection to the proposed assumption and assignment of a Contract, other than with respect to a 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"), 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.

43. The Debtors and a Counterparty that has filed an Adequate Assurance Objection shall first confer in good faith to attempt to resolve the Adequate Assurance Objection without Court intervention. If the parties are unable to consensually resolve the Adequate Assurance Objection prior to the commencement of the Sale Hearing, the Adequate Assurance Objection and all issues of adequate assurance of future performance of the applicable Successful Bidder (or any other relevant assignee) shall be determined by the Court at the Sale Hearing.

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

45. Successful Bidders (including any 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 any applicable 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 KCC Website, a notice of such designation (a "Designation Notice") containing sufficient information to apprise Counterparties of the designation of their respective Contracts.

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

47. The inclusion of a Contract or Cure Costs 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.

I. Other Related Relief

48. All persons and entities that participate in the Auction or bidding for any Asset during the Sale Process shall be deemed to have knowingly and voluntarily (i) consented to the core jurisdiction of the Court to enter any order related to the Bidding Procedures, the Auction

or any other relief requested in the Motion or granted in this Order, (ii) waived any right to a jury trial in connection with any disputes relating to the Bidding Procedures, the Auction or any other relief requested in the Motion or granted in this Order, and (iii) consented to the entry of a final order or judgment in connection with any disputes relating to the Bidding Procedures, the Auction or any other relief requested in the Motion or granted in this 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.

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

50. 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.

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

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

53. 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.

54. The Debtors are authorized to make non-substantive changes to the Bidding 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.

55. 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.

Dated: _____ __, 2021
Wilmington, Delaware

_____
United States Bankruptcy Judge

Exhibit E

GAINLINE GALAXY HOLDINGS LLC

SUBSCRIPTION AGREEMENT

[__], 2021

This Subscription Agreement (this "***Agreement***") is being entered into for the purpose of setting forth the agreement between Gainline Galaxy Holdings LLC, a Delaware limited liability company (the "***Company***"), and [_____] (the "***Investor***", "***you***" or "***your***") in connection with the acquisition by the Investor, and the issuance by the Company, of Series A Units of the Company, on the terms and subject to the conditions set forth below (the Series A Units to be purchased by the Investor pursuant to the terms of this Agreement are hereinafter sometimes referred to collectively as the "***Units***"). Capitalized terms that are used herein and not otherwise defined herein shall have the meanings set forth in that certain Amended and Restated Limited Liability Company Agreement of the Company, dated as of December 29, 2020, as amended or amended and restated from time to time (the "***LLC Agreement***"). YOU SHOULD BE AWARE THAT YOU MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

If you are in agreement with the terms and conditions set forth herein, please sign this Agreement and return it to the Company, whereupon this Agreement shall represent a legally binding agreement between you and the Company and shall supersede any prior agreement between you and the Company as regards the sale and purchase of securities of the Company as contemplated herein.

BACKGROUND

WHEREAS, the Company has entered into that certain Asset Purchase Agreement (the "***APA***"), dated as of August 31, 2021, by and among the Company, Sequential Brands Group, Inc. ("***Sequential***") and each subsidiary of Sequential listed on the signature pages thereto pursuant to which, among other things, the Company shall acquire certain assets of Sequential (the "***Acquisition***");

WHEREAS, in connection with the closing of the transactions contemplated by the APA, the Investor will be issued Series A Units of the Company on the terms and conditions set forth herein and the APA.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Agreement, the parties agree as follows:

ARTICLE 1

ISSUANCE OF UNITS.

1.1 Closing. Subject to the terms set forth in the APA and herein and in reliance upon the Company's and the Investor's representations and warranties set forth herein, on the date of the closing of the transactions contemplated by the APA (such date, the "***Closing Date***"), the Company shall issue to the Investor, and the Investor shall acquire from the Company, the number of Units set forth opposite the name of the Investor on Schedule I hereto, free and clear of all liens and encumbrances (except as set forth in this Agreement, the LLC Agreement and under applicable United States state and federal securities laws) as partial consideration for the Acquisition. Such issuance shall be effected by the Company on the Closing Date by reflecting the Units as owned by the Investor on Schedule 1 to the LLC Agreement. The closing of the acquisition of the Units on the Closing Date is herein referred to as the "***Closing.***" The rights, privileges and preferences of the Units are as set forth in the LLC Agreement attached hereto.

1.2 LLC Agreement. By executing this Agreement, the Investor agrees that the Units issued and sold hereunder shall be bound by and subject to the terms of the LLC Agreement.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

The Company represents and warrants to the Investor as follows on the date hereof:

2.1 Organization. The Company and each of its subsidiaries is a corporation, limited liability company, partnership or other business organization duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation and has all requisite corporate, limited liability company, partnership or other applicable power and authority to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted. Each of the Company and its subsidiaries is duly licensed or qualified to transact business as a foreign corporation, limited liability company, partnership or other business organization and is in good standing in each jurisdiction in which the nature of the business transacted by it or the character of the properties owned or leased by it requires such licensing or qualification, except for those jurisdictions where the failure to be so licensed, qualified or in good standing would not be material to the Company and its subsidiaries, if any, taken as a whole. Attached hereto as Exhibit A is a copy of the LLC Agreement in substantially the form to be entered into in connection with the Closing.

2.2 Proceedings. The Company has full power, authority and legal right to execute and deliver, and to perform its obligations under this Agreement. The Board has authorized the execution, delivery and performance of this Agreement and the transactions contemplated hereby. No other action by the Board is necessary to authorize such execution, delivery and performance of this Agreement and/or the sale and issuance of the Units. When executed and delivered by the Company, this Agreement shall constitute the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except that such enforcement may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and general principles of equity.

2.3 Consents. No approval or consent of, or filing with, any third party or governmental authority is required in connection with the execution, delivery or performance by the Company of this Agreement, except for same that has already been obtained or made and will remain in full force and effect following the Closing.

2.4 Units. Upon issuance, sale and delivery of the Units as contemplated by this Agreement, all of the outstanding equity interests of the Company, including the Units, shall be duly authorized, validly issued, fully paid and non-assessable, and will be free and clear of all liens, encumbrances and restrictions imposed by or through the Company other than restrictions as set forth in this Agreement and the LLC Agreement and under applicable United States state and federal securities laws. Schedule II attached hereto sets forth the issued and outstanding equity interests of the Company following the consummation of the transactions contemplated hereby.

2.5 Organizational Documents. The Company has made available to the Investor copies of the Certificate of Formation of the Company and the LLC Agreement (the "***Organizational Documents***"), and all such copies are complete and correct.

2.6 No Conflict. Neither the execution, delivery and performance of this Agreement by the Company, nor the consummation by the Company of the transactions contemplated hereby, including the issuance of the Units hereunder, will (i) result in a default (or give rise to any right of termination, cancellation or acceleration) under any of the terms, conditions or provisions of any material agreement, lease or other instrument or obligation to which the Company is a party, except for such defaults (or rights of termination, cancellation or acceleration) as to which requisite waivers or consents have been obtained and are in full force and effect, (ii) violate any order, writ, injunction or decree applicable to the Company or any of the Company's assets, (iii) constitute a default under the Organizational Documents or (iv) result in the creation of any material lien, charge or encumbrance upon any assets of the Company.

2.7 Private Offering. Neither the Company nor anyone acting on its behalf has offered, or shall offer, the Units for issue or sale to, or solicited any offer to acquire any of the same from, anyone so as to bring the issuance and sale of the Units, or any part thereof, within the provisions of Article 5 of the Securities Act. Based upon the representations and warranties of the Investor set forth in Article 3 hereof, the offer, issuance and sale of the Units is and will be exempt from the registration and prospectus delivery requirements of the Securities Act, and have been registered or qualified (or are exempt from registration and qualification) under the registration, permit or qualification requirements of all applicable state securities Laws.

2.8 DISCLAIMER OF OTHER REPRESENTATIONS AND WARRANTIES. NOTWITHSTANDING ANY PROVISION OF THIS AGREEMENT TO THE CONTRARY, THE COMPANY MAKES NO REPRESENTATIONS OR WARRANTIES TO THE INVESTOR OR ANY OTHER PERSON IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, EXCEPT AS SPECIFICALLY SET FORTH IN THIS ARTICLE 2 AND THE LLC AGREEMENT. ALL OTHER REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS OR IMPLIED, ARE DISCLAIMED BY THE COMPANY.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF THE INVESTOR.

3.1 The Investor hereby represents and warrants to the Company on the date hereof that:

(a) Offering Exemption. The Investor understands that the Units have not been registered under the Securities Act, nor registered or qualified under any state securities Laws, and that they are being offered and sold pursuant to an exemption from such registration and qualification based in part upon the Investor's representations and warranties contained herein.

(b) Knowledge of Offer. The Investor is familiar with the business and operations of the Company and its subsidiaries and has been given the opportunity to obtain from the Company all information that the Investor has requested regarding its business plans and prospects.

(c) Knowledge and Experience; Ability to Bear Economic Risks. The Investor has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of the investment contemplated by this Agreement; and the Investor is able to bear the economic risk of this investment in the Company (including a complete loss of this investment).

(d) Limitations on Disposition. The Investor recognizes that no public market exists for the Units, and none may exist in the future. The Investor understands that it must bear the economic risk of this investment indefinitely unless the Units are registered pursuant to the Securities Act (and that, without limiting the terms of the LLC Agreement, the Company is under no obligation to register such Units) or an exemption from such registration is available, and unless the disposition of such Units is qualified or registered under applicable state securities Laws or an exemption from such qualification or registration is available, and that the Company has no present intention of so registering the Units. The Investor further understands that there is no assurance that any exemption from the Securities Act will be available, or, if available, that such exemption will allow the Investor to Transfer any or all of the Units, in the amounts, or at the times that the Investor might propose. The Investor understands that at the present time Rule 144 promulgated under the Securities Act by the Securities and Exchange Commission ("***Rule 144***") is not applicable to sales of the Units because they are not registered under Section 12 of the Exchange Act and there is not publicly available the information concerning the Company specified in Rule 144. The Investor further acknowledges that the Company is not presently under any obligation to register under Section 12 of the Exchange Act or to make publicly available the information specified in Rule 144 and that it may never be required to do so.

(e) Investment Purpose. The Investor acknowledges that it is acquiring the Units solely for its own account for investment and not with a view toward the resale, Transfer, or other distribution thereof. The Investor represents and warrants that no other Person has any right with respect to or interest in the Units to be purchased hereunder, nor has the Investor agreed to give any Person any such interest or right in the future, except as contemplated by the LLC

Agreement and except for such rights that the members or other stakeholders of the Investor may have in the Units upon a dissolution of the Investor.

(f) Organization. The Investor (if the Investor is an entity) and each of its subsidiaries is a corporation, limited liability company, partnership or other business organization duly formed, validly existing and in good standing under the laws of the jurisdiction of its formation and has all requisite corporate, limited liability company, partnership or other applicable power and authority to own, lease or otherwise hold its properties and assets and to carry on its business as presently conducted. Each of the Investor and its subsidiaries is duly licensed or qualified to transact business as a foreign corporation, limited liability company, partnership or other business organization and is in good standing in each jurisdiction in which the nature of the business transacted by it or the character of the properties owned or leased by it requires such licensing or qualification, except for those jurisdictions where the failure to be so licensed, qualified or in good standing would not be material to the Investor and its subsidiaries, if any, taken as a whole.

(g) Proceedings. The Investor (if the Investor is an entity) has authorized the execution, delivery and performance of this Agreement and the transactions contemplated hereby. No other action by the Investor is necessary to authorize such execution, delivery and performance of this Agreement and/or the sale and issuance of the Units. When executed and delivered by the Investor, this Agreement shall constitute the valid and binding obligation of the Investor, enforceable against the Investor in accordance with its terms, except that such enforcement may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect relating to creditors' rights and general principles of equity.

(h) Capacity; Enforceability. Upon the execution and delivery of this Agreement, this Agreement shall constitute the valid and binding obligation of the Investor enforceable against the Investor in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other Laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by Laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(i) Consents and Approvals. Except with respect to filings made in connection with exemptions from registration under state or federal securities Laws, the execution and delivery of this Agreement by the Investor and the consummation by the Investor of the transactions contemplated hereby and, where applicable, thereby do not require any consent, approval or authorization of, or filing, registration or qualification with, any governmental entity or other Person on the part of the Investor, in each case, that has not already been obtained or otherwise satisfied, except where the failure to obtain such consent, approval or authorization would not reasonably be expected to materially impair or delay the ability of the Investor to perform its obligations under this Agreement.

(j) No Conflict. Assuming the assets of the Company do not and will not constitute plans assets under the Plan Asset Regulations, the execution and delivery of this Agreement by the Investor do not, and the consummation by the Investor of the transactions contemplated hereby will not, (i) violate any provision of any Law, or any order, judgment or

decree of any court or other governmental entity applicable to the Investor or any of its assets or properties, or (ii) violate or result in a breach of or constitute (with due notice or lapse of time or both) a default under, or permit the termination of any provision of, or result in the termination of, the acceleration of the maturity of, or the acceleration of the performance of any material obligation of the Investor under, any contract to which the Investor is a party or otherwise bound, except, in the case of clauses (i) and (ii), where such violation, conflict, breach, default, event or other item would not reasonably be expected to materially impair or delay the ability of Investor to perform its obligations under this Agreement.

(k) Accredited Investor. The Investor is an "accredited investor" as such term is defined in Rule 501(a) promulgated under the Securities Act. The Investor agrees to respond to any reasonable requests by the Company or its representatives for information in order to verify the representations of such Investor that it is an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act, including but not limited to providing information with respect to such Investor's net worth, annual income, or total assets.

(l) No Reliance. The Investor acknowledges that it has conducted to its satisfaction an independent investigation of the financial condition, liabilities, results of operations and projected operations of the Company and its subsidiaries and the nature and condition of their properties, assets and business and, in making the determination to proceed with the transactions contemplated by this Agreement and has relied solely on the results of such independent investigation and the representations and warranties expressly set forth in Article 2 hereof and the LLC Agreement. The Investor acknowledges that neither the Company nor any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any information regarding the Company, its subsidiaries or their business (or proposed business) or any other matter that is not expressly included in Article 2 hereof or the LLC Agreement. The Investor acknowledges that neither the Company nor any affiliate thereof has rendered or will render any investment advice or securities valuation advice to the Investor, and that the Investor is neither subscribing for nor acquiring any Units in the Company in reliance upon, or with the expectation of, any such advice.

(m) Compliance with Anti-Terrorism and Anti-Money Laundering Laws and Regulation. The Investor represents to the Company that it and, to the actual knowledge of the executive officers of the Investor (without a duty of inquiry), all of its beneficial owners (if the Investor is an entity) are in compliance with all laws, statutes, rules and regulations relating to anti-terrorism or anti-money laundering laws of any federal, state or local government in the United States of America applicable to such person(s) or entity(ies), including without limitation, the USA PATRIOT Act, Pub. L, No. 107-56 (October 26, 2001), Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 23, 2001) and all other similar requirements contained in the rules and regulations of the Office of Foreign Asset Control *("**OFAC**")*, the Department of Treasury and in any enabling legislation or other Executive Orders in respect thereof. The Investor further represents and warrants to the Company that neither it nor, to the actual knowledge of the executive officers of the Investor (without a duty of inquiry), any of its beneficial owners (if the Investor is an entity) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC and/or on any other lists of terrorists or terrorist organizations maintain and made publicly available by any governmental department, agency, or other entity. For purposes of clarity, with respect to any

Investor that is an employee benefit plan subject to Title IV of ERISA, such Investor is not required to provide any representations or warranties pursuant to this Section 3.1(m) with respect to any participant entitled to receive a benefit from such Investor or any beneficiary of such participant.

ARTICLE 4

INTERPRETATION OF THIS AGREEMENT

4.1 Governing Law; Related Matters.

(a) This Agreement shall be construed, performed and enforced in accordance with, and governed by, the Laws of the State of Delaware, without giving effect to the principles of conflicts of Laws thereof. All judicial actions brought against the parties arising out of or relating to this Agreement, or any obligations hereunder, shall be brought in any state or federal court of competent jurisdiction in the State of Delaware. By executing and delivering this Agreement, the parties irrevocably: (i) accept generally and unconditionally the exclusive jurisdiction and venue of these courts; (ii) waive any objections which such party may now or hereafter have to the laying of venue of any of the aforesaid actions arising out of or in connection with this Agreement brought in the courts referred to in clause (i) above and hereby further irrevocably waive and agree not to plead or claim in any such court that such action brought in any such court has been brought in an inconvenient forum; (iii) agree that service of all process in any such action in any such court may be made by registered or certified mail, return receipt requested, to such party at their respective addresses provided in accordance with Section 5.3 hereof; and (iv) agree that service as provided in clause (iii) above is sufficient to confer personal jurisdiction over such party in any such action in any such court, and otherwise constitutes effective and binding service in every respect.

(b) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTIONS, SUITS, DEMAND LETTERS, JUDICIAL, ADMINISTRATIVE OR REGULATORY PROCEEDINGS, OR HEARINGS, NOTICES OF VIOLATION OR INVESTIGATIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER AND (B) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY.

(c) The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed by the parties hereto in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Company, on the one hand, and the Investor, on the other hand, shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other (as applicable) and to enforce specifically the terms and provisions of this Agreement and to thereafter cause the transactions contemplated by this Agreement to be consummated on the terms and subject to the conditions thereto set forth in

this Agreement. The foregoing rights are in addition to and without limitation of any other remedy to which the parties may be entitled at law or in equity. The parties further agree not to assert that a remedy of specific performance is unenforceable, invalid, contrary to law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy. Each of the parties hereto hereby waives (i) any defenses in any action for specific performance, including the defense that a remedy at law would be adequate and (ii) any requirement under any law to post a bond or other security as a prerequisite to obtaining equitable relief.

ARTICLE 5

MISCELLANEOUS

5.1 Further Assurance. Each of the parties shall execute such documents and other papers and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated hereby. Each such party shall use its reasonable efforts to fulfill or obtain the fulfillment of the conditions to the Closing as promptly as practicable.

5.2 Exculpation Among Members. The Investor acknowledges that it is not relying upon any other Member or any of their respective Affiliates or any of their respective stockholders, partners, directors, managers, officers, employees or agents in making its investment decision to invest in the Units or in monitoring such investment.

5.3 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if served personally on the party to whom notice is to be given; (ii) on the day of transmission if sent via facsimile transmission or email to the facsimile number or email address given below, and confirmation of receipt is obtained promptly after completion of transmission; (iii) on the day after delivery to Federal Express or a similar overnight courier; or (iv) on the fifth (5th) day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid and properly addressed, to the party as follows:

(a) if to the Investor, at the address or facsimile number or email of the Investor set forth on Schedule I hereto, or at such other address or facsimile number or email as the Investor may furnish to the Company in writing in accordance with the terms hereof; and

(b) if to the Company, to the address set forth in the LLC Agreement.

5.4 Survival. All, representations, warranties and covenants made by the Investor and the Company herein or in any other agreement to which the Company and the Investor are a party (each, an "***Ancillary Agreement***"), where applicable, shall be considered to have been relied upon by the Company or the Investor, as the case may be, and shall survive indefinitely regardless of any investigation made by or on behalf of the Company or the Investor, as the case may be. All statements in any such Ancillary Agreement shall constitute representations and warranties by the Company or the Investor, as the case may be.

5.5 Expenses. Each party hereto shall pay their respective fees, expenses, costs or taxes incurred by such party in connection with the negotiation, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and thereby on the Closing Date.

5.6 Successors and Assigns. Neither this Agreement nor any party's rights or obligations hereunder may be assigned by any party hereto without the prior written consent of the Company (in the case of an assignment by the Investor) or the Investor (in the case of an assignment by the Company). Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties.

5.7 Entire Agreement; Amendment and Waiver. This Agreement, the LLC Agreement and the Ancillary Agreements to which the Company and the Investor are a party constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof and supersede all prior agreements or understandings with respect to the subject matter hereof among such parties. This Agreement may be amended, and the observance of any term of this Agreement may be waived, with (and only with), the written consent of the Company and the Investor. Any amendment or waiver effected in accordance with this Section 5.7 shall be binding upon the Investor and each future holder of the Units and the Company.

5.8 Severability. In the event that any part or parts of this Agreement shall be held illegal or unenforceable by any court or administrative body of competent jurisdiction, such determination shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

5.9 No Third Party Beneficiaries. Nothing expressed or referred to in this Agreement confers any rights or remedies upon any Person that is not a party to this Agreement or a permitted assign of a party to this Agreement. Without limiting the foregoing, no Person that is not a party to this Agreement shall have the right to seek enforcement (or to compel or seek to compel any party hereto to seek enforcement) of any of the terms or conditions set forth herein.

5.10 Draftsmanship. Each of the parties signing this Agreement has been represented by its own counsel and acknowledges that it has participated in the drafting of this Agreement, and any applicable rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in connection with the construction or interpretation of this Agreement.

5.11 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile), each of which shall be deemed an original and all of which together shall be considered one and the same agreement.

5.12 Independent Nature of Investor's Obligations and Rights. The representations, warranties covenants and obligations of the Investor under this Agreement are individual (and not several or joint) with respect to the obligations of any other Investor, and no Investor shall be responsible in any way for the performance of the obligations of any other Investor under this Agreement or breach of this Agreement by any other Investor.

[Signature pages follow.]

Please indicate your acceptance and approval of the foregoing Subscription Agreement in the space provided below.

COMPANY:

GAINLINE GALAXY HOLDINGS LLC

By: _____
Name:
Title:

INVESTOR:

_____

By: _____
Name:
Title:

SCHEDULE I

Investor—Closing

Investor	Units

SCHEDULE II

Capitalization

EXHIBIT A

LLC Agreement

Exhibit F
BILL OF SALE

THIS BILL OF SALE (this "Bill of Sale") is made effective as of [●], 2021, by and among Gainline Galaxy Holdings LLC, a Delaware limited liability company ("Buyer"), Sequential Brands Group, Inc., a Delaware corporation ("Sequential"), and each Subsidiary of Sequential listed on the signature pages to this Bill of Sale (collectively with Sequential, "Sellers"). All capitalized terms used in this Bill of Sale but not otherwise defined herein are given the meanings set forth in the Agreement (as defined below).

WHEREAS, Buyer has entered into that certain Asset Purchase Agreement, dated as of August 31, 2021 (as amended or otherwise modified from time to time in accordance with its terms, the "Agreement"), by and among Buyer and Sellers; and

WHEREAS, pursuant to the Agreement, among other things, Sellers have agreed to Transfer to Buyer, and Buyer has agreed to purchase and acquire from Sellers, the entirety of Sellers' right, title and interest in, to and under all of the Transferred Assets.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements set forth below and in the Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Transfer and Assignment of the Transferred Assets. On the terms and subject to the conditions set forth in the Agreement, effective as of the Closing, Sellers hereby Transfer to Buyer the entirety of Sellers' right, title and interest in, to and under all of the Transferred Assets.

2. Further Assurances. Subject to the provisions of this Bill of Sale and the Agreement, each of the parties hereto agrees to execute, acknowledge, deliver, file and record such further certificates, amendments, instruments and documents, and to do all such other acts and things, as may be reasonably requested by any other party in order to carry out the intent and purpose of this Bill of Sale.

3. Condition of the Transferred Assets. EXCEPT AS EXPRESSLY PROVIDED IN THE AGREEMENT, SELLERS HAVE NOT MADE, AND SELLERS HEREBY EXPRESSLY DISCLAIM AND NEGATE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, RELATING TO THE TRANSFERRED ASSETS, IT BEING THE EXPRESS INTENTION OF SELLERS AND BUYER THAT BUYER SHALL ACQUIRE THE TRANSFERRED ASSETS WITHOUT ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS THEREOF FOR ANY PARTICULAR PURPOSE, IN AN "AS IS" CONDITION AND ON A "WHERE IS" BASIS AS MORE FULLY SET OUT IN SECTION 4.6 OF THE AGREEMENT, EXCEPT, IN EACH CASE, FOR THE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN ARTICLE III OF THE AGREEMENT ON THE TERMS AND SUBJECT TO THE CONDITIONS SET FORTH THEREIN.

4. Subject to the Agreement. Nothing contained herein shall in any way modify the Agreement. Sellers and Buyer hereby acknowledge and agree that any representations, warranties, covenants, indemnities, limitations and other terms contained in the Agreement shall not be superseded or expanded hereby and shall remain in full force and effect to the fullest extent

provided therein. In the event of any conflict or inconsistency between the terms of the Agreement and the terms hereof, the terms of the Agreement shall govern and control.

5. General Provisions. Section 9.2 (*Notices*), Section 9.3 (*Entire Agreement; Amendments and Waivers*), 9.4 (*Assignment*), Section 9.6 (*Governing Law*), Section 9.8 (*Submission to Jurisdiction; Consent to Service of Process; Waiver of Jury Trial*), Section 9.9 (*Interpretation; Construction*), Section 9.10 (*Severability*) and Section 9.11 (*Counterparts; Signatures*) of the Agreement are each hereby incorporated by reference *mutatis mutandis*.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, this Bill of Sale has been executed by the parties as of the date first above written.

GAINLINE GALAXY HOLDINGS LLC

By: _____

Name: Allan Weinstein

Title: President

SEQUENTIAL BRANDS GROUP, INC.

By: _____

Name:

Title:

GALAXY BRANDS LLC

By: _____

Name:

Title:

THE BASKETBALL MARKETING COMPANY, INC.

By: _____

Name:

Title:

AMERICAN SPORTING GOODS CORP

By: _____

Name:

Title:

GAIAM AMERICAS, INC.

By: _____

Name:

Title:

Exhibit G
FORM OF FUND SERVICES AGREEMENT

This Agreement is entered into as of August____, 2021, between _____ ("Client") and Kurtzman Carson Consultants, LLC (together with its affiliates, including Computershare, Inc. "KCC").

In consideration of the premises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. SERVICES. KCC agrees to provide Client with account set-up, fund services and such other services as may be agreed by the parties in writing and as listed on Exhibit A (the "Services"). Client acknowledges and agrees that KCC will often take direction from Client's representatives, employees, agents and/or professionals (collectively, the "Client Parties") with respect to the Services. The parties agree that KCC may rely upon, and Client agrees to be bound by, any requests, advice or information provided by the Client Parties to the same extent as if such requests, advice or information were provided by Client. Client agrees and understands that KCC shall not provide Client or any other party with any legal advice.

2. PRICES, CHARGES AND PAYMENT. KCC agrees to charge and the Client agrees to pay KCC the fees and charges set forth in Exhibit B for the Services. KCC's prices are generally adjusted periodically to reflect changes in the business and economic environment and are inclusive of all charges. If any price increase exceeds 10%, KCC will give thirty (30) days written notice to the Client. Client acknowledges that any estimate that may be provided by KCC is based on information provided by Client to KCC and actual fees and expenses may vary depending on the circumstances of the additional services to be provided. Client agrees to pay the reasonable, pre-approved charges incurred by KCC in connection with Services, including, but not limited to, transportation, lodging, meals.

KCC agrees to submit its invoices to Client and Client agrees that the amount invoiced is due and payable upon receipt. If any amount is unpaid as of thirty (30) days from the receipt of the invoice, the Client further agrees to pay a late charge (the "Finance Charge"), calculated as two and one-half percent (2-1/2%) of the total amount unpaid every thirty (30) days. In the case of a dispute in the invoice amount, Client shall give written notice to KCC within twenty (20) days of receipt of the invoice by Client. Certain fees and charges may need to be adjusted due to availability related to the COVID-19 (novel coronavirus) global health issue.

3. FURTHER ASSURANCES. To the extent applicable, Client agrees that it will use its best efforts to include provisions reasonably acceptable to KCC in any relevant court order, settlement agreement or similar document that provide for the payment of KCC's fees and expenses hereunder.

4. RIGHTS OF OWNERSHIP. The parties understand that the software programs and other materials furnished by KCC to Client and/or developed during the course of the performance of Services are the sole property of KCC. The term "program" shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. Client agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished to Client. Fees and expenses paid by Client do not vest in Client any rights in such property, it being understood that such property is only being made available for Client's use during and in connection with the Services provided by KCC.

5. CONFIDENTIALITY. Each of KCC and Client, on behalf of themselves and their respective employees, agents, professionals and representatives, agrees to keep confidential all non-public records, systems, procedures, software and other information received from the other party in connection with the Services; provided, however, that if either party reasonably believes that it is required to produce any such information by order of any governmental agency or other regulatory body it may, upon not less than five (5) business days' written notice to the other party, release the required information. These provisions shall survive termination of Services.

6. **BANK ACCOUNTS**. KCC shall be authorized to establish accounts with financial institutions as agent for Client or as otherwise agreed by the parties in the performance of the Services (each, an "Account"). All Accounts established under this Agreement shall be deposit accounts with commercial banks with Tier 1 capital exceeding $1 billion or with an average rating above investment grade by S&P (LT Local Issuer Credit Rating), Moody's (Long Term Rating) and Fitch Ratings, Inc. (LT Issuer Default Rating) (each as reported by Bloomberg Finance L.P.). These shall be deemed to have been opened at the direction of the Client. KCC may from time to time receive interest, dividends or other earnings in connection with such deposits or investments as compensation for services provided under this agreement.

Client acknowledges that the Account will be held and maintained by KCC as agent for Client. The amounts held in the Account, once transferred into the Account, are held at the sole risk of Client.

Client shall remain responsible for tax reporting. KCC, on behalf of Client, shall undertake only those tax reporting and withholding services as are reasonably requested by Client in writing. Any such tax related services shall be solely at the direction of Client and KCC may rely on the direction of the Company.

KCC shall make disbursements from an Account upon written direction of the Client. KCC shall have no obligation to follow any direction unless and until KCC is satisfied, in its sole discretion, that the persons executing the direction are authorized to do so. If any amount to be released at any time or under any circumstances exceeds the balance in the Account KCC will advise of the deficiency in writing, and if the instruction to release is re-confirmed in writing, KCC shall release the balance in the Account and shall have no liability or responsibility for any deficiency. KCC may rely upon and shall not be liable for acting or refraining from acting upon any written notice, court order, document, instruction or request furnished to it by Client, without being required to determine the authenticity or validity thereof or the correctness of any fact stated therein, the propriety or validity of the service thereof, or the jurisdiction of the court issuing any judgment or order. KCC may act in reliance upon any signature believed by it to be genuine, and may assume that such person has been properly authorized to do so by Client.

7. TERMINATION. The Services may be terminated by either party (i) upon thirty (30) days' written notice to the other party or (ii) immediately upon written notice for Cause (defined herein). As used herein, the term "Cause" means (i) gross negligence or willful misconduct of KCC that causes serious and material harm to Client, (ii) the failure of Client to pay KCC invoices for more than sixty (60) days from the date of invoice, or (iii) the accrual of invoices or unpaid services where KCC reasonably believes it will not be paid. Termination of Services shall not relieve Client of its obligations to pay all fees and expenses incurred prior to such termination.

In the event that the Services are terminated, regardless of the reason for such termination, KCC shall reasonably coordinate with Client to maintain an orderly transfer of funds held in an Account, data, programs, storage media or other materials furnished by Client to KCC or received by KCC in connection with the Services. Client agrees to pay for such services in accordance with KCC's then existing prices for such services.

8. LIMITATIONS OF LIABILITY AND INDEMNIFICATION. Client shall indemnify and hold KCC, its affiliates, members, directors, officers, employees, consultants, subcontractors and agents (collectively, the "Indemnified Parties") harmless, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, judgments, liabilities and expenses (including reasonable counsel fees and expenses) (collectively, "Losses") resulting from, arising out of or related to KCC's performance of Services. Such indemnification shall exclude Losses resulting from KCC's gross negligence or willful misconduct. Without limiting the generality of the foregoing, Losses include any liabilities resulting from claims by any third-parties against

any Indemnified Party. Client shall notify KCC in writing promptly upon the assertion, threat or commencement of any claim, action, investigation or proceeding that Client becomes aware of with respect to the Services provided by KCC.

Except as provided herein, KCC's liability to Client or any person making a claim through or under Client for any Losses of any kind, even if KCC has been advised of the possibility of such Losses, whether direct or indirect and unless due to gross negligence or willful misconduct of KCC, shall be limited to the greater of (i) the total amount billed to Client and paid to KCC for the Services and (ii) solely in the event of any loss of the Amount Held caused by KCC's gross negligence or willful misconduct, the total Amount Held under Section 6. Other than indemnification obligations in this Agreement, in no event shall Client or KCC be liable for any indirect, special or consequential damages such as loss of anticipated profits or other economic loss in connection with or arising out of the Services. Client agrees that except as expressly set forth herein,

KCC makes no representations or warranties, express or implied, including, but not limited to, any implied or express warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity. The provisions of this Section 8 shall survive termination of Services.

9. FORCE MAJEURE. KCC will not be liable for any delay or failure in performance when such delay or failure arises from circumstances beyond its reasonable control, including without limitation acts of God, acts of government in its sovereign or contractual capacity, acts of public enemy or terrorists, acts of civil or military authority, war, riots, civil strife, terrorism, blockades, sabotage, rationing, embargoes, epidemics, pandemics, outbreaks of infectious diseases or any other public health crises, earthquakes, fire, flood, other natural disaster, quarantine or any other employee restrictions, power shortages or failures, utility or communication failure or delays, labor disputes, strikes, or shortages, supply shortages, equipment failures, or software malfunctions.

10. INDEPENDENT CONTRACTORS. KCC is and shall be an independent contractor of Client and no agency, partnership, joint venture or employment relationship shall arise, directly or indirectly, as a result of the Services or these Terms and Conditions.

11. NOTICES. All notices and requests hereunder shall be given or made upon the respective parties in writing and shall be deemed as given as of the third day following the day it is deposited in the U.S. Mail, postage pre-paid or on the day it is given if sent by facsimile or on the day after the day it is sent if sent by overnight courier to the appropriate address set forth in the Proposal or to such other address as the party to receive the notice or request so designates by written notice to the other.

12. APPLICABLE LAW. These Terms and Conditions will be governed by and construed in accordance with the laws of the State of California, without giving effect to any choice of law principles.

13. ENTIRE AGREEMENT; MODIFICATIONS; SEVERABILITY; BINDING EFFECT. This Agreement constitutes the entire agreement and understanding of the parties in respect of the subject matter hereof and supersedes all prior understandings, agreements or representations by or among the parties, written or oral, to the extent they relate in any way to the subject matter hereof. If any provision herein shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby. This Agreement may be modified only by a written instrument duly executed by the parties. All of the terms, agreements, covenants, representations, warranties and conditions of this Agreement are binding upon, and inure to the benefit of and are enforceable by, the parties and their respective successors and permitted assigns.

CLIENT

_____

BY:
TITLE:

KURTZMAN CARSON CONSULTANTS LLC

_____

BY: Evan Gershbein
TITLE: EVP, Corporate Restructuring

EXHIBIT A

Fund and Distribution Services

- Account set-up, reporting and account reconciliation
- Review and format disbursement data provided by Client
- 1099 Tax reporting and TIN collection services (only if specified by Client and agreed by KCC in writing)
- Additional services as requested by Client and agreed by KCC in writing
- All services subject to the standard fees and charges (*e.g.*, hourly consulting fees, printing charges, *etc.*)

EXHIBIT B

Fee Structure

Consulting Services & Rates[1]

Position	Hourly Rate
Analyst/Consultant/Senior Consultant/Director	*$40 - $195*

KCC's Analysts, Consultants, Senior Consultants and Directors are ready to facilitate and ensure a seamless deposit experience. KCC pushes the work down to the lowest billing employee who can accomplish the task successfully.

Fiduciary Administration Services[2]

Monthly Bank Fees	Waived
Wire/Transfer Fees	Waived
Unlimited Transactions	No Fees
No Minimum Balance	
No Withdrawal Penalty	

Check Disbursement

Check Fee (Printing & Postage Only)	$1.75/check

1099 Disbursement

1099 Fee (Printing & Postage Only)	$2.75/1099
1099 Tax Reporting	Pricing upon request

W-9 Mailing

W-9 Fee (Printing & Postage Only)	$2.75/W-9

Other Document Management/Imaging

Electronic Imaging (Scanning & Barcoding)	$0.10 per imaged page

[1] Please note that additional professional services not covered by this proposal will be charged at hourly rates, including any outsourced services performed under our supervision and control. Certain fees and charges may need to be adjusted due to availability related to the COVID-19 (novel coronavirus) global health issue.

[2] Fees and charges are subject to increase based on market conditions, including the addition of bank fees. KCC will provide prior written notice of the effective date of any such increase or addition.

Exhibit H

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	Chapter 11
Sequential Brands Group, Inc., et al.,[1]	:	Case No. 21-[_____]
Debtors.	:	(Jointly Administered)

ORDER (I) APPROVING PURCHASE AGREEMENT AMONG DEBTORS AND GAINLINE GALAXY HOLDINGS LLC, (II) APPROVING SALE OF CERTAIN OF DEBTORS' ASSETS FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES, (III) AUTHORIZING ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES AND (IV) GRANTING RELATED RELIEF

Upon the motion (the "Motion") of Sequential Brands Group, Inc. and its affiliated debtors and debtors-in-possession (collectively, the "Debtors"), for entry of an order (this "Order") pursuant to sections 105(a), 363, 365, 503 and 507 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the "Bankruptcy Code"), rules 2002, 6004, 6006, 9007, 9008, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rules 2002-1 and 6004-1 of the Local Rules of Bankruptcy Practice and Procedures of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), (i) approving the sale of the Debtors' assets free and clear of liens, claims, interests and encumbrances (other than Permitted Post-Closing

[1] The Debtors, along with the last four digits of each Debtor's tax identification number, are: Sequential Brands Group, Inc. (2789), SQBG, Inc. (9546), Sequential Licensing, Inc. (7108), William Rast Licensing, LLC (4304), Heeling Sports Limited (0479), Brand Matter, LLC (1258), SBG FM, LLC (8013), Galaxy Brands LLC (9583), The Basketball Marketing Company, Inc. (7003), American Sporting Goods Corporation (1696), LNT Brands LLC (3923), Joe's Holdings LLC (3085), Gaiam Brand Holdco, LLC (1581), Gaiam Americas, Inc. (8894), SBG-Gaiam Holdings, LLC (8923), SBG Universe Brands, LLC (4322), and GBT Promotions LLC (7003). The Debtors' corporate headquarters and the mailing address for each Debtor is 1407 Broadway, 38th Floor, New York, NY 10018.

Encumbrances),[2] (ii) authorizing assumption and assignment of certain executory contracts and unexpired leases; and (iii) granting related relief; and the Court having entered a prior order, dated _____ __, 2021 [Docket No. ●] (the "Bid Procedures Order"), approving bidding procedures for the Debtors' assets (the "Bid Procedures") and approving procedures for the assumption and assignment of the Debtors' executory contracts and unexpired leases (the "Assumption and Assignment Procedures"), and granting certain related relief; and the Debtors having identified the bid by Buyer as the highest or otherwise best bid for the Transferred Assets; and upon the Declaration of James Doak in support of the Motion [Docket No. ●]; and the Auction having been [held][cancelled] in accordance with the Bid Procedures; and the Debtors having filed the a notice of successful bidder [Docket No. ●], designating the Buyer as the Successful Bidder for the Transferred Assets; and the Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and venue of these chapter 11 cases and the Motion in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court having found that proper and adequate notice of the Motion and the relief requested therein has been provided in accordance with the Bankruptcy Rules and the Local Rules, and that, except as otherwise ordered herein, no other or further notice is necessary; and any objections (if any) to the Motion having been withdrawn or overruled on the merits; and a hearing on the Motion (the "Sale Hearing") having been held to consider the relief requested in the Motion and to review and consider (i) the Motion and the exhibits thereto, and (ii) the Asset Purchase Agreement, dated as of _____ __, 2021, by and among the Debtors and Buyer, a copy of which is attached hereto as Exhibit A (together with any schedules and exhibits thereto, the "Purchase Agreement"), whereby the Debtors have agreed, among other things, to sell the

[2] Capitalized terms not defined herein have the meanings given them in the Purchase Agreement (as defined below) or, if not defined therein, the meanings given them in the Bid Procedures (as defined below).

Transferred Assets (as defined in the Purchase Agreement) to Buyer on the terms and conditions set forth in the Purchase Agreement (collectively, the "Sale Transaction"); and the Debtors having determined that the Qualified Bid submitted by Buyer as embodied in the Purchase Agreement is the highest and otherwise best bid for the Transferred Assets and having selected such bid as the Successful Bid pursuant to the Bid Procedures; and upon the record of the Sale Hearing and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion as it pertains to the relief granted hereby is in the best interests of the Debtors, their estates, their creditors and all other parties-in-interest; and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon the full record of the Sale Hearing and all other pleadings and proceedings in these chapter 11 cases, including the Motion; and after due deliberation and sufficient cause appearing therefor,

THE COURT MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW BASED ON THE PLEADINGS, THE REPRESENTATIONS OF THE PARTIES, AND THE RECORD ESTABLISHED AND EVIDENCE PRESENTED AT THE HEARING:

A. Fed. R. Bankr. P. 7052. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052. 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.

B. Jurisdiction and Venue; Final Order. The Court has jurisdiction to consider and decide the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue of these chapter 11 cases and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The Court may enter a final order with respect to the Motion, the

Purchase Agreement, the transactions contemplated thereby, and all related relief, in each case, consistent with Article III of the United States Constitution.

C. Final Order. This Order constitutes a final and appealable order as set forth in 28 U.S.C. § 158(a), except as otherwise set forth herein.

D. Statutory and Rule Predicates. The statutory and other legal predicates for the relief sought in the Motion are sections 105(a), 363 and 365 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, 9007, 9008, and 9014, Local Rules 2002-1 and 6004-1.

E. Opportunity to Object. A fair and reasonable opportunity to object or be heard regarding the relief granted by this Order, including, but not limited to, the assumption and assignment of the Assigned Contracts and the Cure Costs (each as defined below), has been afforded to all interested Persons and Entities (as defined below), including, but not limited to, the Sale Notice Parties.

F. Sound Business Purpose. The Debtors have demonstrated that their entry into the Purchase Agreement and related or ancillary agreements thereto or contemplated thereby (collectively, the "Ancillary Agreements") is supported by good, sufficient and sound business reasons. A sale of the Transferred Assets, including the assignment of the Closing Assumed Contracts and the Additional Assumed Contracts and assumption of the Assumed Liabilities, will maximize the value of the Debtors' estates and represents a reasonable exercise of the Debtors' sound business judgment. The Debtors determined that the Purchase Agreement constitutes the highest and otherwise best offer for the Transferred Assets, and pursuant to the terms and conditions of the Purchase Agreement, the Debtors have agreed to transfer to Buyer all of the Debtors' right, title and interest in and to, and Buyer has agreed to assume certain specified Assumed Liabilities that are not Excluded Liabilities related to, the Transferred Assets free and

clear of all Liens (other than the Permitted Post-Closing Encumbrances) and, if requested by Buyer, to assume and assign the Closing Assumed Contracts and the Additional Assumed Contracts (collectively, the "Assigned Contracts") to Buyer subject to the terms and conditions of the Purchase Agreement and this Order, and such determination is a valid and sound exercise of the Debtors' business judgment.

G. The consummation of the Sale Transaction and the assumption and assignment of the Assigned Contracts are legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 105(a), 363(b), 363(f), 363(m), and 365 of the Bankruptcy Code, and all of the applicable requirements of such sections have been complied with in respect of the Sale Transaction.

H. Compliance with Bid Procedures. As demonstrated by evidence proffered or adduced and the representations of counsel at the Sale Hearing, the Bid Procedures (as approved by the Bid Procedures Order) were substantively and procedurally fair to all parties, were the result of arm's length negotiations, and provided a full, fair and reasonable opportunity for any party to make an offer to purchase the Transferred Assets. The Debtors, Buyer and their respective counsel and other advisors have complied with the Bid Procedures Order, the Bid Procedures, and the Assumption and Assignment Procedures in all respects. Buyer submitted a Qualified Bid pursuant to the Bid Procedures approved by the Court, was determined to be the Successful Bidder for the Transferred Assets, and was granted certain Bid Protections in accordance with the Bid Procedures Order and the Bid Procedures.

I. Marketing Process. The Debtors and their advisors thoroughly and fairly marketed the Transferred Assets and conducted the related sale process in good faith and in a fair and open manner, soliciting offers to acquire the Transferred Assets from a wide variety of parties.

The sale process and the Bid Procedures were non-collusive, duly noticed, and provided a full, fair, reasonable, and adequate opportunity for any Person or Entity that expressed an interest in acquiring the Transferred Assets, or who the Debtors believed may have an interest in acquiring, and be permitted and able to acquire, the Transferred Assets, to conduct due diligence, make an offer to purchase the Debtors' assets, including, without limitation, the Transferred Assets, and submit higher and otherwise better offers for the Transferred Assets than Buyer's Successful Bid. The Debtors and Buyer have negotiated and undertaken their roles leading to the Sale Transaction and entry into the Purchase Agreement in a diligent, non-collusive, fair, reasonable, and good faith manner. The sale process conducted by the Debtors pursuant to the Bid Procedures Order and the Bid Procedures resulted in the highest and otherwise best offer for the Transferred Assets for the Debtors and their estates, was in the best interests of the Debtors, their creditors, and all parties-in-interest, and any other transaction would not have yielded as favorable a result. The Debtors' determinations that the Purchase Agreement constitutes the highest and otherwise best offer for the Transferred Assets and maximizes value for the benefit of the Debtors' estates constitutes a valid and sound exercise of the Debtors' business judgment and are in accordance and compliance with the Bid Procedures and the Bid Procedures Order. The Purchase Agreement represents fair and reasonable terms for the purchase of the Transferred Assets. No other Person or Entity has offered to purchase the Transferred Assets for greater overall value to the Debtors' estates than the Buyer. Approval of the Motion (as it pertains to the Sale Transaction) and the Purchase Agreement and the consummation of the transactions contemplated thereby will maximize the value of each of the Debtors' estates and are in the best interests of the Debtors, their estates, their creditors, and all other parties in interest. There is no legal or equitable reason to delay consummation of the

transactions contemplated by the Purchase Agreement, including, without limitation, the Sale Transaction.

J. Good Faith. Buyer is not an "insider" or "affiliate" of any of the Debtors as those terms are defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, managers, or controlling stockholders existed between the Debtors and the Buyer. The Purchase Agreement and the Ancillary Agreements, and each of the transactions contemplated therein were negotiated, proposed and entered into by the Debtors and Buyer, their respective boards of directors or equivalent governing bodies, officers, directors, employees, agents, professionals, and representatives without collusion or fraud, in good faith, and from arm's length bargaining positions, and are substantively and procedurally fair to all parties. The Buyer and its affiliates, with the consent and support of the Debtors and their professionals, engaged in discussions and negotiations with KKR Credit Advisors (US) LLC, on behalf of certain funds advised or managed by it, in its capacity as a Prepetition Term B Lender (as defined in the Final DIP Order (as defined herein)) and as a financing party in connection with the Buyer's purchase of the Transferred Assets, regarding the terms of its bid, which ultimately was embodied in the Purchase Agreement and will maximize value to the Debtors' estates. Buyer is purchasing the Transferred Assets, in accordance with the Purchase Agreement, in good faith and is a good-faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all of the protections afforded thereby. In particular, (i) Buyer recognized that the Debtors were free to deal with any other party interested in purchasing the Transferred Assets; (ii) Buyer in no way induced or caused the chapter 11 filing by the Debtors; (iii) Buyer has not engaged in any conduct that would cause or permit the Sale Transaction or the Purchase Agreement to be avoided or subject to monetary damages under section 363(n) of the Bankruptcy Code by any action or inaction; (iv) no

common identity of directors, managers, officers, or controlling stockholders exist between Buyer, on the one hand. and any of the Debtors, on the other hand; (v) Buyer complied with the Bid Procedures and all provisions of the Bid Procedures Order and the Assumption and Assignment Procedures; (vi) Buyer agreed to subject its Bid to the competitive Bid Procedures set forth in the Bid Procedures Order; and (vii) all payments to be made, and all other material agreements or arrangements entered into or to be entered into, by Buyer in connection with the Sale Transaction, including the Ancillary Agreements, have been disclosed.

K. No Collusion. Neither the Debtors nor the Buyer has engaged in any conduct that would cause or permit the Purchase Agreement or the consummation of the Sale Transaction to be avoided, or costs or damages to be imposed under section 363(n) of the Bankruptcy Code, and accordingly neither the Debtors nor the Buyer has violated section 363(n) of the Bankruptcy Code by any action or inaction. Specifically, the Buyer has not acted in a collusive manner with any entity (as such term is defined in the Bankruptcy Code, an "Entity") and the Purchase Price paid by the Buyer for the Transferred Assets was not controlled by any agreement among potential bidders. The transactions under the Purchase Agreement may not be avoided, and no damages may be assessed against the Buyer Parties (as defined herein) or any other party under section 363(n) of the Bankruptcy Code or any other applicable bankruptcy or non-bankruptcy law.

L. Fair Consideration. The aggregate consideration from Buyer for the Transferred Assets as set forth in the Purchase Agreement: (i) was negotiated at arm's length; (ii) is fair and reasonable; (iii) constitutes fair consideration and fair value under the Bankruptcy Code, the Uniform Voidable Transactions Act (formerly the Uniform Fraudulent Transfer Act), the Uniform Fraudulent Conveyance Act and other similar laws of the United States, any state,

territory, possession, or the District of Columbia, and any foreign jurisdiction; (iv) is the highest and best value obtainable for the Transferred Assets; (v) will provide a greater recovery to creditors than would be provided by any other available alternative; and (vi) constitutes reasonably equivalent value (as that term is defined in each of the Uniform Voidable Transactions Act (formerly the Uniform Fraudulent Transfer Act), the Uniform Fraudulent Conveyance Act, and section 548 of the Bankruptcy Code). Without limiting the foregoing, no objection was raised to the Sale Motion on the basis that the creditors of any particular Debtor were improperly prejudiced by the proposed sale. Based on the evidence before the Court, the sale consideration under the Purchase Agreement constitutes adequate consideration for the Transferred Assets of each Debtor and such consideration does not disadvantage the creditors of any particular Debtor.

M. No Successor or Other Derivative Liability. Except for Assumed Liabilities and Permitted Post-Closing Encumbrances, neither the Buyer, nor any of its successors or assigns, or any of their respective affiliates shall, to the fullest extent permitted by Law, have any liability for any Lien, Claim, or Interest that arose or occurred prior to the Closing, or otherwise may be asserted against the Debtors or is related to the Transferred Assets prior to the Closing. The Buyer (i) is not and shall not be deemed a "successor" to the Debtors or their estates; (ii) has not, *de facto* or otherwise, merged with or into any of the Debtors; (iii) does not have any common law or successor liability in relation to any employment plans; (iv) is not liable for any liability of Lien (other than Assumed Liabilities) against the Debtors or any of the Debtors' predecessors or Affiliates; and (v) is not an alter ego or mere continuation or substantial continuation of the Debtors or the enterprise of the Debtors under any theory of law or equity as a result of any action taken in connection with the Purchase Agreement, Sale Transaction or any transactions or documents

ancillary thereto or contemplated thereby or in connection with the acquisition of the Transferred Assets.

N. Sale Notice. As shown by the certificates of service filed with the Court and the representations or proffers made on the record at the Sale Hearing, (i) the Debtors have provided due, good, proper, timely, reasonable, adequate, appropriate, and sufficient notice of and sufficient opportunity to object to the Motion and the relief requested therein (including the Debtors' requested findings with respect to successor liability), the bidding process (including, without limitation, the deadline for submitting Qualified Bids), the Sale Hearing, the Sale Transaction, the application of proceeds from the Sale Transaction, the proposed assumption and assignment of the Assigned Contracts, and the proposed entry of this Order in compliance with all applicable requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and the Sale Guidelines, (ii) such notice was adequate and sufficient under the circumstances of the chapter 11 cases and complied with the Bid Procedures Order and other orders of the Court, and (iii) no other or further notice is required.

O. Title to Assets. The Transferred Assets constitute property of the Debtors' estates and title or rights thereto is currently vested in the Debtors' estates within the meaning of section 541(a) of the Bankruptcy Code. The transfer of the Transferred Assets to the Buyer will be a legal, valid, and effective sale and transfer of the Transferred Assets and, except as provided in the Purchase Agreement or this Order, will vest the Buyer with all right, title, and interest of the Debtors to the Transferred Assets free and clear of all Liens (other than Permitted Post-Closing Encumbrances) and Liabilities (other than Assumed Liabilities). The Purchase Agreement is a valid and binding contract between the Debtors and the Buyer and shall be enforceable according to its terms.

P. Satisfaction of Section 363(f) Standards. The conditions of section 363(f) of the Bankruptcy Code, including 363(f)(1) and (2), have been satisfied in full. Upon entry of this Order, the Debtors are authorized to transfer all of their right, title and interest in and to the Transferred Assets free and clear of any and all claims (as such term is defined by section 101(5) of the Bankruptcy Code), liabilities (including any liability that results from, relates to or arises out of tort or any other product liability claim), interests and matters of any kind and nature whatsoever, including, without limitation, hypothecations, mortgages, security deeds, deeds of trust, debts, levies, indentures, restrictions (whether on voting, sale, transfer, disposition or otherwise), leases, licenses, easements, rights of way, encroachments, instruments, preferences, priorities, security agreements, conditional sales agreements, title retention contracts and other title retention agreements and other similar impositions, options, judgments, offsets, rights of recovery, rights of preemption, rights of setoff, profit sharing interest, other third party rights, other impositions, imperfections or defects of title or restrictions on transfer or use of any nature whatsoever, claims for reimbursement, claims for contribution, claims for indemnity, claims for exoneration, products liability claims, alter-ego claims, successor-in-interest claims, successor liability claims, substantial continuation claims, COBRA claims, withdrawal liability claims, environmental claims, claims under or relating to any employee benefit plan, ERISA affiliate plan, or ERISA (including any pension or retirement plan), WARN Act claims or any claims under state or other laws of similar effect, tax claims (including claims for any and all foreign, federal, state and local taxes, including, but not limited to, sales, income, use or any other type of tax), escheatment claims, reclamation claims, obligations, liabilities, demands, and guaranties, and other encumbrances relating to, accruing, or arising any time prior to the Closing Date, duties, responsibilities, obligations, demands, commitments, assessments, costs, expense, losses,

expenditures, charges, fees, penalties, fines, contributions, premiums, encumbrances, guaranties, pledges, consensual or nonconsensual liens (including any liens as that term is defined in section 101(37) of the Bankruptcy Code), statutory liens, real or personal property liens, mechanics' liens, materialman's liens, warehouseman's liens, tax liens, security interests, charges, options (including in favor of third parties), rights, contractual commitments, restrictions, restrictive covenants, covenants not to compete, rights to refunds, escheat obligations, rights of first refusal, rights and restrictions of any kind or nature whatsoever against the Debtors or the Transferred Assets, including, without limitation, any debts arising under or out of, in connection with, or in any way relating to, any acts or omissions, obligations, demands, guaranties, rights, contractual commitments, restrictions, product liability claims, environmental liabilities, employee pension or benefit plan claims, multiemployer benefit plan claims, retiree healthcare or life insurance claims, or claims for taxes of or against the Debtors, and any derivative, vicarious, transferee or successor liability claims, rights or causes of action (whether in law or in equity, under any law, statute, rule or regulation of the United States, any state, territory, or possession, or the District of Columbia), whether arising prior to or subsequent to the commencement of these chapter 11 cases, whether known or unknown, choate or inchoate, filed or unfiled, scheduled or unscheduled, noticed or unnoticed, recorded or unrecorded, secured or unsecured, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, and whether imposed by agreement, understanding, law, equity, or otherwise, including claims otherwise arising under doctrines of successor liability, successor-in-interest liability, continuation liability or substantial continuation liability, including, without limitation, that the Buyer is in any way a successor, successor-in-interest, continuation or substantial continuation of the Debtors or their business, arising under or

out of, in connection with, or in any way related to the Debtors, the Debtors' interests in the Transferred Assets, the operation of the Debtors' respective businesses at or before the effective time of the Closing pursuant to the Purchase Agreement, or the transfer of the Debtors' interests in the Transferred Assets to Buyer, and all Excluded Liabilities (collectively, "Liens"), as, and to the extent, provided for in the Purchase Agreement because in each case one or more of the standards set forth in section 363(f)(1)—(5) of the Bankruptcy Code has been satisfied. Except as otherwise expressly provided in the Purchase Agreement or this Order, such Liens shall attach to the proceeds allocated to the Debtors in the order of their priority, with the same validity, force and effect which they have against the Transferred Assets immediately prior to the Closing, subject to any claims and defenses the Debtors may possess with respect to such Liens. Those holders of Liens against the Transferred Assets who did not object or who withdrew their objections to the Purchase Agreement or the Motion are deemed to have consented to the transactions contemplated by the Purchase Agreement pursuant to section 363(f)(2) of the Bankruptcy Code and shall be forever barred from pursuing or asserting such Liens against Buyer or any of its respective assets, property, affiliates, successors, assigns, or the Transferred Assets.

Q. Buyer would not have entered into the Purchase Agreement if the transfer of the Transferred Assets were not free and clear of all Liens (other than Permitted Post-Closing Encumbrances) and Liabilities (other than the Assumed Liabilities) as set forth in the Purchase Agreement and this Order, or if in the future Buyer would or could be liable for any such Liens and Liabilities. The total consideration to be provided under the Purchase Agreement and herein reflects the Buyer's reliance on this Order to provide it, pursuant to sections 105(a) and 363 of the Bankruptcy Code, with title to, interest in and possession of the Transferred Assets free and clear

of all Liens (other than Permitted Post-Closing Encumbrances) and Liabilities (other than Assumed Liabilities) of any kind or nature whatsoever.

R. Assumption and Assignment of the Assigned Contracts. The assumption and assignment of the Assigned Contracts are integral to the Purchase Agreement, are in the best interests of the Debtors and their estates and represent the reasonable exercise of the Debtors' sound business judgment. Specifically, the assumption and assignment of the Assigned Contracts (i) are necessary to sell the Transferred Assets to Buyer, (ii) allow the Debtors to maximize the value of the Transferred Assets, including the Assigned Contracts, (iii) limit the losses suffered by the counterparties to the Assigned Contracts, and (iv) maximize the recoveries to other creditors of the Debtors by limiting the amount of claims against the Debtors' estates by avoiding the rejection of the Assigned Contracts.

S. With respect to each of the Closing Assumed Contracts, the Debtors and the Buyer have met all requirements of section 365(b) of the Bankruptcy Code. Further, in compliance with the requirements of sections 365(b) and 365(f) of the Bankruptcy Code, Buyer has provided adequate assurance of future performance under the Closing Assumed Contracts to the extent that any such assurance is required and not waived by the counterparties to such Closing Assumed Contracts. Accordingly, the Closing Assumed Contracts may be assumed by the Debtors and assigned to Buyer as provided for in the Purchase Agreement, the Assumption and Assignment Procedures and this Order.

T. Cure Notice: Adequate Assurance of Future Performance. As shown by the certificates of service filed with the Court, the Debtors have served upon each non-Debtor counterparty to such contracts (each, a "Counterparty"), prior to the Sale Hearing, a notice, dated _____ __, 2021 [Docket No. ●] (the "Notice of Potential Assignment") that Debtors may wish

to assume and assign to the Successful Bidder certain executory contracts and unexpired leases (the "Identified Contracts") pursuant to section 365 of the Bankruptcy Code, and of the related proposed cure costs (if any) due under section 365(b) of the Bankruptcy Code (the "Cure Costs") with respect to such contracts and leases. The service of the Notice of Potential Assignment was good, sufficient and appropriate under the circumstances of the chapter 11 cases and complied with the Assumption and Assignment Procedures and any orders of the Court, and no other or further notice is required with respect to the Cure Costs or for the assumption and assignment of the Identified Contracts, including, without limitation, the Closing Assumed Contracts and the Additional Assumed Contracts or Buyer's provision of adequate assurance of future performance thereunder; provided, however, that, further notice with respect to any Additional Assumed Contracts is required as set forth in paragraphs [24-29] herein. All Counterparties to the Identified Contracts have had a reasonable and sufficient opportunity to object to the Cure Costs listed on the Notice of Potential Assignment in accordance with the Assumption and Assignment Procedures and, as to any Closing Assumed Contracts to be assumed by the Debtors and assigned to Buyer effective on and as of the Closing pursuant to Section [1.5] of the Purchase Agreement and to the assumption and assignment of such Closing Assumed Contract to Buyer in accordance with the Assumption and Assignment Procedures and the Bankruptcy Code. Accordingly, all Counterparties to Identified Contracts who did not object or who withdrew their objections to the Cure Costs listed on the Notice of Potential Assignment prior to the Sale Hearing are deemed to have consented to such Cure Costs, and all Counterparties to Closing Assumed Contracts who did not file an objection to the assumption by the Debtors of such Closing Assumed Contracts and the assignment thereof to Buyer prior to the Sale Hearing are deemed to have consented to the assumption of such Closing Assumed Contract and the assignment thereof to Buyer.

U. On _____ __, 2021, the Debtors further served the Counterparties to any Closing Assumed Contract a notice [Docket No. ●] (the "Closing Assignment Notice") identifying Buyer as the Successful Bidder, identifying all Closing Assumed Contracts, and providing Buyer's proposed form of adequate assurance of future performance with respect to the relevant Closing Assumed Contracts. All Counterparties to the Closing Assumed Contracts have had a reasonable and sufficient opportunity to object to Buyer's ability to provide adequate assurance of future performance as contemplated under sections 365(b)(1)(C) and 365(1)(1) of the Bankruptcy Code, in accordance with the Bid Procedures Order and the Assumption and Assignment Procedures. Accordingly, all Counterparties to Closing Assumed Contracts who did not object or who withdrew their objections to Buyer's ability to provide adequate assurance of future performance under the Closing Assumed Contracts are deemed to have consented to the assumption of such Closing Assumed Contract and the assignment thereof to Buyer.

V. Application of Proceeds. Pursuant to the interim and final orders authorizing and approving the Debtors' debtor in possession financing and use of cash collateral [Docket Nos. ● and ●] (together, the "DIP Orders"), the Transferred Assets constitute Cash Collateral, Prepetition Collateral and DIP Collateral (each as defined in the DIP Orders) and are subject to the Adequate Protection Liens, Prepetition Liens and DIP Liens (each as defined in the DIP Orders). Subject to the "Payment in Full" (as defined in the DIP Orders) of the Prepetition BAML Obligations (as defined in the DIP Orders), pursuant to DIP Orders and the DIP Loan Documents (as defined in the DIP Orders), the Debtors are required to apply all consideration received from the sale of the Transferred Assets as follows: first, to the holders of the DIP Obligations as of the date of the initial funding under the DIP Credit Facility (as defined in the DIP Orders) (or as otherwise agreed to between the Buyer and such holders of the DIP Obligations)

until such time as such DIP Obligations are paid in full in cash (or as otherwise agreed by the DIP Agent as directed by the Required DIP Lenders (as defined in the DIP Loan Documents)) and all commitments to lend under the DIP Loan Documents have been terminated, and second, to the Prepetition Term B Agent (as defined in the DIP Orders) for distribution to the holders of the Prepetition Term B Obligations as of the Petition Date (or as otherwise agreed to between the Buyer and such holders of the Prepetition Term B Obligations) in accordance with the Prepetition Term B Credit Agreement (as defined in the DIP Orders) until the Prepetition Term B Obligations (as defined in the DIP Orders) have been paid in full in cash (or as otherwise agreed by the Prepetition Term B Agent (as defined in the DIP Orders) as directed by the Required Lenders (as defined in the Prepetition Term B Loan Documents)). The application of the consideration from the sale of the Transferred Assets pursuant to the immediately preceding sentence complies with the requirements of the DIP Orders and the DIP Loan Documents and is supported by good, sufficient and sound business reasons.

W. Record Retention. Pursuant to the terms of and subject to the conditions in Section [6.1(c)] of the Purchase Agreement, following the Closing, the Debtors, their successors and assigns and any trustee in bankruptcy will have access to the Debtors' books and records for the specified purposes set forth in, and in accordance with, the Purchase Agreement.

X. Corporate Power and Authority. The Debtors and their applicable affiliates have (i) full corporate or similar power and authority to execute, deliver, and perform their obligations under the Purchase Agreement, the Ancillary Agreements and all other documents contemplated thereby, and the Debtors' sale of the Transferred Assets has been duly and validly authorized by all necessary corporate or similar action, (ii) all corporate or similar authority necessary to consummate the transactions contemplated by the Purchase Agreement and the

Ancillary Agreements, and (iii) taken all corporate actions necessary to authorize and approve the Purchase Agreement and the consummation of the transactions contemplated thereby. No consents or approvals, other than those expressly provided for in the Purchase Agreement, are required for the Debtors to consummate the transactions contemplated by the Purchase Agreement or execute the Purchase Agreement.

Y. The Purchase Agreement was not entered into for the purpose of hindering, delaying, or defrauding creditors under the Bankruptcy Code or under the laws of the United States, any state, territory, possession, or the District of Columbia. Neither the Debtors nor the Buyer is entering into the transactions contemplated by the Purchase Agreement fraudulently for the purpose of statutory and common law fraudulent conveyance and fraudulent transfer claims or similar claims.

Z. Valid and Binding Contract; Validity of Transfer. The Purchase Agreement is a valid and binding contract between the Debtors and Buyer and shall be enforceable pursuant to its terms. The Purchase Agreement, the Ancillary Agreements and the Sale Transaction itself, and the consummation thereof shall be specifically enforceable against and binding upon (without posting any bond) the Debtors, and any chapter 11 trustee appointed in these chapter 11 cases, or in the event the chapter 11 cases are converted to a case under chapter 7 of the Bankruptcy Code, a chapter 7 trustee, and shall not be subject to rejection or avoidance by the foregoing parties or any other Person. The consummation of the Sale Transaction is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, sections 105(a), 363(b), 363(f), 363(m), 365(b), and 365(1) of the Bankruptcy Code and all of the applicable requirements of such sections have been complied with in respect of the Sale Transaction.

AA. No *Sub Rosa* Plan. The Sale Transaction, the Purchase Agreement and the other transactions contemplated thereby do not constitute a *sub rosa* chapter 11 plan. The Sale Transaction neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates a liquidating chapter 11 plan for the Debtors.

BB. Waiver of Bankruptcy Rules 6004(h) and 6006(d). The Debtors have demonstrated (i) good, sufficient, and sound business purposes and justifications for approving the Purchase Agreement and the Sale Transaction, and (ii) compelling circumstances for the immediate approval and consummation of the transactions contemplated by the Purchase Agreement and all other Ancillary Documents for the Sale Transaction outside of (a) the ordinary course of business, pursuant to section 363(b) of the Bankruptcy Code, and (b) a chapter 11 plan, in that, among other things, the immediate consummation of the Sale Transaction to the Buyer and all transactions contemplated thereby are necessary and appropriate to maximize the value of the Debtors' estates, and the Sale Transaction will provide the means for the Debtors to maximize distributions to their creditors. Accordingly, there is cause to lift the stay contemplated by Bankruptcy Rules 6004 and 6006 with respect to the transactions contemplated by this Order. To maximize the value of the Transferred Assets and preserve the viability of the businesses to which they relate, it is essential that the Sale Transaction occur within the time constraints set forth in the Purchase Agreement. Time is of the essence in consummating the Sale Transaction. Given all of the circumstances of the chapter 11 cases and the adequacy and fair value of the Purchase Price under the Purchase Agreement, the proposed Sale Transaction constitutes a reasonable and sound exercise of the Debtors' business judgment and should be approved.

CC. Personally Identifiable Information. The appointment of a consumer privacy ombudsman pursuant to section 363(b)(1) or section 332 of the Bankruptcy Code is not required with respect to the relief requested in the Motion.

DD. Legal and Factual Bases. The legal and factual bases set forth in the Motion establish just cause for the relief granted herein. Entry of this Order is in the best interests of the Debtors and their estates, creditors, interest holders and all other parties-in-interest.

IT IS HEREBY ORDERED THAT:

1. The Motion as it pertains to the Sale Transaction and the Purchase Agreement is GRANTED as set forth herein.

2. Objections. All objections, reservations of rights regarding, or other responses to, the Motion or the relief requested therein, the Purchase Agreement, all other Ancillary Agreements, the Sale Transaction, entry of this Order, or the relief granted herein, including, without limitation, any objections to Cure Costs or relating to the cure of any defaults under any of the Assigned Contracts or the assumption and assignment of any of the Assigned Contracts to the Buyer by the Debtors, solely as it relates to the relief granted by this Order that have not been adjourned, withdrawn or resolved as reflected on the record at the Sale Hearing are overruled in all respects on the merits with prejudice, except as otherwise set forth herein. All Persons and Entities that failed to timely object to the Motion are deemed to have consented to the relief granted herein for all purposes.

3. Notice. Notice of the Motion, the Sale Hearing, the Purchase Agreement, the Closing Assumed Contracts, and the relief granted in this Order was fair, sufficient, proper and equitable under the circumstances and complied in all respects with (and the assumption and assignment of the Additional Assumed Contracts, when given in accordance with paragraphs [24 through 29]) herein will be fair and equitable under the circumstances and comply in all respects

with) sections 102(1) and 363 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004 and 6006, Local Rules 2002-1 and 6004-1, the Assumption and Assignment Procedures, the Bid Procedures Order, and other orders of the Court.

4. Fair Purchase Price. The Buyer is giving substantial consideration under the Purchase Agreement, and as provided herein, for the benefit of the Debtors, their estates, and creditors. The consideration to be provided by Buyer under the Purchase Agreement is fair and reasonable and constitutes (a) reasonably equivalent value under the Bankruptcy Code and the Uniform Voidable Transactions Act (formerly the Uniform Fraudulent Transfer Act), (b) fair consideration under the Uniform Fraudulent Conveyance Act, (c) reasonably equivalent value, fair consideration and fair value under any other applicable laws of the United States, any state, territory or possession or the District of Columbia, and (d) valid and valuable consideration for the releases of any potential Liens pursuant to this Order, which releases shall be deemed to have been given in favor of Buyer by all holders of Liens of any kind whatsoever against any of the Debtors or any of the Transferred Assets, other than as otherwise expressly set forth in this Order. The consideration provided by Buyer for the Transferred Assets is fair and reasonable and may not be avoided by section 363(n) of the Bankruptcy Code.

5. Approval of the Purchase Agreement. The Purchase Agreement and the Sale Transaction, including, without limitation, all transactions contemplated therein or in connection therewith (including the Ancillary Agreements) and all of the terms and conditions thereof, are hereby approved in their entirety, subject to the terms and conditions of this Order. The failure specifically to include or make reference to any particular provision of the Purchase Agreement in this Order shall not impair the effectiveness of such provision, it being the intent of the Court that the Purchase Agreement, the Sale Transaction and the transactions contemplated

therein or in connection therewith (including the Ancillary Agreements) are authorized and approved in their entirety.

6. Consummation of Sale Transaction. Pursuant to sections 105, 363 and 365 of the Bankruptcy Code, the Debtors are authorized to perform their obligations under and comply with the terms of the Purchase Agreement and the Ancillary Agreements, pursuant to and in accordance with the terms and conditions of the Purchase Agreement, the Ancillary Agreements and this Order. The Debtors, as well as their affiliates, officers, employees and agents, are authorized to execute and deliver, and empowered to perform under, consummate and implement, the Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement and the Sale Transaction, including the Ancillary Agreements, and to take all further actions and execute such other documents as may be (a) necessary or appropriate to the performance of the obligations contemplated by the Purchase Agreement, including, without limitation, making any regulatory filings necessary or advisable in connection with such transfer, and (b) as may be reasonably requested by Buyer to implement the Purchase Agreement, the Ancillary Agreements and the Sale Transaction, in accordance with the terms thereof, without further order of the Court. The Buyer shall not be required to seek or obtain relief from the automatic stay under section 362 of the Bankruptcy Code to enforce any of its rights or remedies under the Purchase Agreement or any other Sale Transaction-related document. The automatic stay imposed by section 362 of the Bankruptcy Code is modified solely to the extent necessary to implement the preceding sentence and the other provisions of this Order; provided, however, that the Court shall retain exclusive jurisdiction over any and all disputes with respect thereto.

7. Direction to Government Agencies. Each and every federal, state, local, or foreign government or governmental or regulatory authority, agency, board, bureau, commission, court, department, or other Governmental Entity is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the Sale Transaction and the other transactions contemplated by the Purchase Agreement and the Ancillary Agreements and approved by this Order.

8. Transfer of Assets Free and Clear and Injunction. Upon the Closing, pursuant to sections 105(a), 363(b), 363(f), 365(b) and 365(f) of the Bankruptcy Code, the transfer of the Transferred Assets to Buyer shall (a) constitute a legal, valid and effective transfer of all of Debtors' right, title and interest in and to such Transferred Assets subject to and in accordance with the Purchase Agreement, and (b) vest Buyer with all of the Debtors' right, title and interest in and to such Transferred Assets free and clear of all Liens (including those Liens identified in the Purchase Agreement but other than Permitted Post-Closing Encumbrances) and Liabilities (other than Assumed Liabilities), with such Liens, including, without limitation, the liens held by the DIP Agent for the benefit of the DIP Lenders, the Prepetition Liens held by the Prepetition BAML Agent for the benefit of the Prepetition BAML Lenders to the extent the Prepetition BAML Obligations have not been Paid-in-Full at the time of such sale and the Prepetition Liens held by the Prepetition Term B Agent for the benefit of the Prepetition Term B Lenders, attaching to the proceeds received by the Debtors in the order of their priority, with the same validity, force and effect which they had against such Transferred Assets immediately prior to the Closing. All Persons or Entities that are presently, or on or after the Closing may be, in possession of some or all of the Transferred Assets, are hereby directed to surrender possession of the Transferred Assets

to Buyer or its respective designees on the Closing Date or at such time thereafter as Buyer may request.

9. Pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, the sale and transfer of the Debtors' right, title and interest in the Transferred Assets to the Buyer pursuant to the Purchase Agreement are a legal, valid, and effective disposition of the Transferred Assets, and vest the Buyer with all right, title, and interest of the Debtors to and in the Transferred Assets free and clear of all Liens (other than Permitted Post-Closing Encumbrances) and Liabilities (other than Assumed Liabilities). The conditions of section 363(f) of the Bankruptcy Code have been satisfied in full, and the Debtors' sale of the Transferred Assets shall be free and clear of any Liens in the Transferred Assets (other than Permitted Post-Closing Encumbrances) and Liabilities (other than Assumed Liabilities).

10. To the extent provided for in the Purchase Agreement, any and all of the Debtors' security deposits, or other security held by landlords, lessors, and other counterparties to the Assigned Contracts are being transferred and assigned to, and shall be the property of, the Buyer from and after the Closing, which transfer and assignment of security deposits, other deposits, or security shall satisfy in full the requirements of section 365(1) of the Bankruptcy Code for all contracts, leases, and licenses assumed and assigned pursuant to this Order or the Purchase Agreement.

11. The sale of the Transferred Assets is not subject to avoidance by any person or for any reason whatsoever, including, without limitation, pursuant to section 363(n) of the Bankruptcy Code and the Buyer and the Buyer Parties shall not be subject to damages, including any costs, fees, or expenses under section 363(n) of the Bankruptcy Code.

12. On the Closing Date, each of the Debtors' creditors, at the expense of the Debtors, is authorized to execute such documents and take all other actions as may be reasonably necessary to release its Liens or other interests in the Transferred Assets, if any, as such Liens may have been recorded or may otherwise exist.

13. The provisions of this Order authorizing the sale of the Transferred Assets free and clear of all Liens (other than Permitted Post-Closing Encumbrances) and all Liabilities (other than Assumed Liabilities) or as otherwise expressly set forth in this Order, shall be self-executing, and neither the Debtors nor the Buyer shall be required to execute or file releases, termination statements, assignments, consents, or other instruments in order to effectuate, consummate, and implement the provisions of this Order. If any Entity which has filed a financing statement, mortgage, mechanic's lien, *lis pendens,* or other statement, document, or agreement evidencing any Liens on, or in, all or any portion of the Transferred Assets (other than statements or documents with respect to Permitted Post-Closing Encumbrances) shall not have delivered to the Debtors prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases, and/or any other documents necessary for the purpose of documenting the release and/or termination of all Liens which the Entity has or may assert with respect to all or any portion of the Transferred Assets, then (a) the Debtors and the Buyer are hereby authorized to execute and file such statements, instruments, releases, and/or other similar documents on behalf of such Entity with respect to the Transferred Assets, and (b) the Buyer is hereby authorized to file, register, or otherwise record a certified copy of this Order that, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release and/or termination of all Liens of any kind or nature against or in the Assets (other than Permitted Post-Closing Encumbrances),

14. Except for the Assumed Liabilities, or as otherwise expressly set forth in this Order or the Purchase Agreement, the Buyer and the Buyer Parties shall not have any liability or other obligation of the Debtors arising under or related to any of the Transferred Assets, including, but not limited to, any liability for any liabilities whether known or unknown as of the Closing, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or any obligations of the Debtors, including, but not limited to, liabilities on account of any taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the operation of the Debtors' business prior to the Closing.

15. Upon the Closing, except with respect to Assumed Liabilities as to the Buyer only, or as otherwise expressly provided for in the Purchase Agreement or this Order, all Persons or Entities, including, but not limited to, all debt holders, equity security holders, governmental, tax and regulatory authorities, lenders, trade creditors, litigation claimants, Counterparties, customers, landlords, licensors, employees, and other creditors and holders of Liens or other interests of any kind or nature whatsoever against or in any of the Debtors or any portion of the Transferred Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, known or unknown, liquidated or unliquidated, senior or subordinate, asserted or unasserted, whether arising prior to or subsequent to the Petition Date, whether imposed by agreement, understanding, law, equity, or otherwise), arising under or out of, in connection with, or in any way relating to, the Debtors, the Transferred Assets, the operation of the Debtors' business prior to the Closing Date, or the transfer of the Transferred Assets to the Buyer shall be, and hereby are forever barred, estopped, and permanently enjoined from asserting against the Buyer or any of its Affiliates, its past, present and future members or shareholders, its lenders, financing parties, subsidiaries, parents, divisions, agents, representatives, insurers,

attorneys, successors and assigns, or any of its or their respective directors, managers, officers, employees, agents, representatives, attorneys, contractors, subcontractors, independent contractors, owners, insurance companies, or partners (each a "Buyer Party" and collectively the "Buyer Parties"), or their respective assets or properties, including, without limitation, the Transferred Assets, Liens of any kind or nature whatsoever such Person or Entity had, has, or may have against or in the Debtors, their estates, officers, directors, managers, shareholders, or the Transferred Assets, such Person's or Entities' Liens or any other interests in and to the Transferred Assets, including, without limitation, the following actions: (a) commencing or continuing in any manner any action or other proceeding, the employment of process, or any act (whether in law or equity, in any judicial, administrative, arbitral, or other proceeding) against the Buyer or any Buyer Party, or their respective assets or properties, including, without limitation, the Transferred Assets; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against the Buyer or any Buyer Party, or their respective assets or properties, including, without limitation, the Transferred Assets; (c) creating, perfecting, or enforcing any Liens against the Buyer or any Buyer Party, or their respective assets or properties, including the Transferred Assets; (d) asserting any setoff, right of subrogation, or recoupment of any kind against any obligation due the Buyer or any Buyer Party, or their respective assets or properties, including, without limitation the Transferred Assets; (e) commencing or continuing any action, in any manner or place, that does not comply with or is inconsistent with the provisions of this Order, other orders of the Court, the Purchase Agreement, the other Ancillary Documents or any other agreements or actions contemplated or taken in respect thereof; or (f) revoking, terminating, failing, or refusing to transfer or renew any license, permit, or authorization to operate any of the Transferred Assets

or conduct any of the businesses operated with the Transferred Assets in connection with the Sale Transaction.

16. To the greatest extent available under applicable law, the Buyer shall be authorized, as of the Closing Date, to operate under any license, permit, registration, and governmental authorization or approval of the Debtors with respect to the Transferred Assets, and all such licenses, permits, registrations, and governmental authorizations and approvals are deemed to have been, and hereby are, deemed to be transferred to the Buyer as of the Closing Date.

17. To the extent provided by section 525 of the Bankruptcy Code, no Governmental Entity may revoke or suspend any grant, permit, or license relating to the operation of the Transferred Assets sold, transferred, assigned, or conveyed to the Buyer on account of the filing or pendency of these chapter 11 cases or the consummation of the Sale Transaction.

18. Subject to the terms, conditions, and provisions of this Order, all Entities are hereby forever prohibited and barred from taking any action that would adversely affect or interfere (a) with the ability of the Debtors to sell and transfer the Transferred Assets to Buyer in accordance with the terms of the Purchase Agreement and this Order, and (b) with the ability of the Buyer to acquire, take possession of, use and operate the Transferred Assets in accordance with the terms of the Purchase Agreement and this Order. Notwithstanding the foregoing, nothing in this Order or the Purchase Agreement shall prohibit any party from seeking to enforce or collect any of the Assumed Liabilities against the Buyer.

19. No Successor or Other Derivative Liability. Except for Assumed Liabilities, neither the Buyer, nor any of its successors or assigns, or any of their respective affiliates shall have any liability for any Lien, Claim, or Interest that arose or occurred prior to the Closing, or otherwise may be asserted against the Debtors or is related to the Transferred Assets prior to the

Closing. The Buyer (i) is not and shall not be deemed a "successor" to the Debtors or their estates; (ii) has not, *de facto* or otherwise, merged with or into the Debtors; (iii) does not have any common law or successor liability in relation to any employment plans; (iv) is not liable for any liability (other than Assumed Liabilities) or Lien (other than Permitted Post-Closing Encumbrances) against the Debtors or any of the Debtors' predecessors or Affiliates; and (v) is not an alter ego or mere continuation or substantial continuation of the Debtors or the enterprise of the Debtors under any theory of law or equity as a result of any action taken in connection with the Purchase Agreement, the Sale Transaction or any transactions or documents ancillary thereto or contemplated thereby or in connection with the acquisition of the Transferred Assets. Thus, the Buyer shall have no successor, transferee, or vicarious liability of any kind or character, including, but not limited to, under any theory of foreign, federal, state, or local antitrust, environmental, successor, tax, ERISA, assignee, or transferee liability, labor, product liability, employment including but not limited to with respect to any Multiemployer Plan), *de facto* merger, substantial continuity, or other law, rule, or regulation, whether known or unknown as of the Closing Date, now existing or hereafter arising, whether asserted or unasserted, fixed or contingent, liquidated or unliquidated with respect to the Business, the Transferred Assets, the Debtors or any obligations of the Debtors arising prior to the Closing Date. The Buyer shall not be deemed to have expressly or implicitly assumed any of the Debtors' liabilities other than the Assumed Liabilities. Except as otherwise provided herein or in the Purchase Agreement, the transfer of the Transferred Assets to the Buyer pursuant to the Purchase Agreement shall not result in the Buyer or the Transferred Assets having any liability or responsibility for, or being required to satisfy in any manner, whether in law or in equity, whether by payment, setoff, or otherwise, directly or indirectly, any claim

against the Debtors or against any insider of the Debtors or Liens (other than Permitted Post-Closing Encumbrances).

20. This Order is and shall be effective as a determination that, upon the Closing, all Liens and any other interest of any kind or nature whatsoever as to the Transferred Assets prior to the Closing (other than Permitted Post-Closing Encumbrances), shall have been unconditionally released, discharged, and terminated to the fullest extent permitted by applicable law, and that the conveyances described herein have been effected. This Order shall be binding upon and govern the acts of all Entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other Entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any lease; and each of the foregoing Entities is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreement. A certified copy of this Order may be filed and/or recorded with the appropriate filing agents, filing officers, administrative agencies or units, governmental departments, secretaries of state, federal, state and local officials and all other Persons, institutions, agencies and Entities who may be required by operation of law, the duties of their office or contract evidencing the release, cancellation and termination provided herein of any Liens of record on the Transferred Assets prior to the date of this Order. Without limiting the generality of the foregoing, this Order shall constitute all approvals and consents, if any, required by the corporate laws of the states of formation of the Debtors and all other applicable business,

corporation, trust, and other laws of the applicable governmental authorities with respect to the implementation and consummation of the Purchase Agreement, any related agreements or instruments and this Order, and the transactions contemplated thereby and hereby.

21. Upon the Closing, this Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance and transfer of the Transferred Assets to Buyer and the Debtors' interests in the Transferred Assets acquired by Buyer pursuant to the terms of the Purchase Agreement.

22. Assumption and Assignment of the Assigned Contracts. Subject to and conditioned upon the Closing and paragraphs [24 through 29] with respect to Additional Assumed Contracts, the Debtors are hereby authorized in accordance with sections 105(a) and 365 of the Bankruptcy Code to assume and assign the Assigned Contracts to Buyer free and clear of all Liens (other than Permitted Post-Closing Encumbrances) and Liabilities (other than Assumed Liabilities), and to execute and deliver to Buyer such documents or other instruments as may be necessary to assign and transfer the Assigned Contracts to Buyer as provided in the Purchase Agreement. Cure Costs shall be paid by the Debtors subject to the terms of, and in accordance with, the terms of the Purchase Agreement and Bid Procedures Order. Payment of the Cure Costs shall be in full satisfaction and cure of any and all defaults required to be cured with respect to the Assigned Contracts under section 365(b)(1) of the Bankruptcy Code. The Cure Amount solely reflects all accrued amounts as of the Petition Date which have been billed. The Debtors shall be responsible for all unpaid obligations with respect to each executory contact which were incurred in the ordinary course, but which are not billed and due in the ordinary course prior to the effective date of any assumption and assignment, and which become due in the ordinary course on or after the effective date of assumption and assignment. The Debtors shall pay, in the ordinary course, all

obligations which accrue postpetition and prior to the Closing, pursuant to the terms of each executory contract. Subject to paragraphs [24 through 29] herein, Buyer has also provided adequate assurance of future performance under the Assigned Contracts in satisfaction of section 365 of the Bankruptcy Code to the extent that any such assurance is required and not waived by the Counterparties to such Assigned Contracts. In accordance with the Assumption and Assignment Procedures and the terms of this Order and subject to paragraphs [24 through 29] herein, following the Closing, Buyer shall be fully and irrevocably vested with all of the Debtors' right, title and interest in and under the Assigned Contracts in connection with the Transferred Assets, free and clear of any Liens (other than Permitted Post-Closing Encumbrances) and Liabilities (other than Assumed Liabilities), and each Assigned Contract shall be fully enforceable by the Buyer in accordance with its respective terms and conditions, except as limited by this Order. In accordance with the Assumption and Assignment Procedures and subject to paragraphs [24 through 29], following assignment of the Assigned Contracts to Buyer, the Debtors shall be relieved from any further liability with respect to such Assigned Contracts. Buyer acknowledges and agrees that from and after the Closing, or any later applicable effective date of assumption with respect to a particular Assigned Contract, subject to and in accordance with the Purchase Agreement, it shall comply with the terms of each Assigned Contract in its entirety, unless any such provisions are not enforceable pursuant to the terms of this Order. The assumption by the Debtors and assignment to Buyer of any Assigned Contract shall not be a default under such Assigned Contract. To the extent provided in the Purchase Agreement, the Debtors shall cooperate with, and take all actions reasonably requested by, the Buyer to effectuate the foregoing. For the avoidance of doubt, nothing in this paragraph affects the Buyer's right to re-designate an Assigned

Contract as an Additional Rejected Contract in accordance with, and subject to the conditions set forth in, Section [1.5(d)] of the Purchase Agreement.

23. Assigned Contracts. The Debtors served all Counterparties to the Closing Assumed Contracts with the Notice of Potential Assignment and the Closing Assignment Notice, and the deadline to object to the Cure Costs and adequate assurance of future performance with respect to the Buyer has passed. Accordingly, unless an objection to the proposed assumption and assignment of an Assigned Contract (including whether applicable law excuses a Counterparty from accepting performance by, or rendering performance to, Buyer), the proposed Cure Costs or the adequate assurance of future performance information with respect to Buyer was filed and served before the applicable deadline, each Counterparty to an Assigned Contract is forever barred, estopped and permanently enjoined from asserting against the Debtors or Buyer, their respective affiliates, successors or assigns or the property of any of them, any objection to assignment or default existing as of the date of the Contract Objection Deadline (as defined in the Assumption and Assignment Procedures) if such objection or default was not raised or asserted prior to or at the appropriate Contract Objection Deadline.

24. Adequate Assurance of Future Performance. All of the requirements of sections 365 of the Bankruptcy Code, including without limitation, the demonstration of adequate assurance of future performance, have been satisfied for the assumption by the Debtors, and the assignment by the Debtors to Buyer, solely with respect to the Closing Assumed Contracts. Buyer has satisfied its adequate assurance of future performance requirements with respect to the Closing Assumed Contracts and has demonstrated it is sufficiently capitalized or otherwise able to comply with the necessary obligations under the Closing Assumed Contracts. Adequate assurance of future

performance with respect to Additional Assumed Contracts shall be provided in accordance with the Bid Procedures Order and this Order.

25. Nothing in this Order shall affect the rights of Buyer, to the extent such rights are provided in the Purchase Agreement, to designate or add any Additional Assumed Contracts to or from the schedule of Additional Assumed Contracts as set forth in the Purchase Agreement and in accordance with the terms thereof.

26. Cure Costs. To the extent a Counterparty to an Assigned Contract failed to timely object to a Cure Cost, such Cure Cost has been and shall be deemed to be finally determined as set forth on the relevant Notice of Potential Assignment as to each Counterparty and any such Counterparty shall be barred, and forever prohibited from challenging, objecting to or denying the validity and finality of the Cure Cost as of such date.

27. Objections to Assumption and Assignment. Any objection by a Counterparty to an Additional Assumed Contract to the assumption and assignment, Cure Cost or adequate assurance of future performance of Buyer with respect to such Additional Assumed Contract must be filed with the Court and served on the Objection Notice Parties and counsel to the Buyer by the deadline set forth in the Bid Procedures and Bid Procedures Order (the "Post-Auction Objection Deadline"); provided, however, that the Debtors served all Counterparties to the Additional Assumed Contracts that are Identified Contracts with the Notice of Potential Assignment, and the deadline to object to (a) the Cure Costs associated therewith, (b) the proposed assumption and assignment of any Identified Contract and (c) whether applicable law excuses a counterparty from accepting performance by, or rendering performance to, Buyer (the "Contract Objections") with respect to any Additional Assumed Contracts that are Identified Contracts has passed, and accordingly, all Counterparties to Additional Assumed Contracts that are Identified

Contracts who did not object or who withdrew their Contract Objections pursuant to the Assumption and Assignment Procedures are deemed to have consented to the Cure Costs (except to the extent such Cure Costs further accrue) and Debtors' assumption and assignment to Buyer of such Additional Assumed Contracts.

28. Impact of No Objection. If no objection by a Counterparty to an Additional Assumed Contract has been filed by the Post-Auction Objection Deadline, this Order shall serve as approval of the assumption and assignment of such Additional Assumed Contract, and the assumption and assignment of such Additional Assumed Contract shall be effective upon the applicable designation date set forth in the applicable Notice of Potential Assignment with respect to such Additional Assumed Contract. If an objection is timely filed and not withdrawn or resolved, the Debtors, Buyer and the objecting Counterparty shall have authority to compromise, settle or otherwise resolve any objections without further order of the Court. If the Debtors, Buyer and the objecting Counterparty determine that the objection cannot be resolved without judicial intervention, then the determination of the assumption and assignment of the Additional Assumed Contract will be determined as set forth in the Bid Procedures Order and the Bid Procedures.

29. Except as set forth in paragraphs [28-29], all Counterparties' rights under section 365 with respect to the assumption and assignment of the Additional Assumed Contracts pursuant to the Bankruptcy Code are reserved pending delivery of an applicable Notice of Potential Assignment filed by the Debtors with the Court and are subject to the procedures and provisions set forth in the Assumption and Assignment Procedures and paragraphs [24 to 29] above.

30. Upon the Debtors' assumption and assignment of the Assigned Contracts to the Buyer under the provisions of this Order and any additional orders of the Court and the payment of any Cure Cost in accordance with the Purchase Agreement or any applicable order, no default

or other obligations arising prior to the Closing Date shall exist under any Assigned Contract, and each Counterparty is forever barred and estopped from (a) declaring a default by the Debtors or the Buyer under such Assigned Contract, (b) raising or asserting against the Debtors or the Buyer (or any Buyer Party), or the property of either of them, any assignment fee, default. breach, or claim of pecuniary loss, or condition to assignment, arising under or related to the Assigned Contracts, or (c) taking any other action against the Buyer or any Buyer Party as a result of any Debtor's financial condition, bankruptcy, or failure to perform any of its obligations under the relevant Assigned Contract, in each case in connection with the Sale Transaction. Each Counterparty is also forever barred and estopped from raising or asserting against the Buyer or any Buyer Party any assignment fee, default, breach, Claim, pecuniary loss, or condition to assignment arising under or related to the Assigned Contracts existing as of the Closing Date or arising by reason of the closing of the Sale Transaction, except for any amounts that are Assumed Liabilities.

31. With respect to objections to any Cure Costs that remain unresolved as of the Sale Hearing, such objections shall be resolved in accordance with the procedures approved in the Assumption and Assignment Procedures. Consideration of unresolved Contract Objections relating to assignment of Assigned Contracts, unless otherwise ordered by the Court or with the consent of the Counterparty to any Assigned Contract that is subject to a Contract Objection relating to such assignment, shall be adjourned to a date to be determined; provided, however, that (a) any Assigned Contract that is the subject of a Contract Objection with respect solely to the amount of the Cure Cost may be assumed and assigned prior to resolution of such objection, and (b) such undisputed Cure Cost shall be promptly cured on or after the Closing Date or as otherwise agreed to by the Debtors, Buyer and the applicable Counterparty by payment of the applicable Cure Cost by the Debtors.

32. Buyer's Standing; Debtors' Standing. The Buyer shall have standing to object to the allowance of claims (as such term is defined in section 101(5) of the Bankruptcy Code) asserted against the Debtors or their estates including, without limitation, any unresolved or disputed Assumed Liabilities or otherwise, that constitute obligations assumed by the Buyer pursuant to the terms of the Purchase Agreement. Nothing in this Order shall divest the Debtors of their standing or duty as debtors-in-possession under the Bankruptcy Code from reconciling claims asserted against the Debtors or their estates and objecting to any such claims that should be reduced, reclassified or otherwise disallowed.

33. *Ipso Facto* Clauses Ineffective. With respect to the Assigned Contracts, in connection with the Sale Transaction: (a) the Debtors may assume each of the Assigned Contracts in accordance with section 365 of the Bankruptcy Code; (b) the Debtors may assign each Assigned Contract in accordance with sections 363 and 365 of the Bankruptcy Code, and any provisions in any Assigned Contract that directly or indirectly prohibit or condition the assignment of such Assigned Contract or allow the party to such Assigned Contract to terminate, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon the assignment of such Assigned Contract, constitute unenforceable anti-assignment provisions which are void and of no force and effect; (c) all other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Debtors and assignment to the Buyer of each Assigned Contract have been satisfied; and (d) effective upon the Closing Date, or any later applicable effective date of assumption with respect to a particular Assigned Contract, the Assigned Contracts shall be transferred and assigned to, and from and following the Closing, or such later applicable effective date, and the Assigned Contracts shall remain in full force and effect for the benefit of the Buyer, notwithstanding any provision in any Assigned Contract (including

those of the type described in sections 365(b)(2) and (e) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer and, pursuant to section 365(k) of the Bankruptcy Code, the Buyer shall be deemed to be substituted for the applicable Debtor as a party to the applicable Assigned Contract and the Debtors shall be relieved from any further liability with respect to the Assigned Contracts after such assumption by the Debtors and assignment to the Buyer, except as otherwise provided in the Purchase Agreement. To the extent any provision in any Assigned Contract assumed and assigned pursuant to this Order (i) prohibits, restricts, or conditions, or purports to prohibit, restrict, or condition, such assumption and assignment (including, without limitation, any "change of control" provision), or (ii) is modified, breached, or terminated, or deemed modified, breached, or terminated by any of the following: (A) the commencement of the Debtors' chapter 11 cases, (B) the insolvency or financial condition of any of the Debtors at any time before the closing of the Debtors' chapter 11 cases, (C) the Debtors' assumption and assignment of such Assigned Contract, (D) a change of control or similar occurrence, or (E) the consummation of the Sale Transaction, then such provision shall be deemed modified in connection with the Sale Transaction so as not to entitle the Counterparty to prohibit, restrict, or condition such assumption and assignment, to modify, terminate, or declare a breach or default under such Assigned Contract, or to exercise any other default-related rights or remedies with respect thereto, including without limitation, any such provision that purports to allow the Counterparty to terminate or recapture such Assigned Contract, impose any penalty, additional payments, damages, or other financial accommodations in favor of the Counterparty thereunder, condition any renewal or extension thereof, impose any rent acceleration or assignment fee, or increase or otherwise impose any other fees or other charges in connection therewith. All such provisions constitute unenforceable anti-assignment provisions that are void and of no force and

effect in connection with the Sale Transaction pursuant to sections 365(b), 365(e), and 365(f) of the Bankruptcy Code.

34. Except as otherwise specifically provided for by order of the Court, all defaults or other obligations of the Debtors under the Assigned Contracts arising or accruing prior to the Closing Date or required to be paid pursuant to section 365 of the Bankruptcy Code in connection with the assumption and assignment of the Assigned Contracts (in each case, without giving effect to any acceleration clauses or any default provisions of the kind specified in section 365(b)(2) of the Bankruptcy Code), whether monetary or non-monetary, shall be promptly cured pursuant to the terms of the Purchase Agreement and this Order on or after the Closing Date or as otherwise agreed to by the Debtors, Buyer and the applicable Counterparty by the payment of the applicable Cure Cost by the Debtors, in accordance with the Purchase Agreement. The Buyer shall have no liability arising or accruing under the Assigned Contracts on or prior to the Closing, except as otherwise expressly provided in the Purchase Agreement or this Order.

35. Good Faith; Statutory Mootness. Buyer is a good faith purchaser within the meaning of section 363(m) of the Bankruptcy Code and, as such, is entitled to, and is hereby granted, the full rights, benefits, privileges, and protections of section 363(m) of the Bankruptcy Code. The Sale Transaction contemplated by the Purchase Agreement and the Ancillary Agreements is undertaken by Buyer without collusion and in good faith, as that term is defined in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein shall neither affect the validity of the Sale Transaction (including the assumption and assignment of the Assigned Contracts) nor the transfer of the Transferred Assets owned by the Debtors to Buyer pursuant to the Purchase Agreement, free and

clear of all Liens. The Debtors and Buyer will be acting in good faith if they proceed to consummate the Sale Transaction at any time after entry of this Order.

36. Approval of the Application of Proceeds. Subject to the "Payment in Full" of the Prepetition BAML Obligations, the Debtors are authorized and directed to distribute the consideration received by the Debtors from the sale of the Transferred Assets as follows: first, to the holders of the DIP Obligations as of the date of the initial funding under the DIP Credit Facility (or as otherwise agreed to between the Buyer and such holders of the DIP Obligations) until such time as the DIP Obligations are paid in full in cash (or as otherwise agreed by the DIP Agent as directed by the Required Lenders) and all commitments to lend under the DIP Loan Documents have been terminated, and second, to the Prepetition Term B Agent for distribution to the holders of the Prepetition Term B Obligations as of the Petition Date (or as otherwise agreed to between the Buyer and such holders of the Prepetition Term B Obligations) in accordance with the Prepetition Term B Credit Agreement until the Prepetition Term B Obligations have been paid in full in cash (or as otherwise agreed by the Prepetition Term B Agent as directed by the Required Lenders). The application of the consideration from the sale of the Transferred Assets pursuant to the immediately preceding sentence complies with the requirements of the DIP Orders and the DIP Loan Documents and is supported by good, sufficient and sound business reasons. The consideration from the sale of the Transferred Assets pursuant to section [2.1] of the Purchase Agreement is comprised of, among other things, (i) $[55,500,000] of cash plus any Additional Cash Consideration (as defined in the Purchase Agreement) (excluding, an Escrow Amount (as defined in the Purchase Agreement) in an amount equal to $[1,665,000] to be held in escrow pursuant to the Purchase Agreement which escrowed amount shall be applied in accordance with this Order upon release to the Debtors, (ii) $[227,500,000] million in the form of debt issued by

Buyer as such amount may be reduced by an amount equal to (A) any Additional Cash Consideration and (B) the Estimated Royalty Adjustment (as defined in the Purchase Agreement) and (iii) 11.3% of Series A Units of Gainline Galaxy Holdings LLC which for purposes of application to claims of the Debtors' estate shall be valued at $[50,000,000], and all such consideration shall be applied in accordance with this Order and the DIP Orders.

37. Modification of Purchase Agreement. The Purchase Agreement, the Ancillary Agreements and any related agreements, documents or other instruments may be modified, amended or supplemented through a written document signed by the parties thereto in accordance with the terms thereof and this Order without further order of the Court; provided that no such modification, amendment or supplement may be made without further order of the Court if it is materially adverse to the Debtors or the Debtors' estates.

38. Failure to Specify Provisions. The failure specifically to include any particular provisions of the Purchase Agreement in this Order shall not diminish or impair the effectiveness of such provisions, it being the intent of the Court that the Purchase Agreement be authorized and approved in its entirety.

39. Record Retention. Pursuant to the terms of and subject to the conditions contained in the Purchase Agreement, following the Closing, the Debtors, their successors and assigns and any trustee in bankruptcy will have access to the Debtors' books and records subject to the terms of, and for the specified purposes set forth in, and in accordance with, Section [6.1] of the Purchase Agreement.

40. Standing. The Purchase Agreement shall be in full force and effect, regardless of any Debtor's lack of good standing in any jurisdiction in which such Debtor is formed or authorized to transact business.

41. Bulk Sales; Taxes. No bulk sales law, bulk transfer law or any similar law of any state or other jurisdiction (including those relating to taxes other than Transfer Taxes) shall apply to the Debtors' conveyance of the Transferred Assets or this Order.

42. Reservation of Rights. Nothing in this Order shall be deemed to waive, release, extinguish or estop the Debtors or their estates from asserting or otherwise impair or diminish any right (including any right of recoupment), claim, cause of action, defense, offset or counterclaim in respect of any asset that is not a Transferred Asset.

43. Conflicts. In the event there is a conflict between this Order and the Purchase Agreement (including any Ancillary Agreements executed in connection therewith), this Order shall control and govern. In addition, in the event there is a conflict between the Purchase Agreement and the Closing Assignment Notice (as amended) with respect to the assumption and assignment of any executory contract or unexpired lease, the Closing Assignment Notice (as amended) will control, and any contracts listed on the Closing Assignment Notice shall be "Closing Assumed Contracts" as such term is used herein. Likewise, all of the provisions of this Order are non-severable and mutually dependent. To the extent that this Order is inconsistent with any prior order or pleading with respect to the Motion in these chapter 11 cases, the terms of this Order shall control.

44. Waiver of Bankruptcy Rules 6004(h) and 6006(d). Notwithstanding the provisions of Bankruptcy Rules 6004(h) and 6006(d) or any applicable provisions of the Local Rules, this Order shall not be stayed after the entry hereof, but shall be effective and enforceable immediately upon entry, and the fourteen-day stay provided in Bankruptcy Rules 6004(h) and 6006(d) is hereby expressly waived and shall not apply, and the Debtors and the Buyer are authorized and empowered to close the Sale Transaction immediately upon entry of this Order.

45. Personally Identifiable Information. After giving due consideration to the facts, circumstances, and conditions of the Purchase Agreement, the Sale Transaction is consistent with the Debtors' privacy policies concerning personally identifiable information and no showing was made that the sale of any personally identifiable information contemplated in the Purchase Agreement, subject to the terms of this Order, would violate applicable non-bankruptcy law.

46. Binding Effect of this Order. This Order, the Purchase Agreement, and the Ancillary Agreements shall be binding in all respects upon, (a) the Debtors, (b) the Debtors' estates, (c) all creditors of, and holders of equity interests in, the Debtors, (d) all holders of Liens or other interests (whether known or unknown) in, against, or on all or any portion of the Transferred Assets, (e) all Counterparties, (f) the Buyer and the Buyer Parties, (g) the Transferred Assets, and (h) all successors and assigns of each of the foregoing, including, without limitation, any trustee subsequently appointed in the chapter 11 cases, or a chapter 7 trustee appointed upon a conversion of one or more of the chapter 11 cases to a case under chapter 7 of the Bankruptcy Code or other plan fiduciaries, plan administrators, liquidating trustees, or other estate representatives appointed or elected in the Debtors' cases. This Order, the Purchase Agreement, and the Ancillary Agreements shall inure to the benefit of the Debtors, their estates and creditors, the Buyer, and the Buyer Parties, and the respective successors and assigns of each of the foregoing, including, without limitation, any trustee subsequently appointed in the chapter 11 cases or upon conversion to chapter 7 under the Bankruptcy Code, and any Entity seeking to assert rights on behalf of any of the foregoing or that belong to the Debtors' estates. The Purchase Agreement and all other Ancillary Documents shall be binding in all respects upon the Debtors and the Buyer.

47. Subsequent Plan Provisions. Nothing contained in any chapter 11 plan confirmed in the Debtors' chapter 11 cases, any order confirming any such plan, or in any other

order in these chapter 11 cases (including any order entered after any conversion of any of these chapter 11 cases to a case under chapter 7 of the Bankruptcy Code) or any related proceeding subsequent to entry of this Order shall alter, conflict with, or derogate from, the provisions of the Purchase Agreement or this Order.

48. Further Assurances. From time to time, as and when requested by any party, each party to the Purchase Agreement shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as such other party may reasonably deem necessary or desirable to consummate the transactions contemplated by the Purchase Agreement.

49. Retention of Jurisdiction. The Court shall retain jurisdiction with respect to all matters arising from or related to this Order and the Purchase Agreement (and such other related agreements, documents, or other instruments) and to interpret, implement, and enforce the terms of this Order and Purchase Agreement.

Dated: [ ]
Wilmington, Delaware

UNITED STATES BANKRUPTCY JUDGE

Exhibit I - Sample Closing Statement
Galaxy Proceeds
Assuming 10/31 Closing
Example Closing Statement ($ in millions)

	Equity		$ 50,000,000.00		
	Net Debt		$ 227,500,000.00		
	Cash		$ 55,500,000.00		
	Starting		**$ 333,000,000.00**		
	Net Debt Adjustment				
	Net Debt		$ 227,500,000.00		
less	PEG	$63,500,000.00		(A) Royalty Adjustment	Expected cumulative royalties versus the peg (on a cash basis)
	Estimated Amt	$57,464,169.69			
	Adj		$ 6,035,830.31		
	Adjusted Net Debt		**$ 221,464,169.69**		
	Cash Adjustment				
	Unadjusted Cash		$ 55,500,000.00		
less	PEG	$26,675,000.00		(B) Delinquent AR Delta	Expected AR balance (excluding NPV discount on SQBG books as reported) versus the peg
	Estimated Amt	$19,687,388.00			
	Adj		$ 6,987,612.00		
less	Estimate	$ 750,000.00		(C) SE Asia 50% pre closing	Expected AR collections pre closing on a GAAP basis
	50% to Buyer	50%			
	Adj		$ 375,000.00		
less	Estimate	$ 13,738.48		(D) Assumed AP	Open AP on a GAAP basis - actual
	Adj.		$ 13,738.48		
less	PEG	$ 1,470,833.33		(E) Marketing Adjustment assumes 10/31 close	
	Estimated Amt	$ 723,885.66			
	Adj		$ 746,947.67		
	Adjusted Cash		**$ 47,376,701.85**		
	Equity		$ 50,000,000.00		
	Adjusted Net Debt		$ 221,464,169.69		
	Adjusted Cash		$ 47,376,701.85		
	Net Consideration		**$ 318,840,871.54**		

AVIA & SWISS TECH - PROJECTED REMAINING BALANCES BY MONTH UNTIL WALMART PURCHASE OPTION THRESHOLDS ACHIEVED

CASH BASIS

		2021 FORECAST									
	Pre-12/31/2020	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Avia Walmart Revenue/Cash	35,546,869	2,398,355	-	-	3,507,018	-	-	3,818,905	-	-	3,000,000
Remaining Balance until Purchase	**64,453,131**	**62,054,776**	**62,054,776**	**62,054,776**	**58,547,758**	**58,547,758**	**58,547,758**	**54,728,853**	**54,728,853**	**54,728,853**	**51,728,853**
Swiss Tech Walmart Revenue/Cash	1,091,555	282,955	-	-	275,579	-	-	339,594	-	-	275,000
Remaining Balance until Purchase	**6,908,445**	**6,625,490**	**6,625,490**	**6,625,490**	**6,349,911**	**6,349,911**	**6,349,911**	**6,010,317**	**6,010,317**	**6,010,317**	**5,735,317**
Walmart Net Remaining Balance until Purchase	**71,361,576**	**68,680,266**	**68,680,266**	**68,680,266**	**64,897,669**	**64,897,669**	**64,897,669**	**60,739,170**	**60,739,170**	**60,739,170**	**57,464,170**

		As of 3/31/21	Q2 2021 Revenue	Q2 Cash Receipts	As of 6/30/21	7/1 - 7/31 Revenue	7/1 - 7/31 Cash Receipts	As of 7/31/21	8/1 - 8/31 Revenue	8/1 - 8/31 Cash Receipts	Estimated as of 8/31/21	9/1 - 9/30 Revenue	9/1 - 9/30 Cash Receipts	Estimated as of 9/30/21	10/1 - 10/31 Revenue	10/1 - 10/31 Cash Receipts	Estimated as of 10/31/21
		Accts Rec Est	GMR	Received	Accts Rec Est	GMR	Received	Accts Rec Est	GMR	Estimated (as of 8/31)	Accts Rec Est	GMR	Estimated (as of 9/30)	Accts Rec Est	GMR	Estimated (as of 10/31)	Accts Rec Est
GAIAM (High Life & Fit For Life) & AVIA (Beiying China)																	
Gaiam	Fit for Life (ex Key Money)	14,520,000	3,000,000	(5,280,000)	12,240,000	754,000	(2,100,000)	10,894,000	754,000	-	11,648,000	754,000	(2,100,000)	10,302,000	754,000	-	11,056,000
Gaiam	High Life	9,252,720	500,000	(1,896,000)	7,856,720	166,667	(1,046,000)	6,977,387	166,667	-	7,144,054	166,667	-	7,310,721	166,667	(1,096,000)	6,381,388
Avia	Jiangxi	9,000,000	-	(4,500,000)	4,500,000	-	-	4,500,000	-	-	4,500,000	-	-	4,500,000	-	(2,250,000)	2,250,000
TOTAL		**32,772,720**	**3,500,000**	**(11,676,000)**	**24,596,720**	**920,667**	**(3,146,000)**	**22,371,387**	**920,667**	**-**	**23,292,054**	**920,667**	**(2,100,000)**	**22,112,721**	**920,667**	**(3,346,000)**	**19,687,388**

Expected payments pior to close:

$250k	8/31/2021	250000
$250k	9/30/2021	250000
$250k	10/31/2021	250000

Open AP listing - Example

Company	Vendor Name	DOCDATE	Document Number	Current Amount	Type
GBH	A Plus Messenger Service Inc	6/15/2021	A268712	33.00	Office
GBH	Grimes	6/30/2021	23983	70.88	Legal
GBH	Wood, Herron & Evans LLP	7/13/2021	766141	9,347.60	Legal
GBH	Wood, Herron & Evans LLP	7/13/2021	766155	3,178.00	Legal
GBH	Wood, Herron & Evans LLP	7/13/2021	766153	1,109.00	Legal
				13,738.48	

Actual cash basis marketing spend by month

Month	Total Active Marketing Spend	
January	8,836.00	act
February	286.30	act
March	82,963.09	act
April	77,045.77	act
May	35,264.28	act
June	59,494.53	act
July	109,595.69	act
August	5,400.00	mtd through 8/6
Rest of August	120,000.00	estimate
September	125,000.00	estimate
October	100,000.00	estmate
Total YTD	**723,885.66**	

EXHIBIT B

CENTRIC APA

EXECUTION VERSION

ASSET PURCHASE AGREEMENT

by and among

CENTRIC BRANDS LLC,

as Buyer

and

JOE'S HOLDINGS LLC,

as Seller

August 31, 2021

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ASSET PURCHASE AGREEMENT

THIS **ASSET PURCHASE AGREEMENT** dated as of August 31, 2021 (the "**Agreement**"), is made and entered into by and between Centric Brands LLC, a Delaware limited liability company ("**Buyer**") and Joe's Holdings LLC, a Delaware limited liability company (the "**Company**" or "**Seller**"). Seller and Buyer are sometimes referred to collectively herein as the "**Parties**" and individually as a "**Party**". Capitalized terms used herein and not otherwise defined herein have the meanings set forth in Article 1.

W I T N E S E T H:

WHEREAS, subject to the terms and conditions set forth in this Agreement, Seller desires to sell, assign, transfer, and convey to Buyer, and Buyer desires to, and shall, (i) purchase and acquire from Seller, all of Seller's right, title and interest in and to the Purchased Assets (as defined below) and (ii) assume all of the Assumed Liabilities (as defined below); and

WHEREAS, Seller, and certain of its affiliates (the "**Debtors**") intend to seek relief under Chapter 11 of Title 11, §§ 101-1330 of the United States Code (as amended, the "**Bankruptcy Code**") by filing cases (the "**Chapter 11 Cases**") in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") and to seek approval of the Bankruptcy Court to consummate the transactions contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made, and in consideration of the foregoing and of the representations, warranties, covenants, agreements and conditions herein contained, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, agree as follows:

ARTICLE 1

DEFINITIONS

SECTION 1.01 *Definitions*.

(a) The following terms, as used herein, have the following meanings:

"**Action**" means any claim, action, suit, arbitration or proceeding by or before any Governmental Authority.

"**Affiliate**" means, with respect to any Person, another Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, such Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, by contract or otherwise. For the avoidance of doubt, ownership of more than fifty percent (50%) of the voting securities shall be deemed to be "control" for purposes of this definition.

"**Alternative Transaction**" means any reorganization, merger, transaction, consolidation, business combination, joint venture, partnership, sale of assets, financing (debt or equity), or restructuring or similar transaction of or by Seller involving any of the Purchased Assets; provided,

however, that an Alternative Transaction shall not include (a) after the entry of the Bid Procedures Order, a sale for the Purchased Assets determined by the Debtors to be higher or otherwise better in accordance with the Bid Procedures (as defined in the Bid Procedures Order), or (b) pursuit of confirmation of a Chapter 11 plan of liquidation, confirmation of which plan shall take place solely following the Bankruptcy Court's entry of the Sale Order, with the occurrence of any "effective date" or similar concept under such plan subject to the occurrence of the Closing Date.

"**Auction**" means any auction for the sale of Debtors' assets conducted pursuant to the terms and conditions of the Bid Procedures and the Bid Procedures Order.

"**Backup Bidder**" has the meaning set forth in the Bid Procedures Order.

"**Bankruptcy Rules**" means the Federal Rules of Bankruptcy Procedure.

"**Bid Procedures**" means the bidding procedures for the solicitation and submission of bids for a sale, reorganization, or other disposition of the Debtors, any portion of, or all or substantially all of their assets approved by the Bankruptcy Court pursuant to the Bid Procedures Order.

"**Bid Procedures Motion**" means the motion seeking entry of the Bid Procedures Order and the Sale Order.

"**Bid Procedures Order**" means an order of the Bankruptcy Court in the form attached hereto as Exhibit H that, among other things, approves (a) the Bid Procedures, (b) bid protections granted to Buyer, including the Break-Up Fee and Expense Reimbursement and provides that such bid protections shall constitute allowed administrative expenses of Debtors' estates under section 503(b) of the Bankruptcy Code, (c) the form and manner of notice of auction(s), sale transaction(s), and hearing(s), (d) the procedures for assumption and assignment of the Assumed Contracts, and (e) the date for auction(s), if necessary; with any material changes thereto in form and substance reasonably acceptable to Buyer.

"**Brand**" means the Joe's Jeans brand.

"**Break-Up Fee**" means a cash amount equal to $1,397,189.70.

"**Business**" means all activities by Seller or any Affiliate of Seller associated with the ownership, licensing, and marketing of the Purchased Assets.

"**Business Day**" means a day other than Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to close.

"**Buyer's License**" means the Joe's Jeans Sportswear and Jeanswear License between Sequential Brands Group, Inc. and Centric West LLC (as successor to GBG USA Inc.), dated as of September 1, 2015, as amended.

"**Causes of Action**" means any Claim, action, suit, arbitration or proceeding by or before any Governmental Authority.

"**Claim**" means a "claim" as defined in Section 101 of the Bankruptcy Code.

"**Closing Date**" means the date of the Closing.

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

"**Confidentiality Agreement**" means the Confidentiality and Nondisclosure Agreement, dated April 29, 2021 by and between Blackstone Alternative Credit Advisors LP and the Company.

"**Contract**" means any contract, agreement, license, sublicense, sales order, purchase order, instrument or other commitment, that is binding on any Person under applicable Law.

"**COVID-19**" means SARS-CoV-2 or COVID-19, and any evolutions thereof or related or associated epidemics, pandemic or disease outbreaks.

"**Cure Costs**" means with respect to any Assumed Contract, the Liabilities that must be paid or otherwise satisfied to cure all monetary defaults under such Assumed Contract to the extent required by Section 365(b) of the Bankruptcy Code.

"**Disclosure Schedules**" means the Disclosure Schedules attached hereto, as may be supplemented and amended pursuant to Section 5.03.

"**Encumbrance**" means any mortgage, lien, pledge, security interest, charge, easement, covenant, right of way, claim, title defect, or other survey defect.

"**Excluded Contract**" means any Contract of Seller that is not an Assumed Contract.

"**Expense Reimbursement**" means an amount in cash equal to the lesser of (a) $200,000 and (b) all reasonable and documented out-of-pocket third-party expenses actually incurred by Buyer in connection with the negotiation of this Agreement and the transactions contemplated hereby.

"**Final Order**" means a judgment or Order of the Bankruptcy Court (or any other court of competent jurisdiction) entered by the clerk of the Bankruptcy Court (or such other court) on the docket in the Chapter 11 Cases (or the docket of such other court), which has not been modified, amended, reversed, vacated or stayed (other than such modifications or amendments that are consented in writing to by Buyer); provided that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedures, or any analogous rule under the Federal Rules of Bankruptcy Procedure, may be filed relating to such Order, shall not cause an Order not to be a Final Order.

"**Governmental Authority**" means any (a) multinational, federal, state, municipal, local or other governmental or public department, court, tribunal, bureau, agency or instrumentality of government, domestic or foreign, (b) any subdivision or authority of any of the foregoing or (c) any regulatory or administrative authority.

"**Intellectual Property**" means any and all intellectual property of every kind, whether protected or arising under the Laws of the United States or any other jurisdiction, including all intellectual or industrial property rights in any of the following: (a) the Trademarks, Domain

Names and Copyrights, and all rights under Contracts relating to the foregoing and (b) all other intellectual property owned by Seller as of the Closing Date that is used or held for use by Seller exclusively in the conduct of the Business, including (i) any inventions (whether patentable or not and whether reduced to practice or not), (ii) patents, (iii) patent applications, and (iv) copies of all advertising, marketing, proof of sales, and creative and promotional material, in each case, to the extent the intellectual property described in this definition is exclusively related to the Business; provided, however, for the avoidance of doubt, that the intellectual property described in the foregoing clause (b) shall be limited to such intellectual property that is owned by Seller as of the Closing Date (all such intellectual property described in the foregoing clause (b), the "**Other Intellectual Property**").

"**Knowledge of Seller**" means the actual knowledge of the individuals set forth on Schedule 1.01(a) hereto.

"**Law**" means any law, treaty, statute, statute, ordinance, code, decree, Order, rule or regulation of any Governmental Authority.

"**Liability**" means any and all debts, liabilities, commitments and obligations of any kind, whether fixed, contingent or absolute, matured or unmatured, liquidated or unliquidated, accrued or not accrued, asserted or not asserted, known or unknown, determined, determinable or otherwise, whenever or however arising (including, whether arising out of any Contract or tort based on negligence or strict liability) and whether or not the same would be required to be reflected in financial statements or disclosed in the notes thereto.

"**Material Adverse Effect**" means any change, effect, event, circumstance, occurrence or state of facts that, individually or in the aggregate, (a) would be reasonably likely to prevent or materially delay or materially impair the ability of Seller to consummate the transactions contemplated by this Agreement, or (b) has had or would reasonably be expected to have a material adverse effect on the Purchased Assets, taken as a whole, excluding, however, for purposes of clause (b) only, any change, effect, event, circumstance, occurrence or state of facts that results from or arises out of: (i) the execution and delivery of this Agreement or the announcement thereof or the pendency or consummation of the transactions contemplated by this Agreement and the other Transaction Documents; (ii) general changes or developments in global or national political, economic, business, monetary, financial or capital or credit market conditions or trends; (iii) general political, economic, business, monetary, financial or capital or credit market conditions or trends (including interest rates); (iv) geopolitical conditions or any outbreak or escalation of hostilities, acts of terrorism or war, civil unrest, epidemic, pandemic, disease outbreak or other health crisis or public health event (including COVID-19), regional, national or international emergency, earthquakes, floods, hurricanes, tornadoes, wildfires, natural disasters or any other acts of God or similar force majeure events, or any escalation or worsening of the foregoing; (v) the failure of the financial or operating performance of Seller or its business to meet internal, Buyer or analyst or other external projections, forecasts or budgets for any period (it being understood that the underlying cause of such failure to meet such projections and forecasts may be taken into account in determining whether a Material Adverse Effect has occurred); (vi) any action taken or omitted to be taken after the date hereof by or at the written request of Buyer, or in compliance with the express covenants and agreements contained in this Agreement; (vii) changes in (or proposals to change) Laws or accounting regulations or principles; (viii) any existing event,

occurrence or circumstance that relates to Buyer's License and of which Buyer has knowledge as of the date hereof; or (ix) the Chapter 11 Cases, including the Auction and any announced liquidation of Seller or any of its assets; provided, that any change, effect, event, circumstance, occurrence or state of facts described in clauses (ii), (iii), (iv) and (vii) shall be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur to the extent that such change, effect, event, circumstance, occurrence or state of facts has a materially disproportionate effect on the Purchased Assets, taken as a whole, as compared to the effects on other participants in the same industry as Seller.

"**Milestones**" means the milestones set forth on Exhibit G.

"**Order**" means any award, writ, injunction, judgment, order, ruling, decision, subpoena, precept, directive, consent, approval, award, decree or similar determination or finding entered, issued, made or rendered by any Governmental Authority.

"**Permitted Encumbrances**" means the following Encumbrances: (a) Encumbrances for Taxes, assessments or other governmental charges or levies that are not yet due or payable or that are being contested in good faith by appropriate Causes of Action; (b) Encumbrances that will be released at the Closing with no Liability to Buyer or its Affiliates; (c) Encumbrances incurred by or at the written direction of Buyer at the Closing; and (d) outbound Intellectual Property licenses, covenants not to sue and similar rights that are subject to Section 365(n) of the Bankruptcy Code or other outbound non-exclusive licenses to Intellectual Property entered into in the ordinary course of business that are Assumed Contracts hereunder.

"**Person**" means any individual, corporation (including any non-profit corporation), partnership, limited liability company, joint venture, unincorporated organization, estate, trust, association, organization or other legal entity or group (as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended) or Governmental Authority.

"**Pre-Closing Tax Period**" means any taxable period ending on or before the Closing Date and, with respect to any Straddle Period, the portion of such taxable period ending on and including the Closing Date.

"**Sale Order**" means an Order by the Bankruptcy Court, in form and substance reasonably acceptable to Buyer and Seller, among other things, (a) approving this Agreement, (b) authorizing the sale of the Purchased Assets to Buyer pursuant to section 363 of the Bankruptcy Code, pursuant to the terms and conditions set forth herein, free and clear of any Encumbrances (other than Permitted Encumbrances), (c) authorizing the assumption and assignment to Buyer of the Assumed Contracts and the Assumed Liabilities pursuant to section 365 of the Bankruptcy Code and (d) authorizing the other transactions contemplated by this Agreement.

"**Successful Bidder**" has the meaning set forth in the Bid Procedures Order.

"**Tax**" means (a) all federal, state, local or foreign income, gross receipts, franchise, estimated, alternative minimum, add-on minimum, sales, use, transfer, real property gains, registration, value added, excise, natural resources, severance, stamp, occupation, premium, windfall profit, environmental, customs, duties, real property, special assessment, personal property, capital stock, social security, unemployment, disability, payroll, license, employee or

other withholding tax, or any other taxes, fees, assessments or charges of any kind whatsoever including any interest, penalties or additions to tax or additional amounts in respect of the foregoing; (b) any Liability for payment of amounts described in clause (a), whether as a result of transferee Liability, of being a member of an affiliated, consolidated, combined or unitary group for any period or otherwise through operation of law; and (c) any Liability for the payment of amounts described in clauses (a) or (b) as a result of any tax sharing, tax indemnity, tax receivable or tax allocation agreement or express or implied obligation (other than any such agreement or obligation entered into in the ordinary course of business that is not primarily related to Taxes).

"**Tax Return**" means any report, return, election, extension or similar document (including schedules or any related or supporting information) filed or required to be filed with respect to Taxes with any Governmental Authority or other authority in connection with the determination, assessment or collection of any Tax or the administration of any Laws or administrative requirements relating to any Tax, including any information return, claim for refund, amended return or declaration of estimated Taxes.

"**Transaction Document**" means this Agreement, Assignment Agreements, Bills of Sale, Assignment of Trademarks, Assignment of Copyrights, Assignment of Domain Names and any other agreements, instruments or documents entered into pursuant to, or as contemplated by, this Agreement.

"**Transfer Taxes**" means any sales, use, property transfer or gains, documentary, stamp, registration, intangible, conveyance, recording or similar Tax (including, for certainty, goods and services tax and harmonized sales tax) and any recording costs or fees, however styled or designated, or other amounts in the nature of transfer Taxes payable in connection with the sale or transfer of the Purchased Assets, including the filing costs, attorneys' fees, and processing fees associated with the transfer and recordation of the Purchased Intellectual Property.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	**Section**
A/R Shortfall Amount	Section 7.06(a)
Agreement	Preamble
Allocation Schedule	Section 2.08
Assignment of Trademarks	Section 2.10(a)(iv)
Assignment of Copyrights	Section 2.10(a)(iv)
Assignment of Domain Names	Section 2.10(a)(iv)
Assumed Contracts	Section 2.01(b)
Assumed Liabilities	Section 2.02
Assignment and Assumption Agreements	Section 2.10(a)(ii)
Assignment of Other Intellectual Property	Section 2.10(a)(iv)
Bankruptcy and Equity Exception	Section 3.03
Bankruptcy Code	Recitals
Bankruptcy Court	Recitals
Bankruptcy Period	Section 11.05
Bills of Sale	Section 2.10(a)(iii)
Buyer	Preamble

Calculation Period	Section 2.07(a)
Calculation Period 1	Section 2.07(a)
Calculation Period 2	Section 2.07(a)
Calculation Period 3	Section 2.07(a)
Calculation Period 4	Section 2.07(a)
Calculation Period 5	Section 2.07(a)
Cash Consideration	Section 2.06
Chapter 11 Cases	Recitals
Closing	Section 2.10
Company	Preamble
Copyrights	Section 2.01(d)
Debtors	Preamble
Domain Names	Section 2.01(c)
Earn-Out Payment	Section 2.07(b)
End Date	Section 10.01(b)
Excluded Liabilities	Section 2.03
Excluded Records	Section 2.01(f)
Good Faith Deposit	Section 2.09(a)
Independent Accounting Firm	Section 2.07(c)
Minimum Annual Payment	Section 2.07(a)
Net Wholesale Sales	Section 2.07(a)
Net Wholesale Sales Calculation	Section 2.07(c)
Party or Parties	Preamble
Petition Date	Section 7.08(a)
Pre-Closing A/R Payment	Section 7.06(a)
Pre-Closing A/R Threshold	Section 7.06(a)
Purchased Assets	Section 2.01
Purchased Intellectual Property	Section 3.08(a)
Purchase Price	Section 2.06
Seller	Preamble
Straddle Period	Section 7.04(a)(i)
Surviving Post-Closing Covenants	Section 9.01
Trademarks	Section 2.01(a)

SECTION 1.02 *Construction*. In construing this Agreement, including the Exhibits and Schedules hereto, the following principles shall be followed: (a) the terms "herein," "hereof," "hereby," "hereunder" and other similar terms refer to this Agreement as a whole and not only to the particular Article, Section or other subdivision in which any such terms may be employed unless otherwise specified; (b) except as otherwise set forth herein, references to Articles, Sections, Schedules and Exhibits refer to the Articles, Sections, Schedules and Exhibits of this Agreement, which are incorporated in and made a part of this Agreement; (c) a reference to any Person shall include such Person's successors and assigns; (d) the word "includes" and "including" and their syntactical variants mean "includes, but is not limited to" and "including, without limitation," and corresponding syntactical variant expressions; (e) a defined term has its defined meaning throughout this Agreement, regardless of whether it appears before or after the place in this Agreement where it is defined, including in any Schedule; (f) the word "dollar" and the symbol "$"

refer to the lawful currency of the United States of America; (g) unless the context of this Agreement clearly requires otherwise, words importing the masculine gender shall include the feminine and neutral genders and vice versa, (h) the words "to the extent" shall mean "the degree by which" and not "if"; (i) the word "will" will be construed to have the same meaning and effect as the word "shall," and the words "shall," "will," or "agree(s)" are mandatory, and "may" is permissive, (j) where a word is defined herein, references to the singular will include references to the plural and vice versa, (k) all references to a day or days will be deemed to refer to a calendar day or calendar days, as applicable, unless Business Days are expressly specified, (l) any reference to any agreement or Contract will be a reference to such agreement or Contract, as amended, modified, supplemented or waived; (m) any reference to any particular Code section or any Law will be interpreted to include any amendment to, revision of or successor to that section or Law regardless of how it is numbered or classified; provided that, for the purposes of the representations and warranties set forth herein, with respect to any violation of or non-compliance with, or alleged violation of or non-compliance, with any Code section or Law, the reference to such Code section or Law means such Code section or Law as in effect at the time of such violation or non-compliance or alleged violation or non-compliance; (n) references to "written" or "in writing" include in electronic form; (o) the headings contained in this Agreement and the other Transaction Documents are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement and the other Transaction Documents; (p) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and if the last day of such period is not a Business Day, the period shall end on the next succeeding Business Day; and (q) the word "or" shall not be exclusive.

ARTICLE 2

PURCHASE AND SALE

SECTION 2.01 *Purchase and Sale*. Subject to the entry of the Bid Procedures Order and the Sale Order and upon the terms and subject to the conditions of this Agreement and the Sale Order, on the Closing Date, Seller shall sell, transfer, assign, convey and deliver, or cause to be sold, transferred, assigned, conveyed and delivered, to Buyer, and Buyer shall purchase, acquire and accept from Seller, free and clear of all Encumbrances (other than Permitted Encumbrances), all of Seller's right, title and interest in the following assets, properties, interests and rights (collectively, the "**Purchased Assets**"), other than, for the avoidance of doubt, the Excluded Assets, which, notwithstanding the foregoing provisions of this Section 2.01 to the contrary, will remain, as applicable, the assets, properties, interests and rights of Seller:

(a) all trademarks and service marks owned by Seller and all registrations, renewals and applications therefor as set forth on Schedule 2.01(a) and, in each case, all worldwide rights, title and interest associated with the foregoing, together with the goodwill associated with any of the foregoing, in each case, that are exclusively associated with the Brand (collectively, the "**Trademarks**");

(b) all Contracts set forth on Schedule 2.05(b) (as described below), under the heading "Assumed Contracts" (collectively, the "**Assumed Contracts**");

(c) the domain names, websites, and social media handles owned by Seller that are utilized in connection with the Business, including related passwords (collectively, the "**Domain Names**"), as set forth on Schedule 2.01(c);

(d) all copyrights (registered or unregistered), designs, patterns, sketches, works of authorship, creations or drawings owned by Seller and relating to products developed, manufactured, marketed or sold by Seller exclusively in connection with the Trademarks or the Business, including the applications and registrations thereof set forth on Schedule 2.01(d) (collectively, the "**Copyrights**");

(e) all Other Intellectual Property;

(f) subject to the first proviso in this Section 2.01(f), Seller's books and records, to the extent exclusively related to the Business, including all corporate records, executed copies of the Assumed Contracts, all technical information and data, databases, computer files, schematics, all filings made with or records required to be kept by any Governmental Authority, all research and development reports, all financial and accounting records, all creative, promotional or advertising materials, and any other ledgers, files, documents, correspondence and business records relating to the foregoing; provided, however, in no event shall any books and records of any kind or medium, communications, corporate records, minute books, emails, correspondence or any other transmission, records or materials that, in each case, are related to the sale of the Business or the Purchased Assets by Seller, including, without limitation, the transactions contemplated by this Agreement, the negotiation thereof and hereof and the consummation of the transactions contemplated hereby, constitute Purchased Assets and shall instead constitute "Excluded Assets" (as defined below) (such excluded records, the "**Excluded Records**"); provided, further, that Seller shall be entitled to retain a copy of such books and records described in this Section 2.01(f) that constitute Purchased Assets for recordkeeping purposes, which such copies shall be retained in accordance with the terms of the Confidentiality Agreement;

(g) all claims (including counterclaims), rights, causes of action, privileges, demands, indemnification rights against, and defense of Seller, in each case, solely to the extent arising (in whole or in part, but if in part, only to the extent of such part) after the Closing and exclusively related to Buyer's ownership, licensing, and marketing of the Purchased Assets following the Closing;

(h) all associated income, royalties, damages, and payments due from or payable by any third party, in each case, solely to the extent arising (in whole or in part, but if in part, only to the extent of such part) after the Closing and exclusively related to Buyer's ownership, licensing, and marketing of the Purchased Assets, including under the Assumed Contracts, following the Closing; and

(i) all accounts receivable and other receivables arising under or pursuant to any Assumed Contract solely to the extent arising (in whole or in part, but if in part, only to the extent of such part) after the Closing and exclusively related to Buyer's ownership, licensing, and marketing of the Purchased Assets following the Closing, it being understood and agreed that none of Seller's right to, interest in or entitlement to any fees, payments or any other amounts payable to Seller by Buyer in its capacity as a licensee under Buyer's License that relate to the provision

of any license thereunder prior to the Closing and that remain unpaid as of the Closing shall be included in Purchased Assets or be offset or credited by Buyer against any amounts payable under Buyer's License following the Closing.

SECTION 2.02 *Assumed Liabilities*. Upon the terms and subject to the conditions of this Agreement, Buyer agrees, effective at the time of the Closing, to assume the following Liabilities of Seller (the "**Assumed Liabilities**"):

(a) all Liabilities of Seller relating to or arising out of the Assumed Contracts solely to the extent arising (in whole or in part, but if in part, only to the extent of such part) after the Closing;

(b) all Cure Costs related to the Assumed Contracts;

(c) all Liabilities relating to or arising out of the Purchased Assets solely to the extent arising (in whole or in part, but if in part, only to the extent of such part) after the Closing; and

(d) any and all Liabilities for Transfer Taxes, if any.

For the avoidance of doubt, the fact that a Liability may be excluded under one clause of this Section 2.02 does not imply that it is not intended to be included under another clause.

SECTION 2.03 *Excluded Liabilities*. Notwithstanding any provision in this Agreement to the contrary, Buyer shall not assume or be liable for hereunder any Liabilities of Seller other than the Assumed Liabilities, and Seller shall retain and be responsible for all other Liabilities of Seller (other than the Assumed Liabilities), including the following (collectively, the "**Excluded Liabilities**"):

(a) any and all Liabilities for Taxes (other than Transfer Taxes) (i) of or imposed on Seller (or any member or Affiliate of Seller) or (ii) related or attributable to (but solely to the extent related or attributable to) the Purchased Assets or the Business for any Pre-Closing Tax Period (including any Taxes with respect to a Straddle Period allocated to Seller pursuant to Section 7.04(a));

(b) any indebtedness for borrowed money, bank loans or facilities or any other debt instruments of Seller, other than accounts payable or accrued expenses of Seller with respect to the Business incurred or accrued in the ordinary course of business;

(c) all Liabilities related to any Action to the extent relating to the ownership or operation of the Purchased Assets or the Business prior to the Closing Date;

(d) all Liabilities under the Assumed Contracts arising prior to the Closing Date to the extent relating to the period prior to the Closing Date;

(e) all Liabilities arising under or relating to any Excluded Asset;

(f) any brokerage, commission, finders or similar fees, which is payable in connection with the transactions contemplated by this Agreement or otherwise, pursuant to any arrangement entered into by Seller or any Affiliate thereof; and

(g) all Liabilities relating to any employee or consultant of Seller or any of its Affiliates, whether arising before, on or following the Closing Date.

SECTION 2.04 *Excluded Assets*. Notwithstanding anything contained in Section 2.01 to the contrary, Seller is not selling, and Buyer is not purchasing, any assets other than those specifically listed or described in Section 2.01 (including the Excluded Contracts and the Excluded Records, such assets that are not Purchased Assets, the "**Excluded Assets**"). For the avoidance of doubt, all Intellectual Property of Seller that is not Purchased Intellectual Property is excluded from Purchased Assets.

SECTION 2.05 *Assignment of Contracts and Rights*.

(a) Schedule 2.05(a) sets forth a list of all Assumed Contracts to which Seller is party and that Buyer intends to have Seller assume and assign to Buyer on the Closing Date, together with the applicable Cure Costs, if any, for each such Assumed Contract as reasonably estimated in good faith by Seller. At any time prior to the date that is twenty-one (21) days prior to the Closing Date, Buyer may, by written notice to the Company, designate in writing any Contract related to the Business not designated as an Assumed Contract and, upon such designation, such Assumed Contract will constitute a Purchased Asset and will be conveyed to Buyer under, and in accordance with the terms of, this Agreement at Closing (and, if applicable, will cease to constitute an Excluded Asset). All Contracts of Seller which do not constitute Assumed Contracts or which otherwise cannot be assumed and assigned to Buyer shall not be considered Purchased Assets and shall automatically be deemed Excluded Contracts.

(b) Seller shall use its reasonable best efforts to assign, or cause to be assigned, the Assumed Contracts to Buyer so long as Buyer pays all Cure Costs associated with the assumption and assignment of such Assumed Contracts. If Buyer does not pay all Cure Costs associated with the assignment and assumption of an Assumed Contract, it shall become an Excluded Contract. Notwithstanding anything to the contrary herein, Seller shall not be obligated to assume and assign any such Contract pursuant to this Section 2.05 with respect to which Buyer fails to pay any Cure Costs or to satisfy the Bankruptcy Court as to adequate assurance of future performance.

(c) Except as to Assumed Contracts assigned pursuant to Section 365 of the Bankruptcy Code, this Agreement shall not constitute an agreement to assign any Purchased Asset or any right thereunder if an attempted assignment, without the consent of a third party or Governmental Authority (each, a "**Transfer Consent**"), would constitute a breach or in any way adversely affect the rights of Buyer or Seller thereunder. If such Transfer Consent is not obtained or such assignment is not attainable pursuant to Section 365 of the Bankruptcy Code, to the extent permitted and subject to any approval of the Bankruptcy Court that may be required, Seller and Buyer will reasonably cooperate in a mutually agreeable arrangement (at Buyer's sole cost and expense) under which Buyer would obtain the benefits and assume the obligations thereunder in accordance with this Agreement.

(d) At Closing, (i) Seller shall, pursuant to the Sale Order and the Assignment and Assumption Agreement, assume and assign, or cause to be assigned, to Buyer each of the Assumed Contracts that is capable of being assumed and assigned and the consideration for which is included in the Purchase Price, (ii) Buyer shall pay promptly all Cure Costs in connection with such assumption and assignment, and (iii) Buyer shall assume and perform and discharge the Assumed Liabilities under the Assumed Contracts, pursuant to the Sale Order and the Assignment and Assumption Agreement.

(e) To the extent that Buyer makes a valid designation with respect to any Contract pursuant to Section 2.05(a), the applicable exhibits and schedules to this Agreement will be deemed to have automatically been updated (without action of any Party or Person) to reflect such designation. If Buyer exercises its rights in clause (a) above to designate a Contract as an Assumed Contract or an Excluded Contract, as applicable, then the Parties acknowledge and agree that there will be no reduction in, or increase to, the Purchase Price as a result of such designation or change in designation; provided, however, that such designation may increase or decrease (as applicable) the extent of the Assumed Liabilities, Purchased Assets and/or Excluded Contracts.

SECTION 2.06 *Purchase Price*. On the terms and subject to the conditions contained herein, including the terms of Section 7.06(a), the purchase price (the "**Purchase Price**") for the Purchased Assets shall consist of (a) cash equal to $38,250,000 (the "**Cash Consideration**") plus the Earn-Out Payments and (b) the assumption of the Assumed Liabilities.

SECTION 2.07 *Earn-Out.*

(a) The following terms shall have the following meanings:

(i) "**Calculation Period**" means each of Calculation Period 1, Calculation Period 2, Calculation Period 3, Calculation Period 4, and Calculation Period 5, as applicable.

(ii) "**Calculation Period 1**" means the 12-month period beginning on the Closing Date and ending on the first anniversary of the Closing Date.

(iii) "**Calculation Period 2**" means the 12-month period beginning on the first anniversary of the Closing Date and ending on the second anniversary of the Closing Date.

(iv) "**Calculation Period 3**" means the 12-month period beginning on the second anniversary of the Closing Date and ending on the third anniversary of the Closing Date.

(v) "**Calculation Period 4**" means the 12-month period beginning on the third anniversary of the Closing Date and ending on the fourth anniversary of the Closing Date.

(vi) "**Calculation Period 5**" means the 12-month period beginning on the fourth anniversary of the Closing Date and ending on the fifth anniversary of the Closing Date.

(vii) "**Minimum Annual Payment**" means an amount in cash equal to $750,000 per each Calculation Period.

(viii) "**Net Wholesale Sales**" has the meaning given to such term in Buyer's License.

(b) Earn-Out Payments. For each Calculation Period, Seller shall be entitled to receive, and Buyer shall pay, or cause to be paid, to Seller, an amount equal to the greater of (A) the Minimum Annual Payment for such Calculation Period, and (B) an amount equal to 1% of the amount of the Net Wholesale Sales made during the applicable Calculation Period (each an "**Earn-Out Payment**" and collectively, the "**Earn-Out Payments**"), it being understood and agreed that the Minimum Annual Payment for each Calculation Period is a guaranteed payment regardless of the amount of the Net Wholesale Sales in any applicable Calculation Period and in no event shall the Earn-Out Payments for any Calculation Period be less than the Minimum Annual Payment. Buyer shall pay, or cause to be paid, to Seller, each Earn-Out Payment for each Calculation Period by wire transfer of immediately available funds no later than ten (10) Business Days following the final determination of the amount of Net Wholesale Sales in such applicable Calculation Period pursuant to Section 2.07(c)(ii) but in any event no later than within ninety (90) days from the end of such applicable Calculation Period.

(c) Review and Dispute Procedures.

(i) Within thirty (30) days following the end of each Calculation Period, Buyer shall submit to Seller in writing the proposed calculation of the Net Wholesale Sales for such Calculation Period (the "**Net Wholesale Sales Calculation**"), together with supporting documentation reasonably necessary for Seller review of such proposed Net Wholesale Sales Calculation.

(ii) Seller shall have 10 days following delivery by Buyer of the proposed Net Wholesale Sales Calculation to notify Buyer of any disagreement with such proposed Net Wholesale Sales Calculation, which notice shall set forth in reasonable detail the basis for such dispute. If Seller does not notify Buyer of any such disagreement within such 10-day period, the Net Wholesale Sales Calculation provided by Buyer shall be deemed to be final and binding on Buyer and Seller. If Seller does notify Buyer of any such disagreement within such 10-day period, Buyer and Seller shall cooperate in good faith to resolve such dispute as promptly as practicable, and upon such resolution, the Net Wholesale Sales for the applicable Calculation Period shall be determined in accordance with the mutual written agreement of Buyer and Seller. If Buyer and Seller are unable to resolve any dispute regarding such Net Wholesale Sales Calculation within 15 days (or such longer period as Buyer and Seller shall mutually agree in writing) of receipt of a notice of a dispute, the dispute shall be resolved by an independent public accounting firm as agreed in writing by Seller and Buyer (the "**Independent Accounting Firm**"). Such resolution shall be final and binding on Buyer and Seller. The Independent Accounting Firm shall use commercially reasonable efforts to complete its work within 30 days of its engagement. The fees, costs and expenses of the Independent Accounting Firm (A) shall be borne by Seller in the proportion that the aggregate dollar amount of all such disputed items so submitted that are unsuccessfully disputed by Seller (as finally determined by the Independent Accounting Firm) bears to the aggregate dollar amount of such items so submitted and (B) shall be borne by Buyer in the proportion that the aggregate dollar amount of such disputed items so submitted that are successfully disputed by Seller (as finally determined by the Independent Accounting Firm) bears to the aggregate dollar amount of all such items so submitted.

(d) Operating Procedures of Buyer. During each Calculation Period, (i) in no event shall Buyer take any action with the intent or purpose of avoiding the obligation to make any Earn-Out Payment, and (ii) Buyer shall, and shall cause its subsidiaries and Affiliates, as applicable, to maintain books and records that are adequate in all material respects to permit the calculation and independent verification of the Net Wholesale Sales for each Calculation Period on a standalone basis.

SECTION 2.08 *Purchase Price Allocation*. No later than thirty (30) days prior to the Closing Date, Buyer shall deliver to Seller a schedule allocating the Purchase Price (and any adjustments thereto as determined for U.S. federal income tax purposes) among the Purchased Assets and Assumed Liabilities (the "**Allocation Schedule**"). The Allocation Schedule shall be prepared in accordance with Section 1060 of the Code. The Allocation Schedule shall be deemed final unless Seller notifies Buyer in writing that Seller objects to one or more items reflected in the Allocation Schedule within fifteen (15) Business Days after delivery of the Allocation Schedule to Seller. In the event of any such objection, Buyer and Seller shall negotiate in good faith to resolve such dispute. If Buyer and Seller reach an agreement regarding the Allocation Schedule, the Parties shall file all Tax Returns, including Form 8594 (Asset Acquisition Statement under Code Section 1060), in a manner consistent with the Allocation Schedule and shall not take any position inconsistent therewith upon examination of any Tax Return, in any Tax refund claim, in any Action related to Taxes, or otherwise unless otherwise required by applicable Law. If Buyer and Seller are unable to reach a timely resolution of any dispute regarding the Allocation Schedule, each of the Parties shall be entitled to adopt its own position regarding the Allocation Schedule and to report the federal, state and local income and other Tax consequences of the purchase and sale contemplated hereby in a manner consistent with its own position regarding the Allocation Schedule.

SECTION 2.09 *Good Faith Deposit.*

(a) No later than one (1) Business Day following the date of this Agreement, Buyer shall deposit (or cause to be deposited) in a trust account maintained on behalf of Seller (and to be designated by Seller prior to the date hereof) cash in the amount of $4,095,358.20 (the "**Good Faith Deposit**") to be held in escrow in accordance with the terms of this Agreement and to be released as provided in Section 2.09(b).

(b) If the Closing occurs, the Good Faith Deposit (and any interest accrued thereon) shall be transferred to and retained by Seller at the Closing as a credit against the Cash Consideration. If this Agreement is terminated in accordance with the terms hereof, the Good Faith Deposit (together with any interest accrued thereon) shall be treated in the manner set forth in Section 10.02(b).

SECTION 2.10 *Closing*. The closing (the "**Closing**") of the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities hereunder shall take place remotely by conference call and by exchange of signature pages by email or fax as soon as possible following entry of the Sale Order, but in no event later than three (3) Business Days, after satisfaction of the conditions set forth in Article 8, or at such other time or place as Buyer and the Company may agree in writing. At the Closing:

(a) Buyer shall deliver to Seller:

(i) the Cash Consideration (less the Good Faith Deposit as set forth in Section 2.09(b) and the amounts pursuant to Section 7.06(a)) by wire transfer of immediately available funds, to the bank account(s) designated in writing by the Company at least three days prior to the Closing Date;

(ii) one or more assignment and assumption agreements, in the form attached hereto as Exhibit A (the "**Assignment and Assumption Agreements**"), duly executed by Buyer;

(iii) a Bill of Sale, in the form attached hereto as Exhibit B (the "**Bill of Sale**"), duly executed by Buyer;

(iv) instruments of assignment of Trademarks (the "**Assignment of Trademarks**"), Copyrights (the "**Assignment of Copyrights**"), Domain Names (the "**Assignment of Domain Names**"), and Other Intellectual Property (the "**Assignment of Other Intellectual Property**") that are included in the Purchased Assets, if any, duly executed by Seller in a form appropriate for recordation with the appropriate Governmental Authorities in the form of Exhibits C, D, E and F, respectively, in each case duly executed by Buyer;

(v) each other Transaction Document to which Buyer is a party, duly executed by Buyer; and

(vi) such other assignments and other good and sufficient instruments of assumption and transfer, in form satisfactory to Buyer and Seller, as Seller may reasonably request to transfer and assign the Purchased Assets and Assumed Liabilities to Buyer.

(b) Seller shall deliver to Buyer:

(i) the Assignment and Assumption Agreements, duly executed by Seller;

(ii) the Bill of Sale, duly executed by Seller;

(iii) Assignment of Trademarks, Assignment of Copyrights and Assignment of Domain Names, in each case duly executed by Seller;

(iv) each other Transaction Document to which Seller is a party, duly executed by each applicable Seller;

(v) certificate of non-foreign status executed by Seller (or, if applicable, a direct or indirect owner of a Seller) for U.S. federal income tax purposes, prepared in accordance with Treasury Regulation Section 1.1445-2(b) and a properly executed IRS Form W-9;

(vi) a list of all usernames, passwords and other relevant login information needed to access all Domain Names; and

(vii) such other deeds, bills of sale, assignments and other good and sufficient instruments of conveyance and assignment, in form satisfactory to Buyer and Seller, as Buyer may reasonably request to vest in Buyer all right, title and interest in, to and under the Purchased Assets.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF SELLER

Except as set forth in the Disclosure Schedules, Seller hereby represents and warrants to Buyer as of the date of this Agreement and the Closing Date as follows:

SECTION 3.01 *Organization and Qualification*. Seller has been duly organized and is validly existing and in good standing (where applicable) under the Laws of its jurisdiction of incorporation, with the requisite power and authority to own its properties and conduct its business as currently conducted, except for any failure to be in good standing as would not, individually or in the aggregate, have a Material Adverse Effect.

SECTION 3.02 *Corporate Authorization*. Subject to entry of the Sale Order, the execution, delivery and performance by Seller of this Agreement and the consummation of the transactions contemplated hereby have been, or prior to the Closing will be, duly authorized by all necessary corporate or other action on the part of Seller. Subject to entry of the Sale Order, Seller has all necessary power and authority to execute and deliver this Agreement and each agreement, certificate, document and instrument to be executed and delivered by it pursuant to this Agreement, as applicable, and to consummate the transactions contemplated hereby and thereby and to performs its obligations hereunder and thereunder.

SECTION 3.03 *Execution and Delivery; Enforceability*. This Agreement has been duly and validly executed and delivered by Seller and, subject to the Bankruptcy Court's entry of the Bid Procedures Order and the Sale Order and subject to the effect of any Laws relating to bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or preferential transfers, or similar Laws relating to or affecting creditors' rights generally and subject, as to enforceability, to the effect of general principles of equity (regardless of whether such enforceability is considered in any Causes of Action in equity or at Law) (the "**Bankruptcy and Equity Exception**") will constitute the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

SECTION 3.04 *Consents and Approvals*. No consent, approval, authorization or Order of or with any third party, or Governmental Authority having jurisdiction over Seller or any of its properties is required for the execution and delivery by Seller of this Agreement and performance of and compliance by Seller with all of the provisions hereof and the consummation of the transactions contemplated herein, except (a) for any Transfer Consents, the failure of which to obtain would not, individually or in the aggregate, be material to the Business or the Purchased Assets, taken as a whole, (b) as set forth on Schedule 3.04, (c) the entry of the Sale Order and the expiration, or waiver by the Bankruptcy Court, of the fourteen (14) day period set forth in Rules 6004(h) and 3020(e) of the Federal Rules of Bankruptcy Procedure, as applicable, (d) for notices, filings and consents required in connection with the Chapter 11 Cases; and (e) for such consents,

approvals, authorizations and Orders, the failure of which to provide, make or obtain, would not, individually or in the aggregate, be material to the Business or the Purchased Assets, taken as a whole.

SECTION 3.05 *No Conflicts*. The execution, delivery and performance by Seller of this Agreement and the other Transaction Documents to which it is or will be a party and the consummation by Seller of the transactions contemplated hereby and thereby do not and will not (a) conflict with or violate any of the organizational documents of Seller; (b) conflict with or violate any Law applicable to Seller; (c) result in any breach of, constitute a default (or an event that, with notice or lapse of time or both, would become a default) under or require any consent of any Person pursuant to, any note, bond, mortgage, indenture, agreement, lease, license, permit, franchise, instrument, obligation or other contract to which Seller is a party; or (d) subject to entry of the Sale Order, require any consent or approval of, registration or filing with, or notice to any Governmental Authority, except, in the causes of clauses (b)-(d), as would not, individually or in the aggregate, be material to the Business or the Purchased Assets, taken as a whole, or to Seller.

SECTION 3.06 *Litigation*. Except as set forth on Schedule 3.06, as of the date hereof, there are no Causes of Action to which Seller is a party pending, or, to the Knowledge of Seller, threatened (a) to restrain or prevent the transactions contemplated by this Agreement, or (b) otherwise affecting the Purchased Assets, except as would not be material to the Business, taken as a whole. Except as set forth on Schedule 3.06, Seller is not a party to any outstanding Order relating to the Business.

SECTION 3.07 *Title to the Purchased Assets*. Upon delivery to Buyer on the Closing Date of the instruments of transfer contemplated by Section 2.10, and subject to the terms of the Sale Order, Seller will thereby transfer to Buyer, all of Seller's right, title and interest in and to the Purchased Assets free and clear of all Encumbrances (other than Permitted Encumbrances).

SECTION 3.08 *Intellectual Property*.

(a) Seller exclusively owns all right, title and interest in and to the Intellectual Property that constitute Purchased Assets (the "**Purchased Intellectual Property**"). Seller is listed in the applicable records of the appropriate federal, state, or foreign agency or registry as the sole owner of record for any registered Purchased Intellectual Property. The Purchased Intellectual Property constitutes all of the Intellectual Property owned by Seller and its Affiliates that is exclusively used in the Business.

(b) Trademarks:

(i) Schedule 2.01(a) contains a complete and accurate list of all registered and applied for Trademarks, including for each the applicable trademark or service mark, application number, filing date, trademark registration number and registration date, as applicable, owned by Seller and its Affiliates that is exclusively used in the Business.

(ii) To the Knowledge of Seller all of the registered Trademarks are subsisting and in full force and effect. All necessary maintenance and renewal documentation and fees in connection with the registered Trademarks have been timely filed with the

appropriate authorities and paid except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(iii) There are no pending or, to the Knowledge of Seller, threatened oppositions, invalidation or cancellation proceedings or Causes of Action involving the Trademarks.

(c) Copyrights:

(i) Schedule 2.01(d) contains a complete and accurate list of all registered and applied for Copyrights owned by Seller, including title, registration number and registration date.

(ii) To the Knowledge of Seller, all of such registered Copyrights are in full force and effect.

(iii) To the Knowledge of Seller, there are no pending or, to the Knowledge of Seller, threatened oppositions, invalidation or cancellation proceedings or Causes of Action involving the Copyrights.

(d) To the Knowledge of Seller, all registered or issued Purchased Intellectual Property is valid and enforceable, and all the filing, examination, issuance, post-registration, maintenance, renewal, and other fees that have become due prior to the Closing Date have been paid, in each case except as would not be material to the Business, taken as a whole.

(e) To the Knowledge of Seller, no third party is infringing, misappropriating, or otherwise violating any Purchased Intellectual Property.

(f) There is no pending dispute, including any pending claim or, to the Knowledge of Seller, threatened claim, with respect to the Purchased Intellectual Property challenging the ownership, use, validity or enforceability of any such Intellectual Property.

(g) Schedule 3.08(g) contains a listing of all Contracts to which Seller is a party and pursuant to which any third party is granted a right to use any Purchased Intellectual Property, other than non-exclusive licenses entered into by Seller in the ordinary course of business. Schedule 3.08(g) also contains a listing of all executory Contracts to which Seller is a party covering the settlement of any claims related to the Purchased Intellectual Property (such as a co-existence agreement). To the Knowledge of Seller, the Contracts listed on Schedule 3.08(g) remain valid and binding on Seller and, to the Knowledge of Seller, the other parties thereto and/or any successor or assignees. Except in connection with the Chapter 11 Cases, there is no pending dispute, including any claim or, to the Knowledge of Seller, threatened claim indicating that Seller or any other party thereto is in material breach or default of any terms or conditions of such Contracts which would be reasonably likely to result in material Liability.

SECTION 3.09 *Taxes*.

(a) Seller has timely filed all income or other material Tax Returns required to be filed with the appropriate Governmental Authorities, and all such Tax Returns are true, correct and complete in all material respects. All income and other material Taxes due and payable by Seller

with respect to the Business whether or not shown to be payable on such Tax Returns, have been timely paid. No claim has been made in writing within the last three (3) taxable years by a Governmental Authority in a jurisdiction where Seller does not file Tax Returns that Seller or the Business is or may be subject to taxation by that jurisdiction.

(b) There are no Encumbrances on any of the Purchased Assets that arose in connection with any failure (or alleged failure) of Seller to pay any Tax, other than Encumbrances for Taxes not yet due and payable.

SECTION 3.10 *Assumed Contracts*. Schedule 2.05(a) sets forth a complete list, as of the date hereof, of each Assumed Contract and the Cure Costs with respect thereto. Except as set forth on Schedule 3.10, Seller has not assigned, delegated or otherwise transferred to any third party any of its rights or obligations with respect to any such Contract. Each Assumed Contract is in full force and effect and is a valid and binding obligation of Seller in accordance with its terms and conditions, in each case except as such enforceability may be limited by the Bankruptcy and Equity Exception. Upon entry of the Sale Order and Buyer's payment of the Cure Costs, (a) Seller will not be in breach or default of its obligations under any Assumed Contract, (b) no condition exists that (either with or without notice or lapse of time or both) would constitute a default by Seller under any Assumed Contract and (c) to the Knowledge of Seller, no other party to any Assumed Contract is in breach or default thereunder. The Cure Cost amounts calculated by Seller with respect to each of the Assumed Contract and set forth on Schedule 2.05(a) are, to the Knowledge of Seller, true and correct.

SECTION 3.11 *No Other Representations or Warranties*. Buyer acknowledges that, except for the representations and warranties expressly set forth in this Article 3, neither Seller nor any other Person or representative acting on behalf of Seller or otherwise makes any express or implied representation or warranty with respect to Seller or with respect to any information provided by or on behalf of Seller to Buyer.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as of the date of this Agreement as follows:

SECTION 4.01 *Corporate Existence and Power*. Buyer is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware and has all power and authority to carry on its business as presently conducted.

SECTION 4.02 *Corporate Authorization*. The execution, delivery and performance by Buyer of this Agreement and all other Transaction Documents to which Buyer is or will be a party and the consummation of the transactions contemplated hereby and thereby are within the corporate powers of Buyer and have been duly authorized by all necessary corporate action on the part of Buyer.

SECTION 4.03 *Execution and Delivery; Enforceability*. This Agreement and all other Transaction Documents to which Buyer is or will be a party have been duly and validly executed

and delivered by Buyer, and constitute the valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms subject to the Bankruptcy and Equity Exception.

SECTION 4.04 *No Conflicts*. The execution, delivery and performance by Buyer of this Agreement and the other Transaction Documents to which it is or will be a party and the consummation by Buyer of the transactions contemplated hereby and thereby do not and will not (a) conflict with or violate any of the organizational documents of Buyer; (b) conflict with or violate any Law applicable to Buyer; (c) except as set forth on Schedule 4.04, result in any breach of, constitute a default (or an event that, with notice or lapse of time or both, would become a default) under or require any consent of any Person pursuant to, any note, bond, mortgage, indenture, agreement, lease, license, permit, franchise, instrument, obligation or other contract to which Buyer is a party; or (d) require any consent or approval of, registration or filing with, or notice to any Governmental Authority, except for such consents or approvals that would not, individually or in the aggregate, reasonably be expected to have a materially adverse effect on Buyer's ability to consummate the transactions contemplated by this Agreement.

SECTION 4.05 *Availability of Funds; Solvency*. Buyer has and will have through the Closing unrestricted cash in immediately available funds sufficient to pay all of the Cash Consideration and any other costs, fees and expenses which may be required to be paid by or on behalf of Buyer under this Agreement and the other Transaction Documents. Notwithstanding anything to the contrary contained herein, Buyer acknowledges and agrees that its obligations to consummate the transactions contemplated hereby are not contingent upon its ability to obtain any third party financing. As of the Closing and immediately after consummating the transactions contemplated by this Agreement and the other transactions contemplated by the Transaction Documents, Buyer and its subsidiaries (taken as a whole) will not, (a) be insolvent (either because their financial condition is such that the sum of their debts is greater than the fair value of their assets or because the present fair value of their assets will be less than the amount required to pay their Liability (calculated as the amount that would reasonably be expected to become an actual and matured Liability) on their debts as they become absolute and matured); (b) have unreasonably small capital with which to engage in their respective businesses; or (c) have incurred or plan to incur debts beyond their ability to repay such debts as they become absolute and matured.

SECTION 4.06 *Litigation*. There are no Actions to which Buyer is a party pending, or, to the knowledge of Buyer, threatened (a) to restrain or prevent the transactions contemplated by this Agreement or any other Transaction Documents, or (b) that would affect in any material respect Buyer's ability to perform its obligations under this Agreement or any other Transaction Documents or to consummate the transactions contemplated hereby or thereby.

SECTION 4.07 *Buyer's Knowledge.* As of the date hereof, Buyer is not aware of (a) any default or breach by Seller under or related to Buyer's License, or (b) any infringement, misappropriation or other violation by any third party related to, or arising from, Buyer's License.

SECTION 4.08 *Brokers.* No broker, finder or agent will have any claim against Seller for any fees or commissions in connection with the transactions contemplated by this Agreement or any other Transaction Document based on arrangements made by or on behalf of Buyer.

SECTION 4.09 *Condition of Purchased Assets; Representations*. **BUYER HAS CONDUCTED ITS OWN INDEPENDENT REVIEW AND ANALYSIS OF SELLER AND THE BUSINESS, INCLUDING THE OPERATIONS, ASSETS, LIABILITIES, RESULTS OF OPERATIONS, FINANCIAL CONDITION, SOFTWARE, TECHNOLOGY AND PROSPECTS OF SELLER AND ITS BUSINESS, AND ACKNOWLEDGES THAT IT HAS BEEN PROVIDED ACCESS TO THE PERSONNEL, PROPERTIES, PREMISES AND RECORDS OF SELLER FOR SUCH PURPOSE. IN ENTERING INTO THIS AGREEMENT, BUYER HAS RELIED SOLELY UPON ITS OWN INVESTIGATION AND ANALYSIS, AND SELLER'S REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE 3 AND: (A) ACKNOWLEDGES THAT NEITHER SELLER NOR ANY OF ITS AFFILIATES OR REPRESENTATIVES MAKES OR HAS MADE ANY REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY OF THE INFORMATION PROVIDED OR MADE AVAILABLE TO BUYER OR ITS REPRESENTATIVES (INCLUDING ANY INFORMATION PROVIDED OR MADE AVAILABLE TO BUYER IN ANY "DATA ROOM", EXCEPT AS EXPRESSLY PROVIDED IN ARTICLE 3). EXCEPT AS SPECIFICALLY SET FORTH IN ARTICLE 3, (I) SELLER MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, IN RESPECT OF OR OTHERWISE IN ANY WAY RELATING TO SELLER OR ITS LIABILITIES OR OPERATIONS, OR ITS BUSINESS, INCLUDING WITH RESPECT TO VALUE, CONDITION (INCLUDING ENVIRONMENTAL CONDITION) OR PERFORMANCE OR MERCHANTABILITY, NONINFRINGEMENT OR FITNESS FOR ANY PURPOSE (BOTH GENERALLY OR FOR ANY PARTICULAR PURPOSE) AND WITH RESPECT TO FUTURE REVENUE, PROFITABILITY OR THE SUCCESS OF SELLER AND ITS BUSINESS AND (II) ANY SUCH OTHER REPRESENTATIONS OR WARRANTIES ARE HEREBY EXPRESSLY DISCLAIMED. BUYER ACKNOWLEDGES THAT, SHOULD THE CLOSING OCCUR, BUYER SHALL ACQUIRE THE PURCHASED ASSETS, THE ASSUMED LIABILITIES AND THE BUSINESS WITHOUT ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS THEREOF FOR ANY PARTICULAR PURPOSE, IN AN "AS IS" CONDITION AND ON A "WHERE IS" BASIS.**

ARTICLE 5

COVENANTS OF SELLER

SECTION 5.01 *Conduct of the Business*.

(a) Except (t) as may be reasonably advisable to carry out any of the transactions contemplated by the Transaction Documents or as set forth on Schedule 5.01, (u) as may be reasonably advisable to satisfy the cure requirements of any of the Assumed Contracts (in consultation with Buyer), (v) as consented to by Buyer (which consent shall not be unreasonably withheld, conditioned or delayed), (w) as expressly permitted pursuant to the Bid Procedures Motion, Bid Procedures Order, and Bid Procedures or this Agreement, (x) as required or approved by the Bankruptcy Code or any Orders entered by the Bankruptcy Court in the Chapter 11 Cases, including, without limitation, any debtor-in-possession financing order or any order permitting the use of cash collateral, (y) as otherwise necessary to comply with applicable Law, or (z) for any actions taken in good faith as reasonably necessary to respond to COVID-19 (provided, that prior

to taking (or abstaining from taking) any action pursuant to this clause (z), Seller shall use commercially reasonable efforts to provide reasonable advance notice to Buyer and consult in good faith with Buyer with respect to the appropriateness of such action or inaction), from the date hereof until the Closing Date, Seller shall use commercially reasonable efforts to conduct the Business in the ordinary course of business. In addition, except as otherwise contemplated by the immediately precedent sentence (but excluding clause (z) thereof), without the prior written consent of Buyer (which consent shall not be unreasonably withheld, conditioned or delayed), Seller shall not:

(i) sell, lease, license or otherwise encumber or dispose of any Purchased Assets other than pursuant to the Assumed Contracts in effect as of the date hereof or as properly modified, amended, or extended in accordance with this Section 5.01;

(ii) make any modification, amendment, or extension to, or terminate or reject, or grant or agree to any renewal of, any Assumed Contract;

(iii) sell, transfer, assign, pledge, lease, license, covenant not to sue, or grant any other right to any Purchased Intellectual Property, including agreeing to amend any licenses to Purchased Intellectual Property contained in any Contracts, other than pursuant to the Assumed Contracts in effect as of the date hereof or as properly modified, amended, or extended in accordance with this Section 5.01;

(iv) cancel, abandon, or allow to lapse or expire any Purchased Intellectual Property, other than in response to expiration following the applicable statutory period for protection of registered Intellectual Property in the ordinary course of business, provided that Seller shall take all commercially reasonable steps, such as payment of fees, to prevent such cancellation, abandonment or allowance to lapse or expire;

(v) waive, cancel, compromise or release any accounts receivable or other payables, or release any rights or claims of value, in each case, relating to or arising under the Assumed Contracts that is in excess of $50,000;

(vi) take any action to waive or compromise any material Claims which are included in the Purchased Assets; or

(vii) agree or commit to do any of the foregoing.

SECTION 5.02 *Access to Information*.

(a) From the date of the execution of this Agreement until the Closing Date, Seller will use commercially reasonable efforts, subject to the terms of the Confidentiality Agreement, (i) to give, on reasonable prior written notice and during normal business hours, Buyer, its counsel, and financial advisors, reasonable access to the offices, properties, books and records of such Seller relating (and solely to the extent relating) to the Purchased Assets and (ii) to furnish to Buyer, its counsel, financial advisors, auditors and other authorized representatives such financial and operating data and other information relating (and solely to the extent relating) to the Purchased Assets as such Persons may reasonably request. Buyer agrees that any investigation undertaken pursuant to the access granted under this Section 5.02(a) shall be conducted in such a manner as

not to unreasonably interfere with the operation of Seller's business. Notwithstanding anything to the contrary in this Agreement, Seller shall not be required to provide access to, or otherwise furnish, any information if Seller determines, in its reasonable discretion, that (i) such access would be reasonably likely to jeopardize any attorney-client or other similar privilege, (ii) such access would contravene any applicable Laws, fiduciary duty or binding agreement entered into prior to the date of this Agreement, (iii) the information to be accessed is pertinent to any existing or potential litigation between Seller or any of their Affiliates, on the one hand, and Buyer or any of its Affiliates, on the other hand or (iv) any information, guidance or advice received by the Company and its Affiliates related to the transactions contemplated by this Agreement. Notwithstanding anything in this Section 5.02 to the contrary, Seller shall not be required to grant Buyer access to its Tax Returns for any reason.

(b) All requests for access or information by or on behalf of Buyer shall be submitted to Stifel, Nicolaus & Co. or such other person(s) as Seller may designate in writing, and none of Buyer or any of its Affiliates or representatives shall communicate with any other employees or officers of Seller without the prior written consent of Seller. For the avoidance of doubt, and notwithstanding anything contained herein to the contrary, Buyer shall not have access to personnel records of Seller relating to individual performance or evaluation records, medical histories or other information related to employees of Seller.

(c) At and following the Closing, Seller may retain copies of the books and records or any other materials included, in the Purchased Assets to the extent Seller determines, in its sole discretion, that Seller (i) should retain them to comply with applicable Law or (ii) may require such copies for Tax purposes.

SECTION 5.03 *Update of Disclosure Schedules*. Until the Closing Date, Seller may deliver any new schedules or supplement or amend the Disclosure Schedules with respect to any matter that, if existing, occurring or known as of the date hereof, would have been required to be set forth or described in the Disclosure Schedules. Any such supplement or amendment shall be deemed to modify the Disclosure Schedules for purposes of this Agreement except to the extent that, absent such modification(s) to the Disclosure Schedules, Seller would then be in breach of the representations, warranties, covenants or other agreements contained herein such that the condition to Closing set forth in Section 8.02(a) would not then be satisfied; provided, however, that if the matter being disclosed in such supplement or amendment relates to Buyer's License, and Buyer had knowledge of such matter as of the date of this Agreement, such supplement or amendment shall modify the Disclosure Schedules for all purposes of this Agreement.

SECTION 5.04 *Use of Name*. After the Closing, Seller shall not, and shall cause its Affiliates not to, use, authorize the use, register, or attempt to register the name "Joe's Jeans" or any confusingly similar variations thereof (including "Joe" or "Joe's") as a Trademark, Domain Name, or any other form of Intellectual Property. Notwithstanding the foregoing, Buyer agrees and acknowledges that this Section 5.04 shall not restrict Seller's (or its Affiliates') use or registration of the name "Caribbean Joe."

SECTION 5.05 *Notices of Certain Events*. Seller shall promptly (and in any event within five (5) Business Days) notify Buyer in writing (which notice shall include, to the extent reasonably practicable, any relevant details and information in Seller's possession or control) of (a) the

occurrence of any change, effect, event, circumstance, occurrence or state of facts of which it is or becomes aware, which does, or which could be reasonably be expected to, cause any condition set forth in Article 8 to fail to be satisfied or which would otherwise prevent, delay or impede the Closing, (b) any written notice or other communication from any Governmental Authority (other than the Bankruptcy Court) related to or in connection with the transactions contemplated by this Agreement and (c) the receipt of any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement. Any required to provide notice to be provided under this Section 5.05 may be fully satisfied by providing notice to counsel to Buyer at the email address for such counsel as set forth in Section 11.01.

ARTICLE 6

COVENANTS OF BUYER

SECTION 6.01 *Confidentiality*. Buyer acknowledges and agrees that at any time prior to the Closing Date and after any termination of this Agreement, the Confidentiality Agreement shall remain in full force and effect and Buyer and its Affiliates shall remain bound thereby during such periods.

SECTION 6.02 *Notices of Certain Events*. Buyer shall promptly (and in any event within five (5) Business Days) notify Seller in writing (which notice shall include, to the extent reasonably practicable, any relevant details and information in Buyer's possession or control) of (a) the occurrence of any change, effect, event, circumstance, occurrence or state of facts of which it is or becomes aware, which does, or which could be reasonably be expected to, cause any condition set forth in Article 8 to fail to be satisfied or which would otherwise prevent, delay or impede the Closing, (b) any written notice or other communication from any Governmental Authority (other than in or related to the Bankruptcy Court) related to or in connection with the transactions contemplated by this Agreement and (c) the receipt of any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement. Any requirement to provide notice under this Section 6.02 may be fully satisfied by provided notice to counsel to Seller at the email address for such counsel as set forth in Section 11.01.

SECTION 6.03 *Preservation of Books and Records*. After the Closing Date, Buyer shall provide to Seller and its Affiliates and representatives (without charge to Seller other than the costs of copying, if any) reasonable access to, including the right to make copies of, all books and records included in and otherwise related to the Purchased Assets, to the extent necessary to permit Seller to determine any matter relating to their respective rights and obligations hereunder or to any period ending on or before the Closing Date (for example, for purposes of any Tax or accounting audit or any claim or litigation matter) or otherwise related to the Excluded Assets, for periods prior to the Closing and shall preserve such books and records until the latest of (a) such period as shall be consistent with Buyer's records retention policy in effect from time to time, (b) the retention period required by applicable Law, (c) the conclusion of all bankruptcy proceedings relating to the Chapter 11 Cases, including the closing of the Chapter 11 Cases and (d) in the case of books and records relating to Taxes, the expiration of the statute of limitations applicable to such Taxes. Such access shall include access to any information in electronic form to the extent reasonably available. Buyer

acknowledges that Seller has the right to retain originals or copies of all of books and records included in or related to the Purchased Assets for periods prior to the Closing.

SECTION 6.04 *Insurance*. From and after the Closing, the Business, the Purchased Assets, the Assumed Liabilities, and the operations and assets and Liabilities in respect thereof, shall cease to be insured by Seller's or its Affiliates' insurance policies or by any of their self-insured programs, and neither Buyer nor its Affiliates (including their respective businesses) shall have any access, right, title or interest to or in any such insurance policies (including to all claims and rights to make claims and all rights to proceeds) to cover the business of Seller (as acquired and operated by Buyer and its Affiliates after the Closing), the Purchased Assets, the Assumed Liabilities, or the operations or assets or Liabilities in respect thereof. Prior to, on or after the Closing, Seller or its Affiliates may amend any insurance policies in the manner they deem appropriate to give effect to this Section 6.04. From and after the Closing, Buyer shall be responsible for securing all insurance it considers appropriate for the Business, the Purchased Assets, the Assumed Liabilities, and the operations and assets and Liabilities in respect thereof.

SECTION 6.05 *Communication*. On and after the date hereof and through the Closing Date, Buyer shall not (and shall not permit any of Buyer's representatives or Affiliates to) contact or communicate with the employees, licensees, customers, service providers and vendors of Seller without the prior consultation with and written approval of Seller; provided, that this Section 6.05 shall not prohibit ordinary course communications, subject to Section 6.01, that are unrelated to this Agreement or the transactions contemplated hereby.

SECTION 6.06 *Release*. Effective as of the Closing, Buyer, on its own behalf and on behalf of its direct and indirect Affiliates, hereby absolutely, irrevocably and unconditionally releases and forever discharges Seller and its direct and indirect Affiliates from, and agrees not to assert any cause of action or proceeding with respect to, any losses or Liabilities whatsoever, of any kind or nature, whether at law or in equity, which have been or could have been asserted against Seller or its Affiliates, which Buyer or its Affiliates has or ever had, which arises out of or in any way relates to events, circumstances or actions occurring, existing or taken prior to or as of the Closing Date in respect of Buyer's License; provided, that the foregoing release shall not cover any losses or Liabilities arising out of or related to this Agreement or the Transaction Documents.

SECTION 6.07 *Buyer's Knowledge*. Notwithstanding anything herein to the contrary, Buyer acknowledges and agrees that, in the event that Buyer has entered into this Agreement with any knowledge by Buyer or any Affiliate of Buyer of any breach by Seller of any representation, warranty or covenant in this Agreement relating to Buyer's License, Buyer shall not have any claim or recourse against Seller or any of its Affiliates with respect to such breach under this Agreement, including under Article 8 and Article 10.

ARTICLE 7

COVENANTS OF BUYER AND SELLER

SECTION 7.01 *Further Assurances*.

(a) At and after the Closing, and without further consideration therefor, Seller and Buyer shall execute and deliver such further instruments and certificates (including deeds, bills of sale, instruments of conveyance, powers of attorney, assignments, assumptions and assurances) and use commercially reasonable efforts to take, or cause to be taken, all actions, and do or cause to be done all things as may be reasonably necessary, to effectuate the purposes and intent of and consummate the transactions contemplated by this Agreement and the other Transaction Documents. Without limiting the foregoing, as reasonably requested by Buyer and at Buyer's sole cost and expense, Seller shall use commercially reasonable efforts to take all actions and execute all required paperwork as reasonably required to assign, transfer, and convey all Purchased Assets, including, but not limited to, all Purchased Intellectual Property, to Buyer as of the Closing. Subject to Section 2.05(c), to the extent that any Purchased Intellectual Property has not been assigned, transferred or otherwise conveyed to Buyer as of the Closing, at Buyer's sole cost and expense, Seller shall use its commercially reasonable efforts to execute and deliver such instruments and take such action as Seller and Buyer mutually reasonably determine is necessary to transfer, convey, and assign such assets to Buyer and to confirm Buyer's title to or interest in the Purchased Intellectual Property, to confirm Buyer's ownership over the Purchased Intellectual Property, and put Buyer in actual possession and control thereof and to assist Buyer in exercising all rights with respect thereto.

(b) The Parties agree to (and shall cause each of their respective Affiliates to) provide each other with such information and assistance as is reasonably necessary for the preparation of any Tax Returns or for the defense of any Tax claim or assessment, whether in connection with an audit or otherwise, including the furnishing or making available on a timely basis of records, personnel (as reasonably required), books of account, or other necessary materials.

SECTION 7.02 *Certain Filings*. Seller and Buyer shall use their commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary under applicable Law to consummate and make effective the transactions contemplated by this Agreement, including furnishing all information required by applicable Law in connection with approvals of or filings with any Governmental Authority, and filing, or causing to be filed, as promptly as practicable, any required notification and report forms under other applicable competition Laws with the applicable Governmental Authority.

SECTION 7.03 *Public Announcements*. On and after the date hereof and through the Closing Date, the Parties shall consult with each other before issuing any press release or otherwise making any public statements with respect to this Agreement or the transactions contemplated hereby, and neither Party shall issue any press release or make any public statement prior to obtaining, with respect to Seller, Buyer's, and with respect to Buyer, Seller's, prior written consent (which consent, in each case, shall not be unreasonably withheld, conditioned or delayed); provided, however, that that no such prior consultation or consent shall be required for disclosure by either Party (a) to its current, former or prospective lenders and their respective representatives,

provided that the recipient of such information is subject to a customary confidentiality obligation, (b) in earnings releases or earnings calls or as otherwise advised by accountants, or (c) as required by applicable Law or applicable securities exchange rules.

SECTION 7.04 *Tax Matters*.

(a) Allocation of Straddle Period Taxes.

(i) For purposes of this Agreement, in order to apportion appropriately any Taxes relating to a taxable period beginning before and ending after the day immediately prior to the Closing Date (a "**Straddle Period**"), the amount of Taxes that are allocable to the portion of the Straddle Period ending on and including the day immediately prior to the Closing Date shall be:

(A) in the case of Taxes imposed on a periodic basis with respect to the business or assets of a Seller (such as ad valorem and property Taxes) and exemptions, allowances or deductions that are calculated on an annual basis, such as depreciation, the amount of such Taxes, exemptions, allowances or deductions for the entire Straddle Period multiplied by a fraction, the numerator of which is the number of calendar days in the portion of the Straddle Period ending on and including the Closing Date, and the denominator of which is the number of calendar days in the entire Straddle Period (provided that any Tax exemption or allowance with respect to an annual period shall be pro-rated on an equal daily basis between the pre-Closing Tax period and the remainder of the Straddle Period); and

(B) in the case of all other Taxes, determined on a "closing of the books basis" as if the taxable period ended on the Closing Date.

(b) Tax Cooperation. The Parties shall furnish or cause to be furnished to each other, upon request, and at the sole cost of the requesting Party, as promptly as practicable, such information and assistance relating to the Purchased Assets as is reasonably necessary for the filing of Tax Returns and the preparation for, or the prosecution or defense of, any audit, claim, demand, proposed adjustment or deficiency relating to Taxes, and any other matter or proceeding relating to Taxes.

(c) Transfer Taxes. To the extent Seller is required by applicable Law to pay Transfer Taxes, Buyer shall reimburse Seller the amount of such Transfer Taxes at least five Business Days prior to the applicable due date for such Transfer Taxes, and Seller shall provide timely payment thereof (if any payment is due) to the applicable Governmental Authority and promptly provide a copy of such Tax Return to Buyer. Further, each Party hereto agrees to timely sign and deliver (or to cause to be timely signed and delivered) such certificates or forms as may be necessary or appropriate and otherwise to cooperate to establish any available exemption from (or otherwise reduce) such Transfer Taxes. Closing. The Parties hereto shall cooperate in good faith to establish any available exemption from (or reduction of) any Transfer Taxes.

SECTION 7.05 *Misallocated Assets*. If, following the Closing, Buyer or its Affiliates own or hold any Excluded Asset, Buyer shall transfer, or shall cause its Affiliate to transfer, at no cost to Seller, such Excluded Asset as soon as practicable to Seller. If, following the Closing, Seller

or any of its Affiliates owns any Purchased Asset, Seller shall transfer, or shall cause their respective Affiliates to transfer, such Purchased Asset as soon as practicable to Buyer or an Affiliate designated by Buyer.

SECTION 7.06 *Pre-Closing Accounts Receivables; Payments after Closing*.

(a) The Parties hereby acknowledge and agree that, during the period commencing on the date hereof and ending on the day immediately prior to the Closing Date, in the event that Seller receives any payment from a third party (other than Buyer or any of its Affiliates) that constitutes an account receivable or other receivable of the Business (each, a "Pre-Closing A/R Payment"), such Pre-Closing A/R Payment will be credited to Buyer's account (and shall reduce the Cash Consideration payable by Buyer at the Closing on a dollar for dollar basis), until the aggregate amount of the Pre-Closing A/R Payments is equal to $268,598 (the "Pre-Closing A/R Threshold"). At the Closing, solely to the extent that the aggregate amount of the Pre-Closing A/R Payments is less than the Pre-Closing A/R Threshold (such shortfall amount, the "A/R Shortfall Amount"), the Parties hereby agree that the Purchase Price shall be reduced by the A/R Shortfall Amount.

(b) In the event that Seller receives any payment from a third party (other than Buyer or any of its Affiliates) after the Closing Date pursuant to any of the Assumed Contracts (or with respect to the operation by Buyer of the Business or any Purchased Asset after the Closing) and to the extent such payment is not made in connection with an Excluded Asset or an Excluded Liability, Seller shall forward such payment, as promptly as practicable but in any event within thirty (30) days after such receipt, to Buyer (or other entity nominated by Buyer in writing to Seller) and notify such third party to remit all future payments (in each case, to the extent such payment is in respect of any post-Closing period with respect to the Business and is not in respect of an Excluded Asset or an Excluded Liability) pursuant to the Assumed Contracts to Buyer (or such other entity). Notwithstanding anything to the contrary in this Agreement, in the event that Buyer or any of its Affiliates receives any payment from a third party after the Closing on account of, or in connection with, any Excluded Asset (which includes, for the avoidance of doubt, any accounts receivables and other receivables of the Business with respect to any pre-Closing period), Buyer shall forward such payment, as promptly as practicable but in any event within thirty (30) days after such receipt, to the Company (or other entity nominated by the Company in writing to Buyer) and notify such third party to remit all future payments on account of or in connection with the Excluded Assets to the Company (or such other entity as the Company may designate).

(c) For the avoidance of doubt, following the Closing, any fees, payments or other amounts payable to the Seller by the Buyer in its capacity as licensee under Buyer's License that relate to the provision of any license thereunder prior to the Closing and that remain unpaid as of the Closing shall be paid by Buyer to the Seller as promptly as practicable.

SECTION 7.07 *Bulk Transfer Laws*. The Parties intend that pursuant to section 363(f) of the Bankruptcy Code, the transfer of the Purchased Assets shall be free and clear of any security interests in the Purchased Assets, including any liens or claims arising out of the bulk transfer Laws, and the Parties shall take such steps as may be necessary or appropriate to so provide in the Sale Order. In furtherance of the foregoing, each Party hereby waives compliance by the other Parties

with the "bulk sales," "bulk transfers" or similar Laws and all other similar Laws in all applicable jurisdictions in respect of the transactions contemplated by this Agreement.

SECTION 7.08 *Bankruptcy Court Approval*.

(a) The Debtors shall file the Bid Procedures Motion with the Bankruptcy Court no later than two (2) Business Days after the commencement of the Chapter 11 Cases (the "**Petition Date**").

(b) The Parties shall use their respective commercially reasonable efforts to have (i) the Bankruptcy Court enter the Bid Procedures Order as promptly as practicable after the filing of the Bid Procedures Motion and (ii) the Bankruptcy Court enter the Sale Order as promptly as practicable after the completion of the Auction but, in any event, in each case in compliance with the Milestones. Debtors and Buyer shall cooperate in good faith to obtain the Bankruptcy Court's entry of the Bid Procedures Order, the Sale Order, and any other Order reasonably necessary in connection with the transactions contemplated by this Agreement, including furnishing affidavits, nonconfidential financial information, or other documents or information for filing with the Bankruptcy Court and making such advisors of Debtors and Buyer and their respective Affiliates available to testify before the Bankruptcy Court for the purposes of, among other things, providing adequate assurances of performance by Buyer as required under Section 365 of the Bankruptcy Code, and demonstrating that Buyer is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code. Buyer agrees that it will promptly take such actions as are reasonably requested by Seller to assist in obtaining entry of the Bid Procedures Order, the Sale Order, and any other Order reasonably necessary, consistent with the above.

(c) The Debtors shall give notice under the Bankruptcy Code and the Bankruptcy Rules of the request for the relief specified in the Bid Procedures and Sale Motion to all Persons entitled to such notice, including all Persons that have asserted Encumbrances on the Purchased Assets and all non-debtor parties to the Assumed Contracts, and other appropriate notice as required by the Bankruptcy Rules and the local rules of the Bankruptcy Court, including such additional notice as the Bankruptcy Court shall direct or as Buyer may reasonably request, and provide appropriate opportunity for hearing, to all parties entitled thereto, of all motions, orders, hearings or other proceedings in the Bankruptcy Court relating to this Agreement or the transactions contemplated hereby. Debtors shall be responsible for making all appropriate filings relating to this Agreement with the Bankruptcy Court, and shall use commercially reasonable efforts to submit such filings to Buyer no less than two Business Days prior to their filing with the Bankruptcy Court for Buyer's prior review and comment, which comments the Debtors shall consider and attempt to incorporate in good faith, in consultation with Buyer.

(d) In the event the entry of the Bid Procedures Order, the Sale Order or any other Orders of the Bankruptcy Court relating to this Agreement or the transactions contemplated hereby shall be appealed by any Person (or if any petition for certiorari or motion for reconsideration, amendment, clarification, modification, vacation, stay, rehearing or reargument shall be filed with respect to the Bid Procedures Order, the Sale Order or other such Order), Debtors shall use commercially reasonable efforts to defend such appeal.

(e) The Debtors and Buyer acknowledge that this Agreement and the transactions contemplated hereby are subject to (i) entry of, as applicable, the Bid Procedures Order and the Sale Order and (ii) the consideration by the Debtors and Seller of higher or better competing bids (whether through any and all types of consideration, including, without limitation, cash, assumed liabilities or credit bid) in respect of a sale, reorganization, or other disposition of the Debtors or Seller, the Business or the Purchased Assets. In the event of any discrepancy between this Agreement and the Bid Procedures Order and the Sale Order, the Bid Procedures Order and the Sale Order shall govern; provided, however, that nothing in this Section 7.08(e) shall limit the rights of Buyer hereunder in the event that any Bid Procedures Order or any Sale Order does not comply with the terms of this Agreement.

(f) During the period commencing on the date hereof and ending on the earlier of (i) the date of entry of the Bid Procedures Order or (ii) the date this Agreement is terminated as provided in Article 10, Seller will not, nor will it permit any of its Affiliates or anyone acting on behalf of any of them to, solicit, negotiate or enter into any discussions or negotiations with any Person (other than Buyer or its representatives) in connection with any Alternative Transaction; provided that Seller shall be permitted to furnish or cause to be furnished to any Person any information concerning the Purchased Assets or the Business. Seller shall, immediately upon the execution of this Agreement, cease any and all ongoing discussions with any other potential purchaser of all or any portion of the Purchased Assets and/or the Business and shall cause its representatives and Affiliates and their respective representatives to do the same. Notwithstanding anything to the contrary herein, from the date of entry of the Bid Procedures Order and until the transactions contemplated hereby are consummated, Buyer agrees and acknowledges that Seller, Debtors and their Affiliates, including through their representatives, are and may continue soliciting and/or responding to inquiries, proposals or offers from third parties in connection with any Alternative Transaction, including, without limitation, inquiries, proposals or offers related to the Purchased Assets, and may facilitate (and perform any and all other acts related thereto), including, without limitation, furnishing any information (subject to entering into a customary confidentiality agreement) with respect to, any effort or attempt by any Person to seek to do any of the foregoing in connection with an Alternative Transaction. Seller shall promptly notify Buyer of receipt by Debtors or any of their representatives of any such inquiries, proposals or offers; provided that, as to any inquiries, proposals or offers received prior to entry of the Bid Procedures Order, Seller shall provide Buyer with a copy of any such inquiries, proposals or offers within two (2) Business Days of receipt by the Debtors or their representatives.

(g) The Sale Order shall, among other things, (i) approve, pursuant to sections 105, 363, and 365 of the Bankruptcy Code, (A) the execution, delivery and performance by Seller of this Agreement, (B) the sale of the Purchased Assets to Buyer on the terms set forth herein and free and clear of all Encumbrances (other than Encumbrances included in the Assumed Liabilities and Permitted Encumbrances), and (C) the performance by Debtors of their respective obligations under this Agreement; (ii) authorize and empower Seller to assume and assign to Buyer the Assumed Contracts; (iii) find that Buyer is a "good faith" buyer within the meaning of section 363(m) of the Bankruptcy Code, find that Buyer is not a successor to any Seller, and grant Buyer the protections of section 363(m) of the Bankruptcy Code; (iv) find that Buyer shall have no Liability or responsibility for any Liability or other obligation of Seller arising under or related to the Purchased Assets other than as expressly set forth in this Agreement, including successor or vicarious Liabilities of any kind or character, including any theory of antitrust, successor, or

transferee Liability, labor law, de facto merger, or substantial continuity; (v) find that Buyer has provided adequate assurance (as that term is used in section 365 of the Bankruptcy Code) of future performance in connection with the assumption of the Assumed Contracts; and (vi) find that Buyer shall have no Liability for any Excluded Liability.

(h) Debtors shall comply with the Milestones.

(i) If an Auction is conducted, and Buyer is not the Successful Bidder at the Auction but is the next highest bidder after the Successful Bidder at the Auction, Buyer shall serve as a Backup Bidder and keep its bid to consummate the transactions contemplated by this Agreement on the terms and conditions set forth in this Agreement (as the same may be improved upon in the Auction) open and irrevocable, notwithstanding any right of Buyer to otherwise terminate this Agreement pursuant to Article 10 hereof, until the earlier of (i) the Backup Bid Expiration Date (as defined in the Bid Procedures) or (ii) the first Business Day after the closing of a transaction with a Successful Bidder for the Purchased Assets that is not Buyer; provided, however, that if prior to the Backup Bid Expiration Date, a Successful Bidder for the Purchased Assets that is not Buyer fails to consummate its transaction as a result of a breach or failure to perform on the part of such Successful Bidder, or because a condition in such Successful Bidder's purchase agreement cannot otherwise be met, and the purchase agreement with such Successful Bidder is terminated, Buyer (as the Backup Bidder) will be deemed to have the new prevailing bid, and Seller will be authorized, without further order of the Bankruptcy Court, to, and Buyer (as the Backup Bidder) shall, subject to the terms and conditions of this Agreement, consummate the transactions contemplated by this Agreement by the later of (x) ten (10) days of becoming the Successful Bidder and (ii) the Backup Bid Expiration Date, on the terms and conditions set forth in this Agreement (as the same may be improved upon in the Auction).

SECTION 7.09 *Bidding Protections.*

(a) If this Agreement is terminated by Buyer or Seller pursuant to (i) Section 10.01(c), (ii) Section 10.01(i), or (iii) Section 10.01(k), then, in each case, Seller shall (or shall cause the Debtors to), without the requirement of any notice or demand by Buyer, pay to Buyer the Break-Up Fee, such payment to be made upon the earlier of (x) the consummation of an Alternative Transaction, (y) the consummation of a sale to the "Successful Bidder" or "Next Highest Bidder" at the Auction or (z) the date that is forty-five (45) days following such termination, in immediately available funds to one or more bank accounts of Buyer (or any of its Affiliates) designated in writing by Buyer to Seller.

(b) If this Agreement is terminated by Buyer or Seller pursuant to (i) Section 10.01(c), (ii) Section 10.01(e), (iii) Section 10.01(i), (iv) Section 10.01(j) or (v) Section 10.01(k), then, in each case, Seller shall (or shall cause the Debtors to), without the requirement of any notice or demand by Buyer, pay to Buyer the Expense Reimbursement, such payment to be made upon the earlier of (x) the consummation of an Alternative Transaction, (y) the consummation of a sale to the "Successful Bidder" or "Next Highest Bidder" at the Auction or (z) the date that is forty-five (45) days following such termination by wire transfer(s) in immediately available funds to one or more bank accounts of Buyer (or any of its Affiliates) designated in writing by Buyer to Seller.

(c) The Parties acknowledge and agree that (i) the Parties have expressly negotiated the provisions of this Section 7.09 and the payment of the Break-Up Fee and the Expense Reimbursement are integral parts of this Agreement, (ii) in the absence of Seller's obligations to make these payments, Buyer would not have entered into this Agreement, and (iii) subject to approval by the Bankruptcy Court, the Break-Up Fee and the Expense Reimbursement shall constitute allowed superpriority Administrative Expense Claims pursuant to sections 105(a), 503(b), and 507(a)(2) of the Bankruptcy Code with priority over all other administrative expenses of the kind specified in section 503(b) of the Bankruptcy Code. Seller shall seek the approval of the Break-Up Fee and the Expense Reimbursement as set forth in this Section 7.09 and this Agreement in the Bid Procedures Order. Buyer acknowledges and agrees that in the event the Break-Up Fee becomes payable, the right to receive the Break-Up Fee and the Expense Reimbursement and the return of the Good Faith Deposit shall be the sole and exclusive remedy of Buyer against Debtors, Seller, and any of their respective Affiliates for any liability, damage or other loss resulting from, the termination of this Agreement, breach of any representation, warranty covenant or agreement contained herein or the failure of the transactions contemplated hereby to be consummated, and none of Buyer nor any of its Affiliates shall have any other remedy or cause of action under or relating to this Agreement or any applicable Law. Notwithstanding the foregoing, nothing set forth herein shall limit or restrict Buyer's rights to pursue a grant of specific performance pursuant to Section 11.08 prior to any termination of this Agreement by Buyer.

SECTION 7.10 *Buyer's License*. The Parties hereby acknowledge and agree that notwithstanding any provision of Buyer's License to the contrary, Buyer's License will continue in full force and effect as of the commencement of the Chapter 11 Cases, be an Assumed Contract hereunder and shall be assigned to Buyer as an Assumed Contract hereunder upon the Closing, subject to the terms and conditions of this Agreement; provided, that to the extent this Agreement is terminated in accordance with Article 10 hereof, the Parties' rights with respect to the impact of the commencement of the Chapter 11 Cases on Buyer's License as of the date of termination of this Agreement are reserved, and nothing in this Agreement shall be considered a waiver of any rights, claims, arguments and defenses with respect thereto.

ARTICLE 8

CONDITIONS TO CLOSING

SECTION 8.01 *Conditions to Obligations of Buyer and Seller*. The obligations of each of Buyer and Seller to consummate the Closing are subject to the satisfaction or valid waiver at or prior to the Closing of the following conditions:

(a) no provision of any applicable Law and no judgment, injunction or Order shall then be in effect prohibiting or making illegal the consummation of the Closing;

(b) the Bankruptcy Court shall have entered the Bid Procedures Order and the Bid Procedures Order shall be a Final Order; and

(c) the Bankruptcy Court shall have entered the Sale Order in form and substance reasonably acceptable to Buyer and Seller and the Sale Order shall be a Final Order.

SECTION 8.02 *Conditions to Obligation of Buyer*. The obligation of Buyer to consummate the Closing is subject to the satisfaction (or valid waiver) at or prior to the Closing of the following further conditions:

(a) (i) each of the representations and warranties of Seller contained in Section 3.01, Section 3.02, Section 3.03, and Section 3.07 shall be true and correct in all respects (except for any failure to be so true and correct that is de minimis in nature) on and as of the date hereof and on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date (provided that representations and warranties which speak to a specified date shall speak only as of such date) and (ii) each other representation and warranty of Seller contained in Article 3 shall be true and correct on and as of the date hereof and as of Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date (provided that representations and warranties which speak to a specified date shall speak only as of such date) except where the failure to be so true and correct (without giving effect to any limitation or qualification as to "materiality" (including the word "material") or "Material Adverse Effect" or other similar term set forth therein) would not, individually or in the aggregate, have a Material Adverse Effect and Buyer shall have received a certificate of the Company certifying as to the matters set forth in this Section 8.02(a) signed by a duly authorized representative of the Company;

(b) the material covenants and agreements that Seller are required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been performed and complied with in all material respects and Buyer shall have received a certificate of the Company to such effect signed by a duly authorized representative of the Company; and

(c) From the date hereof, there shall not have occurred any Material Adverse Effect.

SECTION 8.03 *Conditions to Obligation of Seller*. The obligation of Seller to consummate the Closing is subject to the satisfaction (or valid waiver) at or prior to the Closing of the following further conditions:

(a) the representations and warranties of Buyer contained in Article 4 shall be true and correct on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date (provided that representations and warranties which speak to a specified date shall speak only as of such date) except where the failure to be so true and correct (without giving effect to any limitation or qualification as to "materiality" (including the word "material") or similar term set forth therein) would not, individually or in the aggregate, prevent, materially impede or delay the consummation of the Closing in accordance with its terms and Seller shall have received a certificate of Buyer to such effect signed by a duly authorized officer of Buyer; and

(b) the material covenants and agreements that Buyer is required to perform or to comply with pursuant to this Agreement at or prior to the Closing shall have been performed and complied with in all material respects and Seller shall have received a certificate of Buyer to such effect signed by a duly authorized officer of Buyer.

ARTICLE 9

SURVIVAL

SECTION 9.01 *Survival*. The Parties, intending to modify any applicable statute of limitations, agree that (a) (i) the representations and warranties in this Agreement and in any certificate delivered pursuant hereto and (ii) the covenants in this Agreement only requiring performance prior to the Closing shall, in each case, terminate and be of no further force and effect effective as of the Closing and shall not survive the Closing for any purpose, and thereafter there shall be no Liability on the part of, nor shall any claim be made by or on behalf of, any Party or any Party's Affiliates in respect thereof and (b) the covenants in this Agreement that contemplate performance at or after the Closing or expressly by their terms survive the Closing shall survive the Closing in accordance with their respective terms (the "**Surviving Post-Closing Covenants**"). Except with respect to the Surviving Post-Closing Covenants, no other remedy shall be asserted or sought by Buyer, and Buyer shall cause its Affiliates not to assert or seek any other remedy, against Seller or any of its Affiliates under any contract, misrepresentation, tort, strict liability, or statutory or regulatory Law or theory or otherwise, all such remedies being hereby knowingly and expressly waived and relinquished to the fullest extent permitted under applicable law.

ARTICLE 10

TERMINATION

SECTION 10.01 *Grounds for Termination*. This Agreement may be terminated at any time prior to the Closing:

(a) by mutual written agreement of Seller and Buyer;

(b) by either Seller or Buyer, if the Closing shall not have been consummated on or before November 30, 2021 (the "**End Date**"); provided, however, that the right to terminate this Agreement pursuant to this Section 10.01(b) shall not be available to a Party whose breach of any of its representations, warranties, covenants or agreements contained herein has been the primary cause of the failure of the Closing to occur on or before the End Date;

(c) by either Seller or Buyer, if at the end of the Auction for the Purchased Assets (if any), Buyer is not determined by the Debtors to be either the "Successful Bidder" or "Next-Highest Bidder" (each as defined in the Bid Procedures Order);

(d) by Seller, if Seller is not then in material breach of its obligations under this Agreement and Buyer breaches or fails to perform any of its representations, warranties, covenants or agreements contained in this Agreement and such breach or failure to perform (i) would prevent the satisfaction of a condition set forth in Section 8.01 or Section 8.03, (ii) cannot be, or has not been, cured within ten (10) Business Days following delivery of written notice to Buyer of such breach or failure to perform and (iii) has not been waived by Seller;

(e) by Buyer, if Buyer is not then in material breach of its obligations under this Agreement and Seller breaches or fails to perform any of its representations, warranties, covenants or agreements contained in this Agreement and such breach or failure to perform (i) would prevent

the satisfaction of a condition set forth in Section 8.01 or Section 8.02, (ii) cannot be, or has not been, cured within ten (10) Business Days following delivery of written notice to the Company of such breach or failure to perform and (iii) has not been waived by Buyer;

(f) by either Seller or Buyer upon the conversion of any of Seller's Chapter 11 Cases to cases under Chapter 7 of the Bankruptcy Code, the dismissal of any of Seller's Chapter 11 Cases, or if a trustee or examiner with expanded powers to operate or manage the financial affairs of Seller is appointed;

(g) by either Seller or Buyer, if the Bankruptcy Court enters a final, non-appealable order that precludes the consummation of the transactions contemplated hereby on the terms and conditions set forth in this Agreement;

(h) by either Seller or Buyer, if any court of competent jurisdiction or other competent Governmental Authority shall have enacted or issued a Law or decree or taken any other action permanently restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated by this Agreement and such Law or decree or other action shall have become final and non-appealable; provided, however, that the right to terminate this Agreement under this Section 10.01(h) shall not be available to a Party if the failure to consummate the Closing because of such action by a Governmental Authority shall be due to the failure of such Party to have fulfilled, in any material respect, any of its obligations under this Agreement;

(i) by either Seller or Buyer, if the Bankruptcy Court enters an order approving an Alternative Transaction with one or more Persons other than Buyer;

(j) by Buyer, if any of the Milestones are not met; or

(k) by Seller, if Seller or its board of directors (or similar governing body), based on the advice of counsel, determines that proceeding with the transactions contemplated by this Agreement or failing to terminate this Agreement would be inconsistent with its or such Person's or body's fiduciary duties or applicable law.

The Party desiring to terminate this Agreement pursuant to this Section 10.01 (other than pursuant to Section 10.01(a)) shall give written notice of such termination to the other Party in accordance with Section 11.01.

SECTION 10.02 *Effect of Termination*.

(a) If this Agreement is terminated as permitted by Section 10.01, (i) this Agreement shall become null and void and of no further force and except, except for the provisions of Sections 2.09, 6.01, 7.09, 10.03, Article 11 and this Section 10.02, which shall survive such termination of this Agreement and (ii) no Party (nor any stockholder, director, officer, employee, agent, consultant or representative of any such Party) shall thereafter have any Liability hereunder; provided, nothing in this Section 10.02 shall be deemed to release any Party from any Liability (x) for any breach of any covenants contained in this Agreement occurring prior to its termination and

(y) that may otherwise be provided in, or contemplated by, the provisions of Section 2.09 or 10.02(b).

(b) If this Agreement is terminated pursuant to Section 10.01(d), the Good Faith Deposit (together with any interest accrued thereon) shall be retained by Debtors for their own account as damages, and the Parties acknowledge and agree that such payment of the Good Faith Deposit to Debtors shall constitute liquidated damages (and not a penalty) and shall be the sole and exclusive remedy of Seller and any other Person against Buyer and its Affiliates arising under this Agreement in connection with any such termination, and upon payment of the Good Faith Deposit to the Debtors, neither seller nor any other Person shall be entitled to bring or maintain any other Action against Buyer or any of its Affiliates and neither Buyer nor any of its Affiliates shall have any further liability or obligation to Seller arising out of this Agreement, the transactions contemplated by this Agreement or any matters forming the basis of such termination. The Parties acknowledge and agree that (i) the agreements contained in this Section 10.01(b) are an integral part of this Agreement and the transactions contemplated hereby and (ii) in light of the difficulty of accurately determining actual damages with respect to the foregoing, the right to any such receipt of the Good Faith Deposit constitutes a reasonable estimate of the damages that will compensate Seller in the circumstances in which such fee is payable for the efforts and resources expended and the opportunities forgone while negotiating this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated hereby. If this Agreement is terminated pursuant to any provision of Section 10.01 (other than Section 10.01(d)), Debtors shall promptly (but in any event within two (2) Business Days of such termination) return the Good Faith Deposit (together with any interest accrued thereon) to Buyer by wire transfer of immediately available funds.

SECTION 10.03 *Costs and Expenses*. Except as otherwise expressly provided in this Agreement, including as set forth in Section 10.02(b) whether or not the transactions contemplated by this Agreement are consummated, all costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense; provided, however, that all Cure Costs shall be paid by Buyer.

ARTICLE 11

MISCELLANEOUS

SECTION 11.01 *Notices*. All notices, requests and other communications to any Party hereunder shall be in writing and shall be delivered to the addresses set forth below (or pursuant to such other address(es) as may be designated in writing by the Party to receive such notice):

if to Buyer:

Centric Brands LLC
350 Fifth Avenue
New York, NY 10118
Attention: Lori Nembirkow, General Counsel
Email: LNembirkow@centricbrands.com

with a copy, which shall not constitute notice, to:

Akin Gump Strauss Hauer & Feld LLP
One Bryant Park
New York, NY 10036
Attention: Daniel I. Fisher and Brad Kahn
Email: dfisher@akingump.com
bkahn@akingump.com

if to Seller, to:

Sequential Brands Group, Inc.
1407 Broadway
38th Floor
New York, NY 10018
Attention: Eric Gul
Email: EGul@sbg-ny.com

with a copy, which shall not constitute notice, to:

Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166
Attention: Joshua Brody, Lilit Voskanyan, Jason Zachary Goldstein
Email: jbrody@gibsondunn.com
lvoskanyan@gibsondunn.com
jgoldstein@gibsondunn.com

All such notices, requests and other communications shall be deemed received (a) if delivered prior to 5:00 p.m. New York time on a day which is a Business Day, then on such date of delivery if delivered personally, or, if by e-mail, upon written confirmation of delivery by e-mail (which may be electronic), and if delivered after 5:00 p.m. New York time (whether personally or by email) then on the next succeeding Business Day, (b) on the first (1st) Business Day following the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier or (c) on the earlier of confirmed receipt or the fifth (5th) Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid.

SECTION 11.02 *Amendments and Waivers*.

(a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by each of Buyer and Seller.

(b) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

SECTION 11.03 *Successors and Assigns*. The provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Buyer, on the one hand, may not assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of Seller, and Seller, on the other hand, may not assign, delegate or otherwise transfer any of their respective rights or obligations under this Agreement without the prior written consent of Buyer; provided, however, that Buyer may assign any or all of its rights and obligations under this Agreement (including the right to receive the Purchased Assets) to one or more subsidiaries of Buyer, in each case, without the prior written consent of Seller; provided, further, that no such assignment will relieve Buyer of its obligations hereunder. Any attempted assignment in violation of this Section 11.03 shall be null and void, *ab initio*.

SECTION 11.04 *Governing Law*. This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware, without regard to the conflicts of law rules of such State.

SECTION 11.05 *Jurisdiction*. Without limiting any Party's right to appeal any order of the Bankruptcy Court, (i) the Bankruptcy Court will retain exclusive jurisdiction to enforce the terms of this Agreement and to decide any claims or disputes which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, or the transactions contemplated hereby, and (ii) any and all proceedings related to the foregoing will be filed and maintained only in the Bankruptcy Court, and the Parties hereby consent to and submit to the jurisdiction and venue of the Bankruptcy Court for such purposes and will receive notices at such locations as indicated in Section 11.01; provided, however, that if the Chapter 11 Cases have been closed pursuant to Section 350 of the Bankruptcy Code, the Parties agree to unconditionally and irrevocably submit to the exclusive jurisdiction of the United States District Court for the Southern District of New York, or in the event (but only in the event) that such court does not have subject matter jurisdiction over such Action, in the Supreme Court of the State of New York, New York County, for the resolution of any such claim or dispute. The Parties hereby irrevocably waive, to the fullest extent permitted by applicable Law, any objection which they may now or hereafter have to the laying of venue of any such Action brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the Parties agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Process in any such Action may be served on any party anywhere in the world, whether within or without the jurisdiction of the Bankruptcy Court, the United States District Court for the District of New York or any state court of the State of New York. Without limiting the foregoing, each Party agrees that service of process on such Party as provided in Section 11.01 shall be deemed effective service of process on such Party.

SECTION 11.06 *WAIVER OF JURY TRIAL*. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH PARTY HEREBY WAIVES, AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, ACTION OR CAUSES OF ACTION ARISING IN WHOLE OR IN PART UNDER, RELATED TO, BASED ON OR IN CONNECTION WITH THIS AGREEMENT OR ANY ANCILLARY DOCUMENT OR THE SUBJECT MATTER HEREOF OR THEREOF, WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER SOUNDING IN

TORT OR CONTRACT OR OTHERWISE. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 11.06 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH SUCH PARTY TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

SECTION 11.07 *Counterparts; Third Party Beneficiaries*. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party shall have received a counterpart hereof signed by the other Party. Delivery of a .pdf version of one or more signatures to this Agreement shall be deemed adequate delivery for purposes of this Agreement. No provision of this Agreement is intended to confer upon any Person other than the Parties any rights, benefits, Causes of Action or remedies hereunder.

SECTION 11.08 *Specific Performance*. It is understood and agreed by the Parties that money damages (even if available) would not be a sufficient remedy for any breach of this Agreement by Seller or Buyer and as a consequence thereof, Seller and Buyer shall each be entitled to seek specific performance and injunctive or other equitable relief as a remedy for any such breach or threatened breach in addition to any other remedy to which such Party may be entitled in Law or in equity, including an Order of the Bankruptcy Court or other court of competent jurisdiction requiring Buyer or Seller, as may be applicable, to comply promptly with any of their obligations hereunder. Each of the Parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that the other Party has an adequate remedy at Law or that any award of specific performance is not an appropriate remedy for any reason at Law or in equity. Any Party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with such Order.

SECTION 11.09 *Entire Agreement*. This Agreement and the other Transaction Documents (together with the Schedules and Exhibits hereto and thereto), and the Confidentiality Agreement, constitutes the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, both oral and written, between the Parties with respect to such subject matter. No Party to this Agreement shall be liable or bound to any other Party in any manner by any representations, warranties, covenants or agreements relating to such subject matter except as specifically set forth herein and therein. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, the terms and provisions of the execution version of this Agreement will control and prior drafts of this Agreement and the documents referenced herein will not be considered or analyzed for any purpose (including in support of parol evidence proffered by any Person in connection with this Agreement), will be deemed not to provide any evidence as to the meaning of the provisions hereof or the intent of the Parties with respect hereto and will be deemed joint work product of the Parties.

SECTION 11.10 *No Strict Construction*. Buyer, on the one hand, and Seller, on the other hand, participated jointly in the negotiation and drafting of this Agreement, and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by Buyer, on the one hand, and Seller, on the other hand, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement. Without limitation as to the foregoing, no rule of strict construction construing

ambiguities against the draftsperson shall be applied against any Person with respect to this Agreement.

SECTION 11.11 *Severability*. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transaction contemplated hereby be consummated as originally contemplated to the fullest extent possible.

SECTION 11.12 *Disclosure Schedules*. The representations and warranties of Seller set forth in this Agreement are made and given subject to the disclosures in the Disclosure Schedules. Where a reference is made only to a particular disclosed document, the full contents of the document are deemed to be disclosed. Inclusion of information in the Disclosure Schedules will not be construed as an admission that such information is material to the business, operations of condition (financial or otherwise) of Seller or their respective businesses, in whole or in part, or as an admission of Liability or obligation of Seller to any third Person. The specific disclosures set forth in the Disclosure Schedules have been organized to correspond to section references in this Agreement to which the disclosure is most likely to relate, together with appropriate cross-references when disclosure is applicable to other sections of this Agreement; provided, however, that any disclosure in any section of the Disclosure Schedules will apply to and will be deemed to be disclosed in any other section of the Disclosure Schedules, so long as the applicability of such disclosure is reasonably apparent on its face. It is understood and agreed that the specification of any dollar amount in the representations and warranties or covenants contained in this Agreement or the inclusion of any specific item in the Disclosure Schedules is not intended to imply that such amounts or higher or lower amounts, or the items so included or other items, are or are not material, and no Party or other Person shall use the fact of the setting of such amounts or the fact of the inclusion of any such item in the Disclosure Schedules in any dispute or controversy as to whether any obligation, item or matter not described in this Agreement or included in the Disclosure Schedules is or is not material for purposes of this Agreement. Nothing in this Agreement (including the Disclosure Schedules) shall be deemed an admission by either Party or any of its Affiliates, in any Causes of Action, that such Party or any such Affiliate, or any third party, is or is not in breach or violation of, or in default in, the performance or observance of any term or provisions of any Contract or Law.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

JOE'S HOLDINGS LLC

Lorraine DiSanto

By:_____
Name: Lorraine DiSanto
Title: Chief Financial Officer

CENTRIC BRANDS LLC

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

JOE'S HOLDINGS LLC

By:_____
Name:
Title:

CENTRIC BRANDS LLC

By: _____
Name: Anurup Pruthi
Title: Chief Financial Officer

EXHIBIT A
Form of Assignment And Assumption Agreements

Exhibit A
ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made and entered into as of [●], 2021, by and between Joe's Holdings LLC, a Delaware limited liability company ("Assignor"), and Centric Brands LLC, a Delaware limited liability company ("Assignee"). Assignor and Assignee are individually referred to herein as a "Party," and collectively as the "Parties."

WHEREAS, Assignor and Assignee have entered into the Asset Purchase Agreement, dated as of August 31, 2021 (the "Purchase Agreement");

WHEREAS, capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Purchase Agreement; and

WHEREAS, the Purchase Agreement provides for, among other things, (i) Assignor's assumption of and sale, transfer, assignment, conveyance and delivery to Assignee of all of Assignor's right, title and interest in and to the Assumed Contracts, and (ii) Assignee's assumption of certain obligations relating to such Assumed Contracts, in each case on and subject to the terms and conditions of the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending legally to be bound, hereby agree as follows:

1. Assumption and Assignment. Assignor hereby assumes each of the Assumed Contracts and sells, transfers, assigns, conveys and delivers to Assignee all of its right, title and interest in and to the Assumed Contracts, free and clear of all Encumbrances (other than Permitted Encumbrances), subject to the terms and conditions of the Purchase Agreement (including Section 2.05 thereof), and Assignor hereby irrevocably delegates any and all duties, obligations, responsibilities, claims demands and other commitments in connection with the Assumed Contracts, as applicable, unto Assignee.

2. Acceptance and Assumption. Assignee hereby irrevocably (i) accepts all of Assignor's right, title and interest in and to the Assumed Contracts, free and clear of all Encumbrances (other than Permitted Encumbrances) and (ii) assumes the obligations under the Assumed Contracts and agrees to perform and be bound by all the terms, conditions and covenants of and assume the duties, liabilities and obligations of the Assignor under the Assumed Contracts, subject to the terms and conditions of the Purchase Agreement (including Section 2.05 thereof).

3. Entire Agreement. This Agreement and the Purchase Agreement reflect the entire understanding of the Parties relating to the sale, transfer, assignment, conveyance and delivery of the Assumed Contracts from Assignor to Assignee, and supersedes all prior agreements, understandings or letters of intent between or among the Parties regarding the subject matter of this Agreement and the Purchase Agreement.

4. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

5. Governing Law. This Agreement shall be interpreted, construed, governed and enforced in all respects in accordance with the Laws of the State of Delaware, without regard to the conflicts of law rules of such State.

6. Counterparts. This Agreement may be executed in multiple counterparts, and on separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument and exchanged by facsimile or e-mail, which will constitute an original and be legally binding on the Parties when one or more counterparts have been signed by each of the Parties and delivered to the other party.

7. Purchase Agreement Shall Control. Nothing in this Agreement shall change, amend, limit, extend or alter (nor shall it be deemed or construed as changing, amending, extending or altering) the terms or conditions of

the Purchase Agreement or any liability or obligation of Assignor or Assignee arising under the Purchase Agreement, which shall govern the representations, warranties and obligations of the Parties with respect to the Assumed Contracts. In the event that any of the provisions of this Agreement are determined to conflict with the terms of the Purchase Agreement, the terms of the Purchase Agreement shall control.

[Signature page follows.]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed as of the date first above written.

ASSIGNOR:
JOE'S HOLDINGS LLC

By: _____
Name:
Title:

ASSIGNEE:
CENTRIC BRANDS LLC

By: _____
Name:
Title:

EXHIBIT B
Form of Bills of Sale

Exhibit B
BILL OF SALE

This BILL OF SALE (this "Bill of Sale") is made and entered into as of [●], 2021 by and between Joe's Holdings LLC, a Delaware limited liability company ("Seller"), and Centric Brands LLC, a Delaware limited liability company ("Buyer"). Seller and Buyer are individually referred to herein as a "Party," and collectively as the "Parties."

WHEREAS, Seller and Buyer have entered into the Asset Purchase Agreement, dated as of August 31, 2021 (the "Purchase Agreement");

WHEREAS, capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Purchase Agreement; and

WHEREAS, Seller has agreed to execute and deliver this Bill of Sale to Buyer for the purpose of transferring to and vesting in Buyer title to the Purchased Assets as set forth herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Transfer of Purchased Assets. Seller does hereby sell, convey, transfer, assign, deliver and vest in Buyer, its successors and assigns forever, all of its right, title and interest in and to the Purchased Assets that are not otherwise conveyed under the Transaction Documents.

2. Power of Attorney. Seller hereby constitutes and appoints Buyer, its successors and assigns, as Seller's true and lawful attorney, with full power of substitution, in Seller's name and stead, on behalf of and for the benefit of Buyer, its successors and assigns, to demand and receive any and all of the Purchased Assets and to give receipts and releases for and in respect of the Purchased Assets, or any part thereof, and from time to time to institute and prosecute in Seller's name, at the sole expense and for the benefit of Buyer, its successors and assigns, any and all proceedings at law, in equity or otherwise, which Buyer, its successors and assigns reasonably may require for the collection or reduction to possession of any of the Purchased Assets.

3. Further Assurances. Seller covenants and agrees that, at any time and from time to time upon the request of Buyer, at Buyer's expense, Seller shall provide any further necessary documentation and do all further acts reasonably requested by Buyer to confirm and perfect title in and to the Purchased Assets conveyed hereby in Buyer, its successors and assigns.

4. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

5. Governing Law. This Agreement shall be interpreted, construed, governed and enforced in all respects in accordance with the Laws of the State of Delaware, without regard to the conflicts of law rules of such State.

6. Counterparts. This Agreement may be executed in multiple counterparts, and on separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument and exchanged by facsimile or e-mail, which will constitute an original and be legally binding on the Parties when one or more counterparts have been signed by each of the Parties and delivered to the other Party.

7. Purchase Agreement Shall Control. Nothing in this Agreement shall change, amend, limit, extend or alter (nor shall it be deemed or construed as changing, amending, extending or altering) the terms or conditions of the Purchase Agreement or any liability or obligation of Buyer or Seller arising under the Purchase Agreement, which shall govern the representations, warranties and obligations of the Parties with respect to the Purchased Assets. In the event that any of the provisions of this Agreement are determined to conflict with the terms of the Purchase Agreement, the terms of the Purchase Agreement shall control.

IN WITNESS WHEREOF, each of the Parties hereto has caused this Bill of Sale to be executed as of the date first above written.

SELLER:
JOE'S HOLDINGS LLC

By: _____
Name:
Title:

BUYER:
CENTRIC BRANDS LLC

By: _____
Name:
Title:

EXHIBIT C
Form of Assignment of Trademarks

Exhibit C
TRADEMARK ASSIGNMENT AGREEMENT

This TRADEMARK ASSIGNMENT (this "Agreement") is made and entered into as of [●], 2021 by and between Joe's Holdings LLC, a Delaware limited liability company ("Assignor"), and Centric Brands LLC, a Delaware limited liability company ("Assignee"). Assignor and Assignee are individually referred to herein as a "Party," and collectively as the "Parties."

WHEREAS, Assignor and Assignee have entered into the Asset Purchase Agreement, dated as of August 31, 2021 (the "Purchase Agreement");

WHEREAS, capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Purchase Agreement;

WHEREAS, in connection with the Purchase Agreement, and in partial consideration therefor, Assignor has agreed to transfer to Assignee, among other things, all right, title and interest of Assignor in and to the Trademarks (together with all goodwill associated therewith and symbolized thereby in each case) (collectively, the "Assigned Trademarks"); and

WHEREAS, Assignee has provided consideration to Assignor to acquire all of Assignor's right, title and interest in and to the Assigned Trademarks, and Assignor wishes to assign such right, title and interest in and to such Assigned Trademarks to Assignee.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending legally to be bound, hereby agree as follows:

1. Transfer of Assigned Trademarks. Assignor does hereby irrevocably sell, transfer, convey, assign and deliver to Assignee and its successors and assigns, and Assignee does hereby unconditionally accept, in each case subject to and to the extent agreed in the Purchase Agreement: (a) all of Assignor's right, title and interest in and to the Assigned Trademarks; (b) all royalties, fees, income, payments, and other proceeds due from and after the Closing Date with respect to any of the foregoing; (c) other rights accruing under the Assigned Trademarks or pertaining thereto for Assignee's own use and enjoyment, and for the use and enjoyment of Assignee's successors and assigns, as fully and entirely as the same would have been held and enjoyed by Assignor if this Agreement had not been made, including, all claims, causes of action and enforcement rights with respect to the Assigned Trademarks, including all rights to damages, injunctive relief and other remedies for past, current and future infringement of the Assigned Trademarks; and (d) all other rights, privileges, protections or obligations, liabilities and responsibilities of any kind whatsoever of Assignor accruing under any of the foregoing as of the Closing Date.

2. Recordation. Assignor authorizes the Commissioner for Trademarks of the United States Patent and Trademark Office and any other Government authority to record and register this Agreement upon request by Assignee.

3. Entire Agreement. This Agreement, and the Purchase Agreement, reflect the entire understanding of the Parties relating to the sale, assignment, transfer, conveyance and delivery of the Assigned Trademarks from Assignor to Assignee, and supersedes all prior agreements, understandings or letters of intent between or among the Parties regarding the subject matter of this Agreement and the Purchase Agreement.

4. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

5. Governing Law. This Agreement shall be interpreted, construed, governed and enforced in all respects in accordance with the Laws of the State of Delaware, without regard to the conflicts of law rules of such State.

6. Counterparts. This Agreement may be executed in multiple counterparts, and on separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument and exchanged by facsimile or e-mail, which will constitute an original and be legally binding on the Parties when one or more counterparts have been signed by each of the parties and delivered to the other party.

7. Purchase Agreement Shall Control. Nothing in this Agreement shall change, amend, limit, extend or alter (nor shall it be deemed or construed as changing, amending, extending or altering) the terms or conditions of the Purchase Agreement or any liability or obligation of Assignor or Assignee arising under the Purchase Agreement, which shall govern the representations, warranties and obligations of the Parties with respect to the Assigned Trademarks. In the event that any of the provisions of this Agreement are determined to conflict with the terms of the Purchase Agreement, the terms of the Purchase Agreement shall control.

[Signature page follows.]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed as of the date first above written.

ASSIGNOR:
JOE'S HOLDINGS LLC

By: _____
Name:
Title:

ASSIGNEE:
CENTRIC BRANDS LLC

By: _____
Name:
Title:

EXHIBIT D
Form of Assignment of Copyrights

Exhibit D
COPYRIGHT ASSIGNMENT AGREEMENT

This COPYRIGHT ASSIGNMENT AGREEMENT (this "Agreement") is made and entered into as of [●], 2021 by and between Joe's Holdings LLC, a Delaware limited liability company ("Assignor"), and Centric Brands LLC, a Delaware limited liability company ("Assignee"). Assignor and Assignee are individually referred to herein as a "Party," and collectively as the "Parties."

WHEREAS, Assignor and Assignee have entered into the Asset Purchase Agreement, dated as of August 31, 2021 (the "Purchase Agreement");

WHEREAS, capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Purchase Agreement;

WHEREAS, in connection with the Purchase Agreement, and in partial consideration therefor, Assignor has agreed to transfer to Assignee, among other things, all right, title and interest of Assignor in and to the Copyrights (collectively, the "Assigned Copyrights"); and

WHEREAS, Assignee has provided consideration to Assignor to acquire all of Assignor's right, title and interest in and to the Assigned Copyrights, and Assignor wishes to assign such right, title and interest in and to such Assigned Copyrights to Assignee.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending legally to be bound, hereby agree as follows:

1. Transfer of Assigned Copyrights. Assignor does hereby irrevocably sell, transfer, convey, assign and deliver to Assignee and its successors and assigns, and Assignee does hereby unconditionally accept: (a) all of Assignor's right, title and interest in and to the Assigned Copyrights; (b) all royalties, fees, income, payments, and other proceeds due from and after the Closing Date with respect to any of the foregoing; (c) other rights accruing under the Assigned Copyrights or pertaining thereto for Assignee's own use and enjoyment, and for the use and enjoyment of Assignee's successors and assigns, as fully and entirely as the same would have been held and enjoyed by Assignor if this Agreement had not been made, including, all claims, causes of action and enforcement rights with respect to the Assigned Copyrights, including all rights to damages, injunctive relief and other remedies for past, current and future infringement of the Assigned Copyrights; and (d) all other rights, privileges, protections or obligations, liabilities and responsibilities of any kind whatsoever of Assignor accruing under any of the foregoing as of the Closing Date.

2. Entire Agreement. This Agreement, and the Purchase Agreement, reflect the entire understanding of the Parties relating to the sale, assignment, transfer, conveyance and delivery of the Assigned Copyrights from Assignor to Assignee, and supersedes all prior agreements, understandings or letters of intent between or among the Parties regarding the subject matter of this Agreement and the Purchase Agreement.

3. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

4. Governing Law. This Agreement shall be interpreted, construed, governed and enforced in all respects in accordance with the Laws of the State of Delaware, without regard to the conflicts of law rules of such State.

5. Counterparts. This Agreement may be executed in multiple counterparts, and on separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument and exchanged by facsimile or e-mail, which will constitute an original and be legally binding on the Parties when one or more counterparts have been signed by each of the parties and delivered to the other party.

6. Purchase Agreement Shall Control. Nothing in this Agreement shall change, amend, limit, extend or alter (nor shall it be deemed or construed as changing, amending, extending or altering) the terms or conditions of the Purchase Agreement or any liability or obligation of Assignor or Assignee arising under the Purchase Agreement, which shall govern the representations, warranties and obligations of the Parties with respect to the Assigned Copyrights. In the event that any of the provisions of this Agreement are determined to conflict with the terms of the Purchase Agreement, the terms of the Purchase Agreement shall control.

[Signature page follows.]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed as of the date first above written.

ASSIGNOR:
JOE'S HOLDINGS LLC

By: _____
Name:
Title:

ASSIGNEE:
CENTRIC BRANDS LLC

By: _____
Name:
Title:

EXHIBIT E
Form of Assignment of Domain Names

Exhibit E
DOMAIN NAME ASSIGNMENT AGREEMENT

This DOMAIN NAME ASSIGNMENT AGREEMENT (this "Agreement") is made and entered into as of [●], 2021 by and between Joe's Holdings LLC, a Delaware limited liability company ("Assignor"), and Centric Brands LLC, a Delaware limited liability company ("Assignee"). Assignor and Assignee are individually referred to herein as a "Party," and collectively as the "Parties."

WHEREAS, Assignor and Assignee have entered into the Asset Purchase Agreement, dated as of August 31, 2021 (the "Purchase Agreement");

WHEREAS, capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Purchase Agreement;

WHEREAS, in connection with the Purchase Agreement, and in partial consideration therefor, Assignor has agreed to transfer to Assignee, among other things, all right, title and interest of Assignor in and to the Domain Names set forth on Attachment A (collectively, the "Assigned Domain Names"); and

WHEREAS, Assignee has provided consideration to Assignor to acquire all of Assignor's right, title and interest in and to the Assigned Domain Names, and Assignor wishes to assign such right, title and interest in and to such Assigned Domain Names to Assignee.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending legally to be bound, hereby agree as follows:

1. Transfer of Assigned Domain Names. Assignor does hereby irrevocably sell, transfer, convey, assign, deliver and transfer to Assignee and its successors and assigns, and Assignee does hereby unconditionally accept, in each case subject to and to the extent agreed in the Purchase Agreement: (a) all of the respective Assignor's right, title and interest throughout the world of Assignor in and to the Assigned Domain Names; (b) all royalties, fees, income, payments, and other proceeds due from and after the Closing Date with respect to any of the foregoing; (c) other rights accruing under the Assigned Domain Names or pertaining thereto for Assignee's own use and enjoyment, and for the use and enjoyment of Assignee's successors and assigns, as fully and entirely as the same would have been held and enjoyed by Assignor if this Agreement had not been made, including, all claims, causes of action and enforcement rights with respect to the Assigned Domain Names, including all rights to damages, injunctive relief and other remedies for past, current and future infringement of the Assigned Domain Names; and (d) all other rights, privileges, protections or obligations, liabilities and responsibilities of any kind whatsoever of Assignor accruing under any of the foregoing as of the Closing Date, together with the goodwill associated therewith, all in the manner described in the Purchase Agreement.

2. Proxy Service and Electronic Transfer. Assignor hereby authorizes and requests, or will cause any proxy service that registered any of the Assigned Domain Names on Assignor's behalf to authorize or request, the applicable registration authority to transfer the Assigned Domain Names from Assignor or such proxy service, as the case may be, to Assignee. Assignor agrees to cooperate with Assignee to initiate and complete the transfer process in relation to the Assigned Domain Names electronically from Assignor's account to Assignee's account and servers.

3. Entire Agreement. This Agreement, and the Purchase Agreement, reflect the entire understanding of the Parties relating to the sale, assignment, transfer, conveyance and delivery of the Assigned Domain Names from Assignor to Assignee, and supersedes all prior agreements, understandings or letters of intent between or among the Parties regarding the subject matter of this Agreement and the Purchase Agreement.

4. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

5. Governing Law. This Agreement shall be interpreted, construed, governed and enforced in all respects in accordance with the Laws of the State of Delaware, without regard to the conflicts of law rules of such State.

6. Counterparts. This Agreement may be executed in multiple counterparts, and on separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument and exchanged by facsimile or e-mail, which will constitute an original and be legally binding on the Parties when one or more counterparts have been signed by each of the parties and delivered to the other party.

7. Purchase Agreement Shall Control. Nothing in this Agreement shall change, amend, limit, extend or alter (nor shall it be deemed or construed as changing, amending, extending or altering) the terms or conditions of the Purchase Agreement or any liability or obligation of Assignor or Assignee arising under the Purchase Agreement, which shall govern the representations, warranties and obligations of the Parties with respect to the Assigned Domain Names. In the event that any of the provisions of this Agreement are determined to conflict with the terms of the Purchase Agreement, the terms of the Purchase Agreement shall control.

[Signature page follows.]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed as of the date first above written.

ASSIGNOR:
JOE'S HOLDINGS LLC

By: _____
Name:
Title:

ASSIGNEE:
CENTRIC BRANDS LLC

By: _____
Name:
Title:

Attachment A

[To be added.]

EXHIBIT F

Form of Assignment of Other Intellectual Property

Exhibit F
OTHER INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT

This OTHER INTELLECTUAL PROPERTY ASSIGNMENT (this "Agreement") is made and entered into as of [●], 2021 by and between Joe's Holdings LLC, a Delaware limited liability company ("Assignor"), and Centric Brands LLC, a Delaware limited liability company ("Assignee"). Assignor and Assignee are individually referred to herein as a "Party," and collectively as the "Parties."

WHEREAS, Assignor and Assignee have entered into the Asset Purchase Agreement, dated as of August 31, 2021 (the "Purchase Agreement");

WHEREAS, capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in the Purchase Agreement;

WHEREAS, in connection with the Purchase Agreement, and in partial consideration therefor, Assignor has agreed to transfer to Assignee, among other things, all right, title and interest of Assignor in and to the Other Intellectual Property; and

WHEREAS, Assignee has provided consideration to Assignor to acquire all of Assignor's right, title and interest in and to the Other Intellectual Property, and Assignor wishes to assign such right, title and interest in and to such Other Intellectual Property to Assignee.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending legally to be bound, hereby agree as follows:

1. Transfer of Other Intellectual Property. Assignor does hereby irrevocably sell, transfer, convey, assign and deliver to Assignee and its successors and assigns, and Assignee does hereby unconditionally accept, in each case subject to and to the extent agreed in the Purchase Agreement: (a) all of Assignor's right, title and interest in and to the Other Intellectual Property;; (b) all royalties, fees, income, payments, and other proceeds due from and after the Closing Date with respect to any of the foregoing; (c) other rights accruing under the Other Intellectual Property or pertaining thereto for Assignee's own use and enjoyment, and for the use and enjoyment of Assignee's successors and assigns, as fully and entirely as the same would have been held and enjoyed by Assignor if this Agreement had not been made, including, all claims, causes of action and enforcement rights with respect to the Other Intellectual Property, including all rights to damages, injunctive relief and other remedies for past, current and future infringement of the Other Intellectual Property; and (d) all other rights, privileges, protections or obligations, liabilities and responsibilities of any kind whatsoever of Assignor accruing under any of the Closing Date, in each case subject to and to the extent agreed in the Purchase Agreement all of Assignor's right, title and interest in and to the Other Intellectual Property, together with the goodwill associated therewith, all in the manner described in the Purchase Agreement.

2. Entire Agreement. This Agreement, and the Purchase Agreement, reflect the entire understanding of the Parties relating to the sale, assignment, transfer, conveyance and delivery of the Other Intellectual Property from Assignor to Assignee, and supersedes all prior agreements, understandings or letters of intent between or among the Parties regarding the subject matter of this Agreement and the Purchase Agreement.

3. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

4. Governing Law. This Agreement shall be interpreted, construed, governed and enforced in all respects in accordance with the Laws of the State of Delaware, without regard to the conflicts of law rules of such State.

5. Counterparts. This Agreement may be executed in multiple counterparts, and on separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the

same instrument and exchanged by facsimile or e-mail, which will constitute an original and be legally binding on the Parties when one or more counterparts have been signed by each of the parties and delivered to the other party.

6. Purchase Agreement Shall Control. Nothing in this Agreement shall change, amend, limit, extend or alter (nor shall it be deemed or construed as changing, amending, extending or altering) the terms or conditions of the Purchase Agreement or any liability or obligation of Assignor or Assignee arising under the Purchase Agreement, which shall govern the representations, warranties and obligations of the Parties with respect to the Other Intellectual Propert. In the event that any of the provisions of this Agreement are determined to conflict with the terms of the Purchase Agreement, the terms of the Purchase Agreement shall control.

[Signature page follows.]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed as of the date first above written.

ASSIGNOR:
JOE'S HOLDINGS LLC

By: _____
Name:
Title:

ASSIGNEE:
CENTRIC BRANDS LLC

By: _____
Name:
Title:

EXHIBIT G
Milestones

1. **Deadline for Entry of Bidding Procedures Order:** No later than 23 days after the Petition Date.

2. **Deadline to Consummate Approved Sale Transactions:** No later than 75 days after the Petition Date.

EXHIBIT H
Bid Procedures Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
Sequential Brands Group, Inc., et al.,[1]	:	Case No. 21-_____
Debtors.	:	(Jointly Administered)

ORDER (I) APPROVING BIDDING PROCEDURES FOR THE SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS; (II) AUTHORIZING THE DEBTORS TO ENTER INTO ONE OR MORE STALKING HORSE AGREEMENTS 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

Upon the *Motion of the Debtors for Entry of Orders (I)(A) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (B) Authorizing the Debtors to Enter into One or More Stalking Horse Agreements 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*

[1] The Debtors, along with the last four digits of each Debtor's tax identification number, are: Sequential Brands Group, Inc. (2789), SQBG, Inc. (9546), Sequential Licensing, Inc. (7108), William Rast Licensing, LLC (4304), Heeling Sports Limited (0479), Brand Matter, LLC (1258), SBG FM, LLC (8013), Galaxy Brands LLC (9583), The Basketball Marketing Company, Inc. (7003), American Sporting Goods Corporation (1696), LNT Brands LLC (3923), Joe's Holdings LLC (3085), Gaiam Brand Holdco, LLC (1581), Gaiam Americas, Inc. (8894), SBG-Gaiam Holdings, LLC (8923), SBG Universe Brands, LLC (4322), and GBT Promotions LLC (7003). The Debtors' corporate headquarters and the mailing address for each Debtor is 1407 Broadway, 38th Floor, New York, NY 10018.

Related Relief [Docket No. __] (the "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 Motion and the First Day Declaration [Docket No. [●]] and the Herbert Declaration [Docket No. [●]], and having considered the statements of counsel and the evidence adduced with respect to the Motion at a hearing before the Court on _____, 2021 to consider certain of the relief requested in the Motion (the "Bidding Procedures Hearing"); and after due deliberation, this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates and their creditors, and the Debtors having demonstrated good, sufficient and sound business justifications for the relief granted herein;

IT IS HEREBY FOUND AND DETERMINED THAT:[3]

A. Jurisdiction and Venue. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Statutory and Legal Predicates. The statutory and legal predicates for the relief requested in the Motion are sections 105(a), 363, 365, 503, and 507 of the Bankruptcy Code,

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

Bankruptcy Rules 2002, 6004, 6006, 9007, 9008, and 9014 and Local Rules 2002-1, 6004-1, and 9006-1.

C. Sale Process. The Debtors and their advisors, including Stifel/Miller Buckfire, engaged in a robust and extensive prepetition sale process prior to the execution of the Stalking Horse Agreements to solicit and develop the highest and otherwise best offers for the Assets.

D. Bidding Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the bidding procedures attached hereto as Exhibit 1 (the "Bidding Procedures"). The Bidding 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 Bidding 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 Galaxy Stalking Horse Bidder and the Centric Stalking Horse Bidder as Stalking Horse Bidders, respectively, was fair and appropriate under the circumstances and in the best interests of the Debtors' estates. The Bidding Procedures comply with the requirements of Local Rule 6004-1(c).

E. Designation of the Galaxy Stalking Horse Bid. The Galaxy Stalking Horse Bid as reflected in the Galaxy APA represents the highest and otherwise best offer the Debtors have received to date to purchase the Transferred Assets, as defined and set forth in the Galaxy APA (the "Active Division Assets"). The Galaxy APA provides the Debtors with the opportunity to sell the Active Division Assets in a manner designed to preserve and maximize their value and provide a floor for a further marketing and auction process. Without the Galaxy Stalking Horse

Bid, the Debtors are at a significant risk of realizing a lower price for the Active Division Assets. As such, the contributions of the Galaxy 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 Galaxy Stalking Horse Bid will enable the Debtors to minimize disruption to the Debtors' restructuring process and secure a fair and adequate Baseline Bid (as defined in the Bidding Procedures) for the Active Division 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 Galaxy Stalking Horse Bidder. The Galaxy Stalking Horse Bidder shall act as a "stalking horse bidder" pursuant to the Galaxy APA and the Galaxy Stalking Horse Bid shall be subject to higher or otherwise better offers in accordance with the Galaxy APA and the Bidding Procedures. Pursuit of the Galaxy Stalking Horse Bidder as a "stalking horse bidder" and the Galaxy APA as a "stalking horse purchase agreement" 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 Galaxy Stalking Horse Bidder is not an "insider" or "affiliate" of any of the Debtors, as those terms are defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, or controlling stakeholders exist between the Stalking Horse Bidder and the Debtors. The Galaxy 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 Galaxy Stalking Horse Bidder's negotiation of the Bid Protections and the Bidding Procedures and entry into the Galaxy APA.

H. Galaxy Stalking Horse Bid Protections. The Debtors have articulated compelling and sufficient business reasons for the Court to approve the Debtors' provision of the

Galaxy Termination Payment. The Galaxy Termination Payment (i) has been negotiated by the Galaxy Stalking Horse Bidder and the Debtors and their respective advisors at arm's length and in good faith and the Galaxy APA (including the Galaxy Termination Payment) is the culmination of a process undertaken by the Debtors and their professionals to negotiate a transaction with a bidder that was prepared to pay the highest or otherwise best purchase price to date for the Active Division Assets; (ii) is fair, reasonable and appropriate in light of, among other things, the size and nature of the proposed Sale Transaction, the substantial efforts that have been and will be expended by the Galaxy Stalking Horse Bidder, notwithstanding that the proposed Sale Transaction is subject to higher or better offers, and the substantial benefits that the Galaxy Stalking Horse Bidder has provided to the Debtors, their estates, their creditors and parties in interest herein, including, among other things, by increasing the likelihood that the best possible purchase price for the applicable assets will be received; and (iii) provides protections that were material inducements for, and express conditions of, the Galaxy Stalking Horse Bidder's willingness to enter into the Galaxy APA, and is necessary to ensure that the Galaxy Stalking Horse Bidder will continue to pursue the Galaxy APA and the transactions contemplated thereby. The Galaxy Termination Payment, to the extent payable under the Galaxy APA, (a) provides a substantial benefit to the Debtors' estates and stakeholders and all parties in interest herein, (b)(x) is an actual and necessary cost and expense of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code and (y) shall be treated as an allowed superpriority administrative expense claim against the Debtors' estates pursuant to sections 105(a), 364, 503(b), and 507(a)(2) of the Bankruptcy Code, (c) is commensurate to the real and material benefits conferred upon the Debtors' estates by the Galaxy Stalking Horse Bidder, and (d) is fair, reasonable, and appropriate, including in light of the size and nature of the transactions and the efforts that have been and will

be expended by the Galaxy Stalking Horse Bidder. Unless it is assured that the Galaxy Stalking Horse Bid Protections will be available, the Galaxy Stalking Horse Bidder is unwilling to remain obligated to consummate the Galaxy APA or otherwise be bound under the Galaxy APA, including, without limitation, the obligations to maintain its committed offer while such offer is subject to higher or otherwise better offers as contemplated by the Bidding Procedures. The Galaxy Stalking Horse Bid Protections are a material inducement for, and condition of, the Galaxy Stalking Horse Bidder's execution of the Galaxy APA.

I. Designation of the Centric Stalking Horse Bid. The Centric Stalking Horse Bid as reflected in the Centric APA represents the highest and best offer the Debtors have received to date to purchase the Purchased Assets, as defined and set forth in the Centric APA (the "Joe's Assets"). The Centric APA provides the Debtors with the opportunity to sell the Joe's Assets in a manner designed to preserve and maximize their value and provide a floor for a further marketing and auction process. Without the Centric Stalking Horse Bid, the Debtors are at a significant risk of realizing a lower price for the Joe's Assets. As such, the contributions of the Centric 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 Centric Stalking Horse Bid will enable the Debtors to minimize disruption to the Debtors' restructuring process and secure a fair and adequate Baseline Bid for the Joe's 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.

J. Designation of the Centric Stalking Horse Bidder. The Centric Stalking Horse Bidder shall act as a "stalking horse bidder" pursuant to the Centric APA and the Centric Stalking Horse Bid shall be subject to higher or otherwise better offers in accordance with the Centric APA and the Bidding Procedures. Pursuit of the Centric Stalking Horse Bidder as a

"stalking horse bidder" and the Centric APA as a "stalking horse purchase agreement" 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.

K. The Centric Stalking Horse Bidder is not an "insider" or "affiliate" of any of the Debtors, as those terms are defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, or controlling stakeholders exist between the Stalking Horse Bidder and the Debtors. The Centric 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 Centric Stalking Horse Bidder's negotiation of the Bid Protections and the Bidding Procedures and entry into the Centric APA.

L. Centric Stalking Horse Bid Protections. The Debtors have articulated compelling and sufficient business reasons for the Court to approve the Debtors' provision of the Centric Termination Payment and the Centric Expense Reimbursement (collectively, the "Centric Stalking Horse Bid Protections"). The Centric Stalking Horse Bid Protections (i) have been negotiated by the Centric Stalking Horse Bidder and the Debtors and their respective advisors at arm's length and in good faith and the Centric APA (including the Centric Stalking Horse Bid Protections) is the culmination of a process undertaken by the Debtors and their professionals to negotiate a transaction with a bidder that was prepared to pay the highest or otherwise best purchase price to date for the Joe's Assets; (ii) are fair, reasonable and appropriate in light of, among other things, the size and nature of the proposed Sale Transaction, the substantial efforts that have been and will be expended by the Centric Stalking Horse Bidder, notwithstanding that the proposed Sale Transaction is subject to higher or better offers, and the substantial benefits that the Centric Stalking Horse Bidder has provided to the Debtors, their estates, their creditors and

parties in interest herein, including, among other things, by increasing the likelihood that the best possible purchase price for the applicable assets will be received; and (iii) provide protections that were material inducements for, and express conditions of, the Centric Stalking Horse Bidder's willingness to enter into the Centric APA, and were necessary to ensure that the Centric Stalking Horse Bidder will continue to pursue its Centric APA and the transactions contemplated thereby. The Centric Stalking Horse Bid Protections, to the extent payable under the Centric APA, (a) provide a substantial benefit to the Debtors' estates and stakeholders and all parties in interest herein, (b)(x) are actual and necessary costs and expenses of preserving the Debtors' estates within the meaning of section 503(b) of the Bankruptcy Code and (y) shall be treated as an allowed superpriority administrative expense claim against the Debtors' estates pursuant to sections 105(a), 364, 503(b), and 507(a)(2) of the Bankruptcy Code, (c) are commensurate to the real and material benefits conferred upon the Debtors' estates by the Centric Stalking Horse Bidder, and (d) are fair, reasonable, and appropriate, including in light of the size and nature of the transactions and the efforts that have been and will be expended by the Centric Stalking Horse Bidder. Unless it is assured that the Centric Stalking Horse Bid Protections will be available, the Centric Stalking Horse Bidder is unwilling to remain obligated to consummate the Centric APA or otherwise be bound under the Centric APA, including, without limitation, the obligations to maintain its committed offer while such offer is subject to higher or otherwise better offers as contemplated by the Bidding Procedures. The Centric Stalking Horse Bid Protections are a material inducement for, and condition of, the Centric Stalking Horse Bidder's execution of the Centric APA.

M. Sale Notice. The Sale Notice, the form of which is attached as Exhibit 4, is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Auction, the Sale Hearing, the Bidding 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 Motion, the Sale Transaction(s) or the Auction shall be required.

N. Assumption and Assignment Provisions. The Debtors have articulated good and sufficient business reasons for the Court to approve the Assumption and Assignment Procedures and the Assumption and Assignment Notice attached hereto as Exhibit 5, 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.

O. Assumption and Assignment Notice. The Assumption and Assignment Notice, the form of which is attached hereto as Exhibit 5, 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 Motion and the procedures described therein, except as expressly required herein.

P. Notice. Notice of the Motion, the proposed Bidding Procedures, the proposed designation of the Galaxy Stalking Horse Bidder and the Centric Stalking Horse Bidder, and the Bidding 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 Bidding Procedures and the Assumption and Assignment Procedures. A reasonable opportunity to object and be heard regarding the relief granted herein has been afforded to all parties in interest.

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

1. The Motion is GRANTED as set forth herein.

2. All objections to the relief granted in this 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 Bidding Procedures

3. The Bidding 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(s) of the Assets and the Auctions. The procedures and requirements set forth in the Bidding 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 interests. The Debtors are authorized to take all actions necessary or appropriate to implement the Bidding Procedures.

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

5. Subject to this Order and the Bidding Procedures, the Debtors, in the exercise of their reasonable business judgment and in a manner consistent with their fiduciary duties and applicable law, shall have the right to (a) determine which bidders qualify as Qualified Bidders and which bids qualify as Qualified Bids, (b) make final determinations as to which Assets or combinations of Assets for which the Debtors will conduct an Auction (each such Asset or group of Assets, an "Auction Package"), (c) select the Baseline Bid for each Auction Package; (d) determine the amount of each Minimum Overbid, (e) determine the Leading Bid (as defined in

the Bidding Procedures) for each Auction Package; (f) determine which Qualified Bid is the highest or otherwise best bid for each Auction Package (each such Qualified Bid, a "Successful Bid") and which Qualified Bid is the Backup Bid (as defined in the Bidding Procedures) after the Successful Bid for an Auction Package; (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 Bidding Procedures, the Bankruptcy Code or other applicable law, and/or (iii) contrary to the best interests of the Debtors and their estates, (h) cancel the Auction with respect to any or all of the Assets in accordance with the Bidding Procedures, and (i) adjourn or reschedule the Sale Hearing with respect to a Sale Transaction involving any or all of the Assets in accordance with the Bidding Procedures.

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

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

8. Without prejudice to the rights of a Stalking Horse Bidder under the applicable Stalking Horse Agreement, the Debtors shall have the right to, in their reasonable business judgment, and in a manner consistent with their fiduciary duties and applicable law, modify the Bidding 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 a Stalking Horse Bidder, or (d) otherwise modify the Bidding 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 Bidding Procedures, the Bankruptcy Code or any order of the Bankruptcy Court, (ii) are promptly communicated to each Qualified Bidder, (iii) do not extend the Bid Deadline, the date of the Auction or the closing of the Auction, and (iv) do not allow the submission (or the Debtors' acceptance) of additional bids after, as applicable, the Bid Deadline or the close of Auction.

B. The Galaxy Stalking Horse Bid and the Galaxy Stalking Horse Bid Protections

9. Galaxy is approved as the Galaxy Stalking Horse Bidder for the Active Division Assets pursuant to the terms of the Galaxy APA.

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

11. The Debtors are authorized to perform any obligations under the Galaxy APA that are intended to be performed prior to the entry of the order approving the Sale Transaction.

12. The Galaxy Termination Payment is approved in its entirety. The Galaxy Termination Payment shall be payable in accordance with, and subject to the terms of, the Galaxy APA. The automatic stay provided by section 362 of the Bankruptcy Code shall be automatically lifted and/or vacated to permit any Galaxy Stalking Horse Bidder action expressly permitted or provided in the Galaxy APA, without further action or order of the Court.

13. The Galaxy Termination Payment (to the extent payable under the Galaxy APA) shall constitute an allowed superpriority administrative expense claim pursuant to sections

105(a), 503(b)(1)(A), and 507(a)(2) of the Bankruptcy Code in the Debtors' cases, which in each case, shall be senior to and have priority over all other administrative expense claims of the kind specified in section 503(b) of the Bankruptcy Code. Debtors are hereby authorized and directed to pay the Galaxy Termination Payment, if and when due, in accordance with the terms of the Galaxy APA and this Order without further order of the Court. The Debtors' obligation to pay the Galaxy Termination Payment, if applicable, shall survive termination of the Galaxy APA, dismissal or conversion of any of the Chapter 11 Cases, and confirmation of any plan of reorganization or liquidation.

C. The Centric Stalking Horse Bid and the Centric Stalking Horse Bid Protections

14. Centric is approved as the Centric Stalking Horse Bidder for the Joe's Assets pursuant to the terms of the Centric APA.

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

16. The Debtors are authorized to perform any obligations under the Centric APA that are intended to be performed prior to the entry of the order approving the Sale Transaction.

17. The Centric Termination Payment and the Centric Expense Reimbursement are each approved in their entirety. The Centric Termination Payment and the Centric Expense Reimbursement shall be payable in accordance with, and subject to the terms of, the Centric APA. The automatic stay provided by section 362 of the Bankruptcy Code shall be automatically lifted and/or vacated to permit any Centric Stalking Horse Bidder action expressly permitted or provided in the Centric APA, without further action or order of the Court

18. The Centric Termination Payment and the Centric Expense Reimbursement (to the extent payable under the Centric APA) shall constitute an allowed superpriority administrative expense claim pursuant to sections 105(a), 503(b)(1)(A), and 507(a)(2) of the Bankruptcy Code in the Debtors' cases, which in each case, shall be senior to and have priority over all other administrative expense claims of the kind specific in section 503(b) of the Bankruptcy Code. Debtors are hereby authorized and directed to pay the Centric Termination Payment and the Centric Expense Reimbursement, if and when due, in accordance with the terms of the Centric APA and this Order without further order of the Court. The Debtors' obligation to pay the Centric Termination Payment and the Centric Expense Reimbursement shall survive termination of the Centric APA, dismissal or conversion of any of the Chapter 11 Cases, and confirmation of any plan of reorganization or liquidation.

D. Bid Deadline and Auction

19. Any Prospective Bidder that intends to participate in the Auction must submit in writing to the Bid Notice Parties (as defined in Section X.A of the Bidding Procedures) a Qualified Bid on or before **October 25, 2021 at 4:00 p.m. (prevailing Eastern Time)** (the "Bid Deadline").

20. Subject to the terms of the Bidding 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).

21. The Auction, if required, will be conducted on **October 28, 2021, at 10:00 a.m. (prevailing Eastern Time)**, virtually through Zoom, or if permitted, at the offices of Gibson,

Dunn & Crutcher LLP, 200 Park Avenue, New York, NY 10166, or at such other time and location as designated by the Debtors, after providing notice to the Sale Notice Parties. If held, the Auction proceedings shall be transcribed or video recorded.

22. 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 Bidding Procedures. Qualified Bidders participating in the Auction must appear in person or virtually (if applicable) 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.

23. 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.

24. 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 (as defined in Section X.B of the Bidding Procedures) and cause to be published on the website maintained by Kurtzman Carson Consultants LLC ("KCC") located at http://kccllc.net/SQBG (the "KCC Website"), a notice containing the following information (as applicable): (a) a description of the Assets available for sale in accordance with the Bidding Procedures, (b) the date, time and location

of the Sale Hearing, (c) the Sale Objection Deadline and Post-Auction Objection Deadline (each as defined in Section X.D of the Bidding Procedures) and the procedures for filing such objections, and, if applicable, (d) a summary of the material terms of any Stalking Horse Agreement, including the terms and conditions of any Termination Payment to be provided thereunder, as of the date of the Sale Notice.

25. By the **later of (a) October 29, 2021 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 KCC 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 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.

E. Credit Bidding

26. Any bidder holding a perfected security interest in any of the Assets may seek to credit bid all, or a portion of, such bidder's claims for its respective collateral in accordance with section 363(k) of the Bankruptcy Code (each such bid, a "Credit Bid"); *provided*, that such Credit Bid complies with the terms of the Bidding Procedures.

F. Sale Hearing and Objection Procedures

27. 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 **November 4, 2021, at 10:00 a.m. (prevailing Eastern Time)**; *provided*, that the Debtors may seek an

adjournment or rescheduling of the Sale Hearing, consistent with the Bidding Procedures and without prejudice to the rights of the Galaxy Stalking Horse Bidder or Centric Stalking Horse Bidder under the Galaxy APA and Centric APA, respectively.

28. 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 Section X.D of the Bidding Procedures) by no later than **October 21, 2021, at 4:00 p.m. (prevailing Eastern Time)** (the "Sale Objection Deadline").

29. 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 a the Galaxy Stalking Horse Bid, the Centric Stalking Horse Bid, or any other 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) November 1, 2021, at 4:00 p.m. (prevailing Eastern Time) and (ii) two days prior to the Sale Hearing** (the "Post-Auction Objection Deadline").

30. 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 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.

G. Notice of Sale Transaction

31. The Sale Notice, substantially in the form attached hereto as Exhibit 4, 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 Bidding Procedures and this Order.

32. By **no later than the later of (a) September 27, 2021 and (b) two 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 KCC Website, the Sale Notice.

33. Within four business days after the entry of this Order, the Debtors shall cause the information contained in the Sale Notice to be published once in the national edition of *USA Today* and once in the *New York Times* (the "Publication Notice").

H. Assumption and Assignment Procedures

34. 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.

35. The Assumption and Assignment Notice, substantially in the form attached hereto as Exhibit 5, is approved, and no other or further notice of the Debtors' proposed Cure Costs with respect to Contracts listed on an Assumption and Assignment Notice is necessary or required.

36. By **no later than the later of (a) September 28, 2021 and (b) three business days after the entry of this Order**, the Debtors shall file with the Court, serve on the

applicable Counterparties and cause to be published on the KCC Website, the Assumption and Assignment Notice.

37. Any objection to the Debtors' proposed Cure Costs (each such objection, a "Contract Objection") or assumption and assignment on any basis (except objections solely related to adequate assurance of future performance by a Successful Bidder other than a 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) served on the Objection Notice Parties by no later than the date that is **14 calendar days after service of the Cure Notice** (the "Contract Objection Deadline").

38. The Debtors and the 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 Costs or assumption and assignment and the Contract Objection at a hearing scheduled pursuant to paragraph 39 of 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.

39. 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.

40. 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 Costs set forth in the applicable Assumption and Assignment Notice shall be controlling and will be the only amount necessary to cure outstanding defaults under the Contract and satisfy the requirements of section 365(b) of the Bankruptcy Code, and the Counterparty to the Contract shall be bound by and deemed to have consented to the Cure Costs.

41. In accordance with the Bidding Procedures, Qualified Bids shall be accompanied by Adequate Assurance Information (as defined in Section VI.A.8 of the Bidding 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.

42. Any objection to the proposed assumption and assignment of a Contract, other than with respect to a 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"), 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.

43. The Debtors and a Counterparty that has filed an Adequate Assurance Objection shall first confer in good faith to attempt to resolve the Adequate Assurance Objection without Court intervention. If the parties are unable to consensually resolve the Adequate Assurance Objection prior to the commencement of the Sale Hearing, the Adequate Assurance Objection and all issues of adequate assurance of future performance of the applicable Successful Bidder (or any other relevant assignee) shall be determined by the Court at the Sale Hearing.

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

45. Successful Bidders (including any 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 any applicable 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 KCC Website, a notice of such designation (a "Designation Notice") containing sufficient information to apprise Counterparties of the designation of their respective Contracts.

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

47. The inclusion of a Contract or Cure Costs 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.

I. Other Related Relief

48. All persons and entities that participate in the Auction or bidding for any Asset during the Sale Process shall be deemed to have knowingly and voluntarily (i) consented to the core jurisdiction of the Court to enter any order related to the Bidding Procedures, the Auction

or any other relief requested in the Motion or granted in this Order, (ii) waived any right to a jury trial in connection with any disputes relating to the Bidding Procedures, the Auction or any other relief requested in the Motion or granted in this Order, and (iii) consented to the entry of a final order or judgment in connection with any disputes relating to the Bidding Procedures, the Auction or any other relief requested in the Motion or granted in this 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.

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

50. 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.

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

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

53. 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.

54. The Debtors are authorized to make non-substantive changes to the Bidding 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.

55. 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.

Dated: _____ __, 2021
Wilmington, Delaware

_____
United States Bankruptcy Judge

EXHIBIT C

PLAN TERM SHEET

SEQUENTIAL BRANDS GROUP, INC., et al.,
TERM SHEET

THIS TERM SHEET (THE "TERM SHEET")[1] OUTLINES THE MATERIAL TERMS OF A PROPOSED RESTRUCTURING TO BE EFFECTUATED THROUGH A SALE OF CERTAIN OF THE ASSETS OF SEQUENTIAL BRAND GROUPS, INC. AND ITS AFFILIATED DEBTORS-IN-POSSESSION IN THEIR JOINTLY ADMINISTERED BANKRUPTCY CASES (THE "CHAPTER 11 CASES") TO BE FILED IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE (THE "BANKRUPTCY COURT"), IN CONJUNCTION WITH THE OTHER SALES DETAILED IN THE RSA, AND A PLAN OF LIQUIDATION UNDER THE BANKRUPTCY CODE (THE "LIQUIDATING PLAN").[2]

THIS TERM SHEET IS NOT AN OFFER OR A SOLICITATION WITH RESPECT TO ANY SECURITIES OF THE DEBTORS, NOR IS IT A SOLICITATION OF THE ACCEPTANCE OR REJECTION OF A PLAN FOR PURPOSES OF SECTIONS 1125 AND 1126 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION SHALL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. THIS TERM SHEET AND THE TRANSACTIONS DESCRIBED HEREIN ARE SUBJECT IN ALL RESPECTS TO, AMONG OTHER THINGS, NEGOTIATION, EXECUTION AND DELIVERY OF DEFINITIVE DOCUMENTATION AND SATISFACTION OR WAIVER OF THE CONDITIONS PRECEDENT SET FORTH HEREIN AND THEREIN.

Overview

Restructuring Overview	This Term Sheet, together with the Sale Term Sheets attached to the RSA, contemplate the sale of substantially all the assets of the Debtors effectuated through a series of sales under section 363 of the Bankruptcy Code. This Term Sheet sets forth the details of the "credit bid" purchase of certain assets by the Term B Lenders (as defined below) in accordance with Bid Procedures (as defined in the RSA) and/or pursuant to the terms and conditions of the Liquidating Plan, consistent with the terms of the RSA.

[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the restructuring support agreement, dated as of August 31, 2021 ("RSA").

[2] This Term Sheet does not include a description of all of the terms, conditions and other provisions that are to be contained in the Plan, which shall be consistent with the terms and conditions hereof and otherwise in form and substance reasonably acceptable to the Company and the Requisite Consenting Lenders.

I. Parties

Debtors:	Sequential Brands Group, Inc. ("Borrower" or "Parent") and its debtor affiliates (collectively, the "Company" or the "Debtors").
Agent:	Wilmington Trust, National Association as administrative agent under the Term B Credit Agreement (as defined below).
Term B Lenders:	Those Lenders under the Term B Credit Agreement.

II. Other Defined Terms

Administrative Expense Claim:	Means any claim for payment of an administrative expense of a kind specified in section 503(b) of the Bankruptcy Code and entitled to priority pursuant to section 507(a)(2) of the Bankruptcy Code, including, but not limited to, the actual, necessary costs and expenses, incurred on or after the filing date of the Chapter 11 Cases, of preserving the bankruptcy estates of the Company and operating the business of the Company, including wages, salaries, or commissions for services rendered after the commencement of the Chapter 11 Cases, claims under section 503(b)(9) of the Bankruptcy Code, claims of professionals approved for payment by the bankruptcy estates, and all fees and charges assessed against the bankruptcy estates under chapter 123 of title 28 of the United States Code, and all allowed claims that are entitled to be treated as Administrative Expense Claims pursuant to a final order of the Bankruptcy Court (under section 546(c)(2) of the Bankruptcy Code or otherwise).
Cash:	Means legal tender of the United States of America and equivalents thereof.
DIP Claims:	Means all obligations, including, without limitation, all interest, fees and expenses, owed under or in connection with any DIP Credit Agreement by the Debtors.
DIP Credit Agreement:	Means any debtor-in-possession financing credit agreement entered into by and among the Debtors and the Term B Lenders (as amended, restated, supplemented or modified and in effect as of the date hereof) in connection with the Chapter 11 Cases.
DIP Order(s):	Means the interim and final orders entered by the Bankruptcy Court approving any DIP Credit Agreement.
Effective Date:	Means (a) the first business day after the entry of the order confirming the Liquidating Plan (the "Confirmation Order") on which (i) no stay of the Confirmation Order is in effect and (ii) all conditions precedent to effectiveness of the Liquidating Plan have been satisfied or waived or (b) such other date as may be mutually agreed to between the Debtors and the Term B Lenders.
General Unsecured Claims:	Means any claim that is not an Administrative Expense Claim, Other Priority Claim, Other Secured Claim, Priority Tax Claim, DIP Claim, Term B Lender Claim, Section 510(b) Claim, and/or Intercompany

	Claim, including, for the avoidance of doubt, claims on account of rejection damages.
Intercompany Interests:	Means all shares of stock, units, options, warrants, rights and other instruments evidencing an ownership interest in any of the entities collectively constituting the Company existing prior to the Effective Date (whether fixed or contingent, matured or unmatured, disputed or undisputed), including any right, contractual, legal, equitable, or otherwise, to acquire any of the foregoing, in each case only to the extent held by any of the entities collectively constituting the Company.
Other Parent Equity Interests:	Means all shares of stock, units, options, warrants, rights and other instruments evidencing an ownership interest in the Parent existing prior to the Effective Date (whether fixed or contingent, matured or unmatured, disputed or undisputed), including any right, contractual, legal, equitable, or otherwise, to acquire any of the foregoing, other than Parent Common Stock (as defined below).
Other Priority Claims:	Means any claim, other than an Administrative Expense Claim or Priority Tax Claim, entitled to priority payment as specified in section 507(a) of the Bankruptcy Code.
Other Secured Claims:	Means any claim secured by property of the Company other than the Term B Lender Claims.
Parent Common Stock:	Means shares of common stock of Parent that are authorized, issued, and outstanding prior to the Effective Date.
Paydown Amount:	Means the amount of Cash or other value at the Debtors' estates as of the Effective Date, including, without limitation, Cash at the Debtors' estates following the consummation of each of the sales pursuant to the terms set forth in the RSA, *minus* the Retained Cash (as defined below).
Priority Tax Claims:	Means any claim of a "government unit" as defined in section 101(27) of the Bankruptcy Code that is entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.
Section 510 Claims:	Means any Claim (i) arising from (a) rescission of a purchase or sale of a security of the Debtors or an affiliate of the Debtors or (b) purchase or sale of such a security or (ii) subject to subordination in accordance with section 510 of the Bankruptcy Code or otherwise.
Term B Credit Agreement:	Means the Third Amended and Restated Credit Agreement dated as of July 1, 2016 by and among the Borrower, the "Guarantors" thereunder, the Term B Lenders and Agent (as amended, restated, supplemented or modified and in effect as of the date hereof).
Term B Lender Claims:	Means all obligations, including, without limitation, all interest, fees and expenses, owed under or in connection with the Term B Credit Agreement by the Debtors.
Wind-Down Amount:	Means cash, in an amount acceptable to the Debtors and the Consenting Required Lenders, which cash shall be funded from sources mutually agreed to by the Debtors and the Consenting

	Required Lenders, that the Debtors shall use, subject to the Wind-Down Budget (as defined below), to fund the anticipated costs of the wind-down of the Debtors' operations, the administration of the estate following the consummation of the transactions set forth in the RSA, and the payment of all administrative and priority claims required to be paid pursuant to the Plan of Liquidation. The Wind-Down Amount and Wind-Down Budget shall include, without limitation, and may be adjusted as necessary to provide for payment of, (i) professional fees and expenses of estate professionals incurred or estimated in good faith to be incurred prior to the Effective Date and post-Effective Date, including during the wind-down of the Debtors' estates, which shall be deposited an escrow account ("Professional Fee Escrow Amount"), (ii) accrued postpetition liabilities through the closing related to any assets that are designated to be excluded assets but which have not been paid as of closing of the sales pursuant to the RSA or this Term Sheet due to timing and (iii) all claims required to be paid pursuant to the Plan of Liquidation as set forth in the Wind-Down Budget, including the anticipated expenses of the wind-down of the Debtors' estates from and after the Effective Date (any Cash retained by the Debtors in connection with the foregoing (i)–(iii), the "Retained Cash").
Wind-Down Budget:	Means the budget (as modified from time to time), as agreed between the Debtors and the Consenting Required Lenders, setting forth, among other things, (i) the aggregate amounts of Administrative Claims, DIP Claims, Other Priority Claims, Priority Tax Claims, Other Secured Claims, Term B Lender Claims, and General Unsecured Claims, in each case against the Debtors, to be paid under the Liquidating Plan; (ii) the Professional Fee Escrow Amount; (iii) the anticipated expenses of the wind-down of the Debtors' estates from and after the Effective Date; and (iv) any expenses of the Requisite Consenting Lenders, including those anticipated to be incurred after the Effective Date that will be payable by the Debtors.

III. Effectuation of 363 Sale and Liquidating Plan with Treatment of Claims and Interests

Effectuation of 363 Sale and Terms of Credit Bid	
Terms of Credit Bid	• Term B Lenders, through a new entity ("Purchaser") to be organized and directly or indirectly owned by certain of the Term B Lenders or their affiliates under the Term B Credit Agreement, shall purchase the assets of the Debtors (the "Credit Bid Sale"), as applicable, for which there is no Successful Bid (as defined in the Bid Procedures) following the Debtors' auction, as conducted in accordance with the Bid Procedures (collectively, the "Purchased Assets").[3]

[3] For the avoidance of doubt, among other things, (i) director and officer insurance policies and claims thereunder, and (ii) all insurance policies of the Debtors shall not be Purchased Assets.

	• The aggregate consideration for the Purchased Assets shall consist of the following (collectively, the "Purchase Price"): (i) pursuant to section 363(k) of the Bankruptcy Code, a credit bid in an amount acceptable to the Debtors and the Requisite Consenting Lenders (the "Credit Bid Amount") of the Obligations owed by the Company arising under the Term B Credit Agreement, (ii) the Wind-Down Amount, and (iii) assumption of the assumed liabilities related to the Purchased Assets, including, without limitation related to Assumed Contracts (as defined below) and cure costs; *provided* that even if the Credit Bid Sale does not occur, the Term B Lenders agree to fully fund the Wind-Down Budget and provide the Debtors with the Wind-Down Amount in connection with the confirmation of the Liquidating Plan in accordance with the terms hereof. • Terms of the Credit Bid Sale and Asset Purchase Agreement (as defined below), as applicable, including customary covenants, representations, and warranties, and all related documentation to be acceptable in all respects to the Requisite Consenting Lenders.
Consummation of Credit Bid	For the avoidance of doubt, nothing herein shall restrict the Debtors' and Term B Lenders' ability to consummate the Credit Bid Sale through a chapter 11 plan process, including without limitation, the Liquidating Plan (in such instance, in form and substance satisfactory to the Debtors and the Requisite Consenting Lenders in all respects).
Assumed Contracts / Excluded Contracts	"Assumed Contracts" shall include the contracts and licenses related to the Purchased Assets to be set forth on an exhibit (the "Contract Schedule") to the asset purchase agreement (the "Asset Purchase Agreement") or as a supplement to a chapter 11 plan; *provided* at any time prior to the date that is five (5) days prior to the date of the sale hearing or confirmation hearing, as applicable, the Required Consenting Lenders may, subject to the terms of any applicable order, by written notice to the Debtors, designate (i) additional contracts that Purchaser wishes the Debtors to assume and assign to Purchaser and (ii) additional contracts that Purchaser wishes for the Debtors to reject.
363 Closing Conditions	The Asset Purchase Agreement or chapter 11 plan, as applicable, shall contain, among other things, the following conditions to the obligation of the Debtors and the Purchaser to consummate the Credit Bid Sale, in each case, in addition to other conditions that may be agreed upon by Purchaser and the Debtors: • entry of a sale order or confirmation order, as applicable, with any modifications thereto to be in form and substance acceptable to the Debtors and the Purchaser and such sale order or confirmation order not being subject to any stay; • expiration or early termination of any applicable Hart-Scott-Rodino waiting period (and any extension thereof);

	• no provision of any applicable Law and no judgment, injunction or order shall then be in effect prohibiting or making illegal the consummation of the closing; • enumerated customary representations and warranties in the Asset Purchase Agreement, as applicable, which do not contain materiality qualifiers shall be true and correct on the date of entry into the Asset Purchase Agreement and as of the closing date with the same effect as though such representations and warranties had been made on and as of the closing date (provided that representations and warranties which speak to a specified date shall speak only as of such date) except where the failure to be so true and correct (without giving effect to any limitation or qualification as to "materiality" (including the word "material") or "Material Adverse Effect" or other similar term set forth therein) would not, individually or in the aggregate, have a Material Adverse Effect; and • no material breach of any covenants in the Asset Purchase Agreement, as applicable.
Liquidating Plan - Treatment of Claims and Interests	
i. Unclassified Claims	
Administrative Expense Claims and Priority Tax Claims:	On or as soon as practicable after the later to occur of (i) the Effective Date or (ii) in the ordinary course of business as and when due, each holder of an allowed Administrative Expense Claim and/or Priority Tax Claim shall receive, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such holder's Administrative Expense Claim and/or Priority Tax Claim (a) Cash equal to the unpaid portion of such allowed claim, (b) treatment as is consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code, or (c) such other treatment as may be agreed by the holder of such allowed claim, the Debtors and the Requisite Consenting Lenders. Not classified – non-voting.
DIP Claims	Each holder of an allowed DIP Claim shall receive, in full and complete settlement, release, and discharge of such claim, either (i) its pro rata share of the Paydown Amount in Cash or (ii) such other treatment as to which the Debtors and the holder of such allowed DIP Claim have agreed. Not classified – non-voting.
i. Other Classes of Claims and Interests	
Class 1 – Other Secured Claims:	Each holder of an allowed Other Secured Claim shall receive, in full and complete settlement, release, and discharge of such claim, at the option of the Debtors and the Requisite Consenting Lenders: (i) payment in full in cash of the due and unpaid portion of its Other Secured Claim on the later of (a) the Effective Date (or as soon

	thereafter as reasonably practicable) and (b) as soon as practicable after the date such Claim becomes due and payable; (ii) the collateral securing its allowed Other Secured Claim; (iii) reinstatement of its allowed Other Secured Claim; or (iv) such other treatment rendering its allowed Other Secured Claim unimpaired in accordance with section 1124 of the Bankruptcy Code. Unimpaired – deemed to accept.
Class 2 – Other Priority Claims:	Each holder of an allowed Other Priority Claim shall receive, in full and complete settlement, release, and discharge of such claim, at the option of the Debtors and the Requisite Consenting Lenders: (i) payment in full in cash of the due and unpaid portion of its Other Secured Claim on the later of (a) the Effective Date (or as soon thereafter as reasonably practicable) and (b) as soon as practicable after the date such Claim becomes due and payable; (ii) such other less favorable treatment as to which the Debtors and the holder of such allowed Other Priority Claim have agreed; or (iii) such other treatment rendering its allowed Other Priority Claim unimpaired in accordance with section 1124 of the Bankruptcy Code. Unimpaired – deemed to accept.
Class 3 – Term B Lender Claims	Following payment in full in Cash of all allowed DIP Claims or such other treatment as to which the Debtors and the holders of such allowed DIP Claims have agreed, each holder of an allowed Term B Lender Claim shall receive, in full and complete settlement, release, and discharge of such claim, either (i) its pro rata share of any Paydown Amount or (ii) such other treatment as to which the Debtors and the holder of such allowed Term B Lender Claim have agreed. Impaired – entitled to vote. The allowed amount of Term B Lender Claims under the Plan shall be the Term B Lender Claims *minus* the Credit Bid Amount.[4]
Class 4 – General Unsecured Claims:	Each holder of an allowed General Unsecured Claim shall receive in full and complete settlement, release, and discharge of such claim, its pro rata share of any Paydown Amount remaining following (i) payment in full in Cash of all allowed DIP Claims or such other treatment as to which the Debtors and the holders of such allowed DIP Claims have agreed and (ii) payment of the Paydown Amount to the holders of the Term B Lender Claims or such other treatment as to which the Debtors and the holder of such allowed Term B Lender Claim have agreed. Impaired – voting to be determined.
Class 5 – Section 510 Claims:	Each holder of an allowed Section 510 Claim shall receive in full and complete settlement, release, and discharge of such claim, its pro rata

[4] If the Term B Lenders credit bid any other Obligations owed by the Company arising under the Term B Credit Agreement in connection with any transaction under, pursuant to, or related to, the RSA and the bidding and auction process or otherwise, the amount that was credit bid shall also be subtracted from the allowed amount of Term B Lender Claims under the Plan.

	share of any Paydown Amount remaining following (i) payment in full in Cash of all allowed DIP Claims or such other treatment as to which the Debtors and the holders of such allowed DIP Claims have agreed, (ii) payment of the Paydown Amount to the holders of all allowed Term B Lender Claims or such other treatment as to which the Debtors and the holder of such allowed Term B Lender Claim have agreed, and (iii) payment of any remaining Paydown Amount to all holders of allowed General Unsecured Claims. Impaired – voting to be determined.
Class 6 – Intercompany Claims:	Each claim by and among the Debtors shall, on the Effective Date, (i) be reinstated, in full or in part, and treated in the ordinary course of business or (ii) be cancelled and discharged, as mutually agreed upon by each holder of such claim, the Debtors and the Requisite Consenting Lenders. Holders of such claims shall not receive or retain any property on account of such claims to the extent that such Intercompany Claim is cancelled and discharged. Impaired – deemed to reject.
Class 7 - Intercompany Interests:	On the Effective Date, each allowed Intercompany Interest shall be either reinstated or cancelled in the Debtors' discretion with the consent of the Requisite Consenting Lenders. To the extent reinstated, Intercompany Interests are unimpaired solely to preserve the Company's corporate structure and holders of allowed Intercompany Interests shall not otherwise receive or retain any property on account thereof. Impaired – deemed to reject.
Class 8 – Parent Common Stock and Other Parent Equity Interests:	Each holder of an allowed Parent Common Stock and Other Parent Equity Interest shall receive in full and complete settlement, release, and discharge of such claim, its pro rata share of any Paydown Amount remaining following (i) payment in full in Cash of all allowed DIP Claims or such other treatment as to which the Debtors and the holders of such allowed DIP Claims have agreed, (ii) payment of the Paydown Amount to the holders of all allowed Term B Lender Claims or such other treatment as to which the Debtors and the holder of such allowed Term B Lender Claim have agreed, (iii) payment of any remaining Paydown Amount to all holders of allowed General Unsecured Claims, and (iv) payment of any remaining Paydown Amount to all holders of allowed Section 510 Claims. Impaired – voting to be determined.

IV. Miscellaneous

Regulatory Approvals; Third Party Consents	To the extent regulatory approvals are required, including under the HSR Act (the "Regulatory Approvals"), the Debtors shall use their commercially reasonable efforts to obtain the Regulatory Approvals. To the extent applicable, the Debtors shall use their commercially reasonable efforts to obtain any third-party consents, including with respect to any licensing agreements (collectively, the "Third Party Consents"), required in connection with the Credit Bid Sale and Liquidating Plan.
Releases:	The Liquidating Plan shall provide for customary releases (including consensual third party releases) and/or waivers, including standard carve-outs, among the Debtors, each of the Agent, the Term B Lenders, and their respective affiliates, in any capacity, and each of their respective current and former directors, officers, funds, affiliates, members, employees, partners, managers, agents, representatives, principals, consultants, and professional advisors (each in their capacity as such) (collectively, the "Released Parties") of any and all claims, obligations (contractual or otherwise), suits, judgments, damages, rights, liabilities, or causes of action, whether known or unknown, foreseen or unforeseen, relating to any actions, transactions, events, or omissions on or before the Effective Date in any way relating to the Debtors, the obligations under the Term B Credit Agreement, the restructuring, this Term Sheet and any related transactions.
Exculpation:	Customary exculpation provisions, including all Released Parties who are estate fiduciaries (including, without limitation, all current and former officers and directors of the Debtors).
Injunction:	Customary injunction provisions, including all Released Parties.
Tax Issues	The Debtors and the Requisite Consenting Lenders will work together in good faith and will use commercially reasonable efforts to structure and implement the Credit Bid Sale, the Liquidating Plan and the transactions related thereto in a tax efficient and cost-efficient manner. The parties also intend to structure the restructuring to preserve favorable tax attributes to the extent it is practicable and not materially adverse to the parties.
Documentation:	This Term Sheet does not include a description of all of the terms, conditions, and other provisions that will be contained in the definitive documentation governing the Credit Bid Sale, the Liquidating Plan and the transactions related thereto and the material documents shall be materially consistent with this Term Sheet and shall be reasonably acceptable to the Debtors and the Requisite Consenting Lenders.
Conditions Precedent	Customary closing conditions for transactions of this type, including, but not limited to the following conditions all being met to the satisfaction of the Debtors and the Requisite Consenting Lenders: (i) an order approving the solicitation and disclosure statement shall

	have been entered for the Liquidating Plan, (ii) the applicable Confirmation Order shall have been entered, without any material modification that would require re-solicitation, and shall not be subject to any stay, and (iii) execution and delivery of the Definitive Documents.
Other Terms and Conditions	The Liquidating Plan, the Definitive Documents and other material agreements relating to the Liquidating Plan and the transactions related thereto shall be in form and substance reasonably satisfactory to the Debtors and the Requisite Consenting Lenders, and shall contain such other terms and conditions consistent with this Term Sheet as are customary for transactions of this type.

EXHIBIT D

DIP TERM SHEET

CONFIDENTIAL
EXHIBIT A

SEQUENTIAL BRANDS GROUP, INC.

SUPERPRIORITY SECURED
DEBTOR-IN-POSSESSION CREDIT FACILITY TERM SHEET

Summary of Proposed Terms and Conditions

This Summary of Terms and Conditions (this "DIP Term Sheet") outlines certain terms of the DIP Facility (as defined herein) to be provided by the DIP Lenders (as defined herein) subject to the conditions herein and as set forth more fully below. The Loan Parties are not authorized to disclose the terms contained herein to any person other than their professional advisors, who shall agree to maintain its confidentiality.

Borrower:	Sequential Brands Group, Inc., a Delaware corporation (the "Borrower"), the borrower under the existing Prepetition BAML Credit Agreement,[1] in its capacity as a debtor and debtor-in-possession in a case (together with the cases of its affiliated debtors and debtors-in-possession, the "Chapter 11 Cases") to be filed under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). This DIP Term Sheet assumes that the Borrower and each of the Guarantors (as defined herein) will file voluntary proceedings simultaneously under the Bankruptcy Code in the Bankruptcy Court and will request joint administration of the Chapter 11 Cases (collectively, the "Bankruptcy Cases").
Guarantors:	Each of the Borrower's existing and future direct and indirect subsidiaries that are guarantors under the Prepetition Term B Loan Documents (collectively, the "Guarantors"), in their capacities as debtors and debtors-in-

[1] Reference is hereby made to that certain (i) Third Amended and Restated First Lien Credit Agreement dated as of July 1, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the "Prepetition BAML Credit Agreement" and, together with all related loan documents, the "Prepetition BAML Loan Documents"), among the Borrower, the guarantors from time to time party thereto, Bank of America, N.A. ("BofA"), as administrative agent and collateral agent (in such capacities, the "Prepetition BAML Agent") for the lenders from time to time party thereto (each, a "Prepetition BAML Lender" and collectively, the "Prepetition BAML Lenders"), and each of the other persons party thereto; (ii) Third Amended and Restated Credit Agreement dated as of July 1, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the "Prepetition Term B Credit Agreement" and, together with all related loan documents, the "Prepetition Term B Loan Documents"; the Prepetition BAML Credit Agreement together with the Prepetition Term B Credit Agreement, the "Prepetition Credit Agreements"; the Prepetition BAML Loan Documents together with the Prepetition Term B Loan Documents, the "Prepetition Loan Documents"), among the Borrower, the guarantors from time to time party thereto, Wilmington Trust, National Association, as administrative agent and collateral agent (in such capacities, the "Prepetition Term B Agent" and, together with the Prepetition BAML Agent, the "Prepetition Agents") for the lenders from time to time party thereto (each, a "Prepetition Term B Lender" and collectively, the "Prepetition Term B Lenders" and, together with the Prepetition BAML Lenders, the "Prepetition Lenders"), and each of the other persons party thereto; and (iii) Amended and Restated Intercreditor Agreement dated as of December 4, 2015 (as may be amended, restated, supplemented or otherwise modified from time to time, the "Intercreditor Agreement"), among the Prepetition BAML Agent and the Prepetition Term B Agent and acknowledged by the Borrower and guarantors signatory thereto. The Intercreditor Agreement shall remain in full force and effect following the occurrence of the Petition Date. Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the applicable Prepetition Credit Agreement.

	possession in the Chapter 11 Cases, on a joint and several basis (the "Guarantors" and, together with the Borrower, each individually a "Loan Party" and a "Debtor", and collectively, the "Loan Parties" and the "Debtors").
DIP Agent:	Wilmington Trust, National Association (in such capacity, together with its successors and assigns, the "DIP Agent").
DIP Lenders:	Certain Prepetition Term B Lenders will, either directly or through one or more affiliates (or funds or accounts advised or sub-advised by such person) (such participating funds, collectively, the "DIP Lenders"), finance the New Money DIP Facility (as defined below) and participate in the New Money DIP Commitments (as defined herein) on a pro rata basis, determined based on the outstanding principal amount of Loans under the Prepetition Term B Credit Agreement (together with all other Obligations, the "Prepetition Term B Obligations") held by the DIP Lenders as of the date of the commencement of the Chapter 11 Cases (the "Petition Date"). All Prepetition Term B Lenders (either directly or through one or more affiliated funds of financing vehicles) shall have an opportunity to fund their pro rata share of the New Money DIP Commitments (as defined below) on a pro rata basis as determined in the preceding paragraph; provided that such Prepetition Term B Lender (or its affiliates, as applicable) shall have become a party to the Restructuring Support Agreement (the "RSA") on or before the RSA Effective Date (as defined in the RSA).
Type and Amount of the DIP Facility:	A secured superpriority priming debtor-in-possession non-amortizing facility comprised of: a new money credit facility in an aggregate principal amount equal to (i) $[128,860,546.03] *plus* (ii) an incremental working capital amount to be mutually agreed (the "New Money DIP Facility"; the DIP Lenders' commitments under the New Money DIP Facility, the "New Money DIP Commitments"; the loans under the New Money DIP Facility, the "New Money DIP Loans"; each DIP Lender's claim under the New Money DIP Facility, a "New Money DIP Claim"; and collectively, the "New Money DIP Claims"; and proceeds received by the Borrower from the New Money DIP Loans, the "DIP Proceeds"). The New Money DIP Claims shall be *pari passu* in right of payment and collateral priority, and shall be treated the same in all other respects unless expressly specified herein or in the DIP Loan Documents (as defined below). Following the Closing Date (as defined below), the New Money DIP Loans may be incurred during the Availability Period (as defined below) (x) upon entry of an interim order of the Bankruptcy Court authorizing and approving the DIP Facility or the use of the Company's cash collateral, as applicable (the "Interim Order"), and an amount under the New Money DIP Facility to be agreed to be drawn in one drawing on the Closing Date and (y) the remaining amount of the New Money DIP Facility, upon entry of a final order of the Bankruptcy Court authorizing and approving the DIP Facility (including the New Money DIP Loans and all documents and lender fees

related thereto) (such order to be acceptable in all respects to the DIP Agent and the DIP Lenders, the "Final DIP Order") and satisfaction of any other conditions to draw as set forth herein, in multiple draws not to exceed one draw per weekly period in amounts not to exceed (and in intervals consistent with) those set forth in and in accordance with the Budget (as defined below) and in an aggregate amount not to exceed the New Money DIP Commitments, in each case subject to the terms and conditions provided herein (each an "Extension of Credit").

Once repaid, the New Money DIP Loans incurred under the DIP Facility cannot be reborrowed. For the avoidance of doubt, the New Money DIP Commitments will be permanently reduced by the amount of New Money DIP Loans made on the date of each Extension of Credit.

Credit Bidding: The Interim Order, the Final DIP Order, and the DIP Loan Documents shall provide that, in connection with any sale of any of the Debtors' assets under section 363 of the Bankruptcy Code or under a plan of reorganization (i) the Prepetition Term B Agent shall have the right to credit bid the full amount of all Prepetition Term B Obligations, at the direction of the "Required Lenders" (as such term is defined in the Prepetition Term B Credit Agreement), and (ii) the DIP Agent shall have the right to credit bid all amounts outstanding under the DIP Facility at the direction of the Required DIP Lenders (as defined below), in each case, in accordance with Section 363(k) of the Bankruptcy Code.

Closing Date: The date of the satisfaction or waiver by the Required DIP Lenders of the relevant "Conditions Precedent to the Closing of the DIP Facility" set forth below (the "Closing Date").

Availability Period: The New Money DIP Loans may be drawn during the period from and including the Closing Date up to, but excluding, the DIP Termination Date (as defined below) (such period, the "Availability Period"). The New Money DIP Commitments will expire at the end of the Availability Period. The New Money DIP Commitments shall be permanently reduced on the date of each Extension of Credit by the aggregate principal amount of the New Money DIP Loans made on the date of such Extension of Credit.

Maturity: All DIP Obligations (as defined herein) will be due and payable in full in cash unless otherwise agreed to by the DIP Lenders on the earliest of (i) the date that is [ ] calendar days after the Petition Date, (ii) if the Final DIP Order has not been entered, twenty-three (23) calendar days after the Petition Date, (iii) the acceleration of the DIP Loans and the termination of the New Money DIP Commitments upon the occurrence of an event referred to below under "Termination", (iv) the effective date of any plan of reorganization, (v) the date the Bankruptcy Court converts any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code, (vi) the date the Bankruptcy Court dismisses any of the Chapter 11 Cases and (vii) the date an order is entered in any Bankruptcy Case appointing a Chapter 11 trustee or examiner with enlarged powers (any such date, the "DIP Termination Date"). Principal of, and accrued interest on, the DIP Loans and all other amounts owing to the DIP Agent and/or the DIP Lenders under the DIP Facility shall be payable on

the DIP Termination Date.

Budget: The "Budget" shall consist of a 13-week operating budget setting forth all forecasted receipts and disbursements on a weekly basis for such 13-week period beginning as of the week of the Petition Date, broken down by week, including the anticipated weekly uses of the DIP Proceeds for such period (and draws under the DIP Facility), which shall include, among other things, available cash, cash flow, trade payables and ordinary course expenses, total expenses and capital expenditures, fees and expenses relating to the DIP Facility, fees and expenses related to the Chapter 11 Cases (including professional fees), and working capital and other general corporate needs, which forecast shall be in form satisfactory to the DIP Agent at the direction of the Required DIP Lenders and in substance satisfactory to the DIP Agent at the direction of the Required DIP Lenders (such Budget shall be supplemented in the manner required pursuant to the "Financial Reporting Requirements" section below).

Use of Proceeds: The New Money DIP Loans shall be used, in each case subject to the Budget (including Permitted Variances (as defined below)) and the terms and conditions of the DIP Credit Agreement, the Interim Order, and the Final DIP Order, to (i) upon the entry of the Final DIP Order, refinance in full (the "BAML Payoff Amount") the outstanding obligations of the Borrower under the Prepetition BAML Obligations (the "Prepetition BAML Obligations") set forth in a payoff letter (the "BAML Payoff Letter") in form and substance acceptable to the Prepetition BAML Agent; provided, however, that in the event that the Debtors seek authorization and use of the New Money DIP Loan on an interim basis, the DIP Liens securing the DIP Obligations will be subject to and junior to the Prepetition Liens securing the Prepetition BAML Obligations; (ii) provide working capital and for other general corporate purposes of the Debtors, (iii) fund the costs of the administration of the Chapter 11 Cases (including professional fees and expenses) and the section 363 sale processes, and (iv) fund interest, fees, and other payments contemplated in respect of the DIP Facility.

Without in any way limiting the foregoing, no DIP Collateral (as defined herein), DIP Proceeds, any portion of the Carve Out (as defined herein) or any other amounts may be used directly or indirectly by any of the Debtors, any official committee appointed in the Chapter 11 Cases (the "Committee"), if any, or any trustee or other estate representative appointed in the Chapter 11 Cases (or any successor case) or any other person or entity (or to pay any professional fees, disbursements, costs or expenses incurred in connection therewith): (a) to seek authorization to obtain liens or security interests that are senior to, or *pari passu* with, the DIP Liens (as defined below) or the Prepetition Liens (as defined herein) (except to the extent expressly set forth herein); or (b) to investigate (including by way of examinations or discovery proceedings), prepare, assert, join, commence, support or prosecute any action for any claim, counter-claim, action, proceeding, application, motion, objection, defense, or other contested matter seeking any order, judgment, determination or similar relief against, or adverse to the interests of, in any capacity, against any of the DIP Agent, the DIP Lenders, the Prepetition Agents or the Prepetition Lenders, and each of their respective officers,

directors, controlling persons, employees, agents, attorneys, affiliates, assigns, or successors of each of the foregoing (all in their capacities as such) (collectively, the "Released Parties"), with respect to any transaction, occurrence, omission, action or other matter (including formal discovery proceedings in anticipation thereof), including, without limitation, (i) any claims or causes of action arising under chapter 5 of the Bankruptcy Code; (ii) any so-called "lender liability" claims and causes of action; (iii) any action with respect to the validity, enforceability, priority and extent of, or asserting any defense, counterclaim, or offset to, the DIP Obligations, the DIP Claims, the DIP Liens, the DIP Loan Documents, the Prepetition Loan Documents, the Prepetition Term B Obligations, and the Prepetition BAML Obligations (the Prepetition BAML Obligations and the Prepetition Term B Obligations, the "Prepetition Obligations"); (iv) any action seeking to invalidate, modify, set aside, avoid or subordinate, in whole or in part, the DIP Obligations or the Prepetition Obligations; (v) any action seeking to modify any of the rights, remedies, priorities, privileges, protections and benefits granted to either (A) the DIP Agent or the DIP Lenders hereunder or under any of the DIP Loan Documents, or (B) the Prepetition Agents or the Prepetition Lenders under any of the Prepetition Loan Documents (in each case, including, without limitation, claims, proceedings or actions that might prevent, hinder or delay any of the DIP Agent's or the DIP Lenders' assertions, enforcements, realizations or remedies on or against the DIP Collateral in accordance with the applicable DIP Loan Documents, the Interim Order, and the Final DIP Order); or (vi) objecting to, contesting, or interfering with, in any way, the DIP Agent's and the DIP Lenders' enforcement or realization upon any of the DIP Collateral once an Event of Default (as defined herein) has occurred; provided, however, that no more than $50,000 in the aggregate of the DIP Collateral, the Carve Out, cash collateral, proceeds from the borrowings under the DIP Facility or any other amounts, may be used by the Committee, if any, to investigate claims and/or liens of the Prepetition Agents and Prepetition Lenders under the Prepetition Loan Documents.

Documentation: The DIP Facility will be evidenced by a credit agreement (the "DIP Credit Agreement") to be in form based on the Prepetition Term B Credit Agreement (with such modifications as are necessary to reflect the terms set forth in this DIP Term Sheet and the nature of the DIP Facility as a debtor-in-possession facility, including appropriate qualifications to reflect the commencement and continuation of the Chapter 11 Cases, the events leading up to the Chapter 11 Cases, the effect of the bankruptcy, the terms of the RSA, the conditions in the industry in which the Borrower operates in as existing on the Closing Date and/or the consummation of transactions contemplated by the Debtors' "first day" pleadings, and to reflect administrative agency and operational matters reasonably acceptable to the DIP Agent (acting at the direction of the Required DIP Lenders) and the Debtors and other modifications as may be reasonably agreed between DIP Agent (acting at the direction of the Required DIP Lenders) and the Debtors, the "Documentation Principles"), security documents, guarantees and other legal documentation (collectively, together with the DIP Credit Agreement, the "DIP Loan Documents"), which DIP Loan Documents shall be in form and substance consistent with the Documentation Principles, this DIP Term Sheet and otherwise satisfactory to

the DIP Agent and the DIP Lenders.

Controlled Accounts: The Debtors shall maintain all existing Deposit Accounts (as defined in the Prepetition Term B Credit Agreement) (other than excluded accounts to be agreed) and each such Deposit Account shall remain subject to a perfected lien and control pursuant to the terms of the Interim Order and the Final DIP Order or, as may be requested by the DIP Agent, an enforceable control agreement in favor of the DIP Agent (any such account, a "Controlled Account"). The DIP Credit Agreement, the Interim Order (as applicable), and the Final DIP Order shall require the Debtors to maintain the DIP Proceeds in the Controlled Accounts except as permitted to be used in accordance with the Budget and shall prohibit the Debtors from withdrawing funds from the Controlled Accounts after the occurrence and during the continuance of an Event of Default under the DIP Credit Agreement.

Interest: The DIP Loans will bear interest at the Applicable Margin (as defined herein) *plus* the current LIBOR rate as determined by the DIP Agent in accordance with its customary procedures, and utilizing such electronic or other quotation sources as it considers appropriate, to be the rate at which United States Dollar deposits are offered to major banks in the London interbank market three (3) Business Days prior to the commencement of the requested interest period, adjusted for reserve requirements, if any, and subject to customary change of circumstance provisions, for interest periods of one month (the "LIBOR Rate"), payable quarterly in arrears; provided, however, that in no event shall the LIBOR Rate at any time be less than 1.00%.

"Applicable Margin" means a rate per annum equal to **[__]%**[2] paid in cash.

Interest shall be calculated on the basis of the actual number of days elapsed in a 360 day year.

[2] NTD: To be determined based on DIP sizing and budget.

Default Interest:	Upon the occurrence of and during the continuance of an Event of Default under the DIP Loan Documents, the DIP Loans and all DIP Obligations will automatically bear interest at an additional 2.00% *per annum*.
Fees:	A closing fee equal to [__]% (the "Closing Fee") on the entire New Money DIP Commitments, which shall be earned upon entry of the Final Order, with such Closing Fee to be shared on a pro rata basis by the DIP Lenders. The Closing Fee shall be paid in cash on the Closing Date to the DIP Agent (for distribution to the DIP Lenders).
Voluntary Prepayments:	Voluntary prepayments of the DIP Loans shall be permitted at any time, without premium or penalty.
Mandatory Prepayments:	The DIP Credit Agreement will contain customary mandatory prepayment events for financings of this type consistent with the Documentation Principles and others agreed to by the DIP Lenders and the Borrower ("Mandatory Prepayments"), including, without limitation, prepayments from proceeds of (i) insurance and condemnation proceeds, (ii) equity or debt issuances, (iii) extraordinary receipts, (iv) any cash or cash equivalents cash collateralizing any letter of that is returned to the Borrower or any Guarantor for its own account and (v) any cash or cash equivalents returned to the Borrower or any Guarantor from rent reserves or security deposits returned to the Borrower or any Guarantor upon the assignment of a lease or otherwise, in each case, received by the Borrower or any of the Guarantors and subject to exceptions to be agreed. Mandatory Prepayments will result in a permanent reduction of the DIP Facility.
Priority and Security under DIP Facility:	All obligations of the Borrower and the Guarantors to the DIP Agent and the DIP Lenders under the DIP Facility, including, without limitation, all principal and accrued interest, premiums (if any), costs, fees and expenses or any other amounts due, or any exposure of each DIP Lender and its affiliates in respect of cash management incurred on behalf of the Borrower or any Guarantor under the DIP Facility (collectively, the "DIP Obligations"), shall be secured by the following liens and security interests (the "DIP Liens"):

(a) subject to the Carve Out and subject only to existing liens that under applicable law, are senior to, and have not been subordinated to, the liens of the DIP Agent under the DIP Loan Documents, but only to the extent that such liens are valid, perfected, enforceable and non-avoidable liens as of the Petition Date or perfected following the Petition Date as permitted by section 546 of the Bankruptcy Code (collectively, the "Permitted Liens"), pursuant to section 364(d)(1) of the Bankruptcy Code, a first priority perfected senior priming lien on, and security interest in the Collateral (as defined in the Prepetition Term B Loan Documents) securing the Prepetition BAML Obligations and the Prepetition Term B Obligations, wherever located, that may be subject to a validly perfected security interest in existence on the Petition Date securing the Prepetition BAML Obligations and the Prepetition Term B Obligations under the Prepetition Loan Documents (the "Prepetition Liens"), which Prepetition Liens shall be primed by, and made subject and subordinate to, the perfected first priority senior priming liens and security interests to be granted to the DIP Agent for the benefit of the DIP Lenders, which senior priming liens and security interests in favor of the DIP Agent for the benefit of the DIP Lenders shall also be senior to the Prepetition Term B Lender Adequate Protection Liens (as defined herein); *provided*, *however*, that that DIP Liens shall, until the Prepetition BAML Agent's receipt of the BAML Payoff Amount (the "BAML Payoff Date"), be subject to and junior to the Prepetition Liens securing the Prepetition BAML Obligations;

(b) subject to the Carve Out, pursuant to section 364(c)(2) of the Bankruptcy Code, a first priority perfected lien on, and security interest in, all present and after acquired property of the Debtors, wherever located, not subject to a lien or security interest on the date of commencement of the Chapter 11 Cases (collectively, the "Unencumbered Property");

(c) subject to the Carve Out, pursuant to section 364(c)(3) of the Bankruptcy Code, a junior perfected lien on, and security interest in, all present and after-acquired property of the Debtors, wherever located, that is subject to a Permitted Lien on the Petition Date or subject to a Permitted Lien in existence on the Petition Date that is perfected subsequent thereto as permitted by section 546(b) of the Bankruptcy Code; and

(d) subject to the Carve Out, a first priority perfected lien on, and security interest in, all funds on deposit in the Controlled Accounts.

The property referred to in the preceding clauses (a), (b), (c) and (d) is collectively referred to as the "DIP Collateral" and shall include, without limitation, all assets (whether tangible, intangible, personal or mixed) of the Borrower and the Guarantors, whether now owned or hereafter acquired and wherever located, before or after the Petition Date, including, without limitation, all accounts, proceeds of leases, inventory, equipment, equity interests or capital stock in subsidiaries, investment property, instruments, chattel paper, real estate, leasehold interests, contracts, patents, copyrights, trademarks and other general intangibles, the proceeds of all claims or causes of action (including upon entry of the Final Order, avoidance actions and proceeds of avoidance actions under chapter 5 of the Bankruptcy Code) and

all products, offspring, profits and proceeds thereof.

The DIP Liens shall be effective and perfected as of the entry of the Interim Order (subject to the occurrence of the Closing Date) and without necessity of the execution, filing or recording of control agreements, financing statements or other agreements. However, the DIP Agent may, in its discretion, require the execution, filing or recording of any or all of the documents described in the preceding sentence.

Notwithstanding the foregoing, the DIP Collateral shall not include (and the DIP Liens shall not extend to) assets scheduled and held by the Debtors in trust (but only for so long as such assets are held in trust).

Superpriority DIP Claims: All DIP Claims shall be entitled to the benefits of section 364(c)(1) of the Bankruptcy Code, having superpriority over any and all administrative expenses of the kind that are specified in sections 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 507(b), 546(c), 726, 1114 or any other provisions of the Bankruptcy Code, subject only to the Carve Out.

The DIP Claims will, at all times during the period that the DIP Loans remain outstanding, remain, in right of payment, senior in priority to all other claims or administrative expenses, including (a) any claims allowed pursuant to the obligations under the Prepetition Loan Documents, and (b) the Prepetition Term B Lender Superpriority Claims (as defined below), subject only to the Carve Out; *provided*, *however*, that the DIP Claims shall be subject to and junior to the claims of the Prepetition BAML Agent and the Prepetition BAML Lender until the BAML Payoff Date.

Carve Out: "Carve Out" means an amount equal to the sum of the following (A) : (i) all fees required to be paid to the Clerk of the Bankruptcy Court and to the Office of the United States Trustee under 28 U.S.C. § 1930(a) plus interest pursuant to 31 U.S.C. § 3717 (without regard to the notice set forth in clause (iii) below); (ii) all reasonable fees and expenses incurred by a trustee under section 726(b) of the Bankruptcy Code in an aggregate amount not to exceed $[50,000] (without regard to the notice set forth in clause (iii) below); and (iii) to the extent allowed by the Bankruptcy Court at any time, whether by interim order, procedural order, final order or otherwise, all accrued and unpaid fees, disbursements, costs and expenses incurred by persons or firms retained by the Debtors pursuant to section 327, 328 or 363 of the Bankruptcy Code (the "Debtor Professionals") and all accrued unpaid fees, disbursements, costs and expenses incurred by the Committee (if any) pursuant to section 328 and 1103 of the Bankruptcy Code (the "Committee Professionals," together with the Debtor Professionals, the "Estate Professionals," and such Estate Professional fees in each case in accordance with the Budget, the "Allowed Professional Fees") at any time before or on the first business day following delivery by the DIP Agent at the direction of the Required DIP Lenders of a Carve Out Trigger Notice (as defined below), whether allowed by the Bankruptcy Court prior to or after delivery of a Carve Out Trigger Notice; and (iv) Allowed Professional Fees of Estate Professionals in an aggregate amount not to exceed $[_____] incurred after the first business day following delivery by the DIP Agent at the direction of

the Required DIP Lenders of a Carve Out Trigger Notice, to the extent allowed at any time, whether by interim order, procedural order, final order, or otherwise (the amounts set forth in this clause (iv), the "Post-Carve Out Trigger Notice Cap"); provided, however, nothing herein shall be construed to impair the ability of any party to object to any fees, expenses, reimbursement or compensation sought by any such professionals or any other person or entity. For purposes of the foregoing, "Carve Out Trigger Notice" shall mean a written notice (which may be delivered by e-mail (or other electronic means)) by the DIP Agent at the direction of the Required DIP Lenders to the Debtors and their counsel, the United States Trustee, and lead counsel to any Committee appointed in the Chapter 11 Cases, which notice may be delivered following the occurrence of an Event of Default, stating that the Post-Carve Out Trigger Notice Cap has been invoked.

For the avoidance of doubt and notwithstanding anything to the contrary herein, the Carve Out shall be senior to all liens and claims securing the DIP Facility, the adequate protection liens and claims, and all other forms of adequate protection, liens, or claims securing the DIP Obligations or the Prepetition Obligations; *provided*, *however*, that upon the BAML Payoff Date, the Prepetition BAML Agent and the Prepetition BAML Lenders shall be released from any and all liability or subordination to the Carve Out.

Investigation Rights:

The Committee (to the extent appointed), and any other party in interest with standing, shall have the lesser of (x) sixty (60) calendar days from the date of its appointment and, to the extent a Committee is not appointed, any party in interest (other than the Debtors) shall have a maximum of seventy-five (75) calendar days from the entry of the Interim Order for any other party in interest with requisite standing or (y) two Business Days prior to the sale hearing approving the sale of all or substantially all of the Debtors' assets (the "Investigation Period") to investigate and commence an adversary proceeding or contested matter, as required by the applicable Federal Rules of Bankruptcy Procedure, and challenge (each, a "Challenge") the findings, the Debtors' stipulations, or any other stipulations contained in the Interim Order and the Final DIP Order, including, without limitation, any challenge to the validity, priority or enforceability of the liens securing the obligations under the Prepetition Loan Documents, or to assert any claim or cause of action against the Prepetition Agents or the Prepetition Lenders arising under or in connection with the Prepetition Loan Documents or the Prepetition Obligations, as the case may be, whether in the nature of a setoff, counterclaim or defense of Prepetition Obligations, or otherwise. The Investigation Period may only be extended with the prior written consent of the Prepetition Agents (acting at the direction of the Required Lenders), or pursuant to an order of the Bankruptcy Court. Except to the extent asserted in an adversary proceeding or contested matter filed during the Investigation Period, upon the expiration of such applicable Investigation Period (to the extent not otherwise waived or barred), (i) any and all Challenges or potential challenges shall be deemed to be forever waived and barred; (ii) all of the agreements, waivers, releases, affirmations, acknowledgements and stipulations contained in the Interim Order and Final DIP Order shall be irrevocably and forever binding on the Debtors, the Committee and all parties-in-interest and any and all successors-in-interest as to any of the

foregoing, including any Chapter 7 Trustee, without further action by any party or the Bankruptcy Court; (iii) the Prepetition Obligations shall be deemed to be finally allowed and the Prepetition Liens shall be deemed to constitute valid, binding and enforceable encumbrances, and not subject to avoidance pursuant to the Bankruptcy Code or applicable non-bankruptcy law; and (iv) the Debtors shall be deemed to have released, waived and discharged the Released Parties from any and all claims and causes of action arising out of, based upon or related to, in whole or in part, the Prepetition Obligations. Notwithstanding anything to the contrary herein: (x) if any Challenge is timely commenced, the stipulations contained in the Interim Order and the Final DIP Order shall nonetheless remain binding on all other parties-in-interest and preclusive except to the extent that such stipulations are expressly and successfully challenged in such Challenge; and (y) the Released Parties reserve all of their rights to contest on any grounds any Challenge. For the avoidance of doubt, the Interim Order and the Final DIP Order shall include language that the investigation rights afforded to the Committee will not constitute the Debtors', the Prepetition Lenders' or DIP Lenders' recognition, consent, or agreement not to object to, the Committee's standing to assert any claim or cause of action.

Conditions Precedent to the Closing of the DIP Facility: The DIP Credit Agreement will contain customary conditions precedent to closing mutually acceptable to the Debtors, the DIP Agent and the DIP Lenders, including but not limited to the following conditions precedent, each of which shall be subject to waiver with the consent of the Debtors and the DIP Agent at the direction of the Required DIP Lenders:

- All documentation relating to the DIP Facility shall be in form and substance satisfactory to the DIP Agent and the DIP Lenders, and shall have been duly executed and delivered by all parties thereto.

- All reasonable and documented (in summary form) out-of-pocket fees, costs, disbursements and expenses, accrued and unpaid as of the Closing Date, of (i) the DIP Agent (limited, in the case of counsel, to all reasonable and documented out-of-pocket fees, costs, disbursements and expenses of the DIP Agent's outside counsel, [James-Bates-Brannan-Groover LLP] ("[JBBG]"), and any successor counsel, and, to the extent necessary, one firm of local counsel engaged by the DIP Agent in connection with the Debtors' Chapter 11 Cases), (ii) the DIP Lenders (limited, in the case of counsel, to all reasonable and documented out-of-pocket fees, costs, disbursements and expenses of the DIP Lenders' outside counsel, King & Spalding LLP ("K&S"), and, to the extent necessary, one firm of local counsel engaged by the DIP Lenders in connection with the Debtors' Chapter 11 Cases), (iii) Province Inc. and (iv) any other professional advisors retained by the DIP Agent at the direction of the Required DIP Lenders in their reasonable discretion, shall have been paid in full in cash (which payment may be made from DIP Proceeds), in each case to the extent invoices for any such accrued and unpaid amounts are provided to the Debtors no later than two (2) Business Days prior to the Closing Date.

- The DIP Agent and the DIP Lenders shall have received a Budget in form

and substance satisfactory to the DIP Agent at the direction of the Required DIP Lenders.

- All first day motions, including those related to the DIP Facility, filed by the Debtors and related orders entered by the Bankruptcy Court in the Chapter 11 Cases shall be in form and substance reasonably satisfactory to the DIP Agent at the direction of the Required DIP Lenders.

- Other than the Interim Order and the Final DIP Order, there shall not exist any law, regulation, ruling, judgment, order, injunction or other restraint that prohibits, restricts or imposes a materially adverse condition on the DIP Facility or the exercise by the DIP Agent at the direction of the DIP Lenders of its rights as a secured party with respect to the DIP Collateral.

- Other than, in each case, as a result of the commencement and continuation of the Chapter 11 Cases, the events leading up to the Chapter 11 Cases, the effect of the bankruptcy, the conditions in the industry in which the Borrower operates in as existing on the Closing Date and/or the consummation of transactions contemplated by the Debtors' "first day" pleadings reviewed by the DIP Agent and the Required DIP Lenders (collectively, the "Known Events"), since the Petition Date there shall have occurred no event, circumstance or condition which has resulted, or could reasonably be expected to result, in a material adverse change in (i) the business, operations, properties or condition (financial or otherwise) of the Debtors and their subsidiaries, collectively, (ii) the legality, validity or enforceability of any DIP Loan Documents, the Interim Order or the Final DIP Order, (iii) the ability of the Borrower or the Guarantors, taken as a whole, to perform their payment obligations under the DIP Loan Documents, (iv) the perfection or priority of the DIP Liens granted pursuant to the DIP Loan Documents, the Interim Order or the Final DIP Order, or (v) the rights and remedies of the DIP Agent and the DIP Lenders under the DIP Loan Documents taken as a whole (any of the foregoing being a "Material Adverse Change").

- Other than the Chapter 11 Cases, as stayed upon the commencement of the Chapter 11 Cases, or as disclosed in writing to the DIP Agent prior to the Petition Date on a schedule to the DIP Credit Agreement, there shall exist no action, suit, investigation, litigation or proceeding pending or threatened in writing in any court or before any arbitrator or governmental authority that (i) would reasonably be expected to result in a Material Adverse Change or (ii) restrains, prevents or purports to affect materially adversely the legality, validity or enforceability of the DIP Facility or the consummation of the transactions contemplated thereby.

- Other than as a result of or in connection with the Chapter 11 Cases, all governmental and third party consents and approvals reasonably necessary to be obtained by the Borrower in connection with the DIP Facility, if any, shall have been obtained (without the imposition of any conditions that are not reasonably acceptable to the DIP Agent at the direction of the Required DIP Lenders in their reasonable discretion) or permitted via the Interim Order or the Final DIP Order, as applicable, and

shall remain in effect.

- Subject to the entry of the Interim Order, the DIP Agent, for the benefit of the DIP Lenders, shall have a valid and perfected lien on and security interest in the DIP Collateral of the Debtors on the basis and with the priority set forth herein.

- In the event that the Debtors seek authorization and use of the New Money DIP Loans on an interim basis, the Bankruptcy Court shall have entered the Interim Order within three (3) calendar days following the Petition Date, in form and substance consistent with the terms and conditions set forth herein and otherwise satisfactory to the DIP Agent at the direction of the Required DIP Lenders, which Interim Order shall include, without limitation, copies of the DIP Facility and the initial Budget as exhibits thereto, entered on notice to such parties as may be satisfactory to the DIP Agent acting at the direction of the Required DIP Lenders and otherwise required by the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules of the Bankruptcy Court, (i) authorizing and approving, on an interim basis, the New Money DIP Facility and the transactions contemplated thereby, including, without limitation, the granting of the superpriority status, security interests and priming liens (subject to the Prepetition Liens securing the Prepetition BAML Obligations to the extent the BAML Payoff Amount is not received on such date), and the payment of all fees, referred to herein; (ii) authorizing, on an interim basis, the lifting or modification of the automatic stay to permit the Borrower and the Guarantors to perform their obligations, and the DIP Lenders to exercise their rights and remedies, with respect to the DIP Facility; (iii) authorizing, on an interim basis, the use of cash collateral and providing for adequate protection in favor of the Prepetition Lenders as and to the extent provided herein; and (iv) reflecting such other terms and conditions that are mutually satisfactory to the DIP Agent (at the direction of the Required DIP Lenders) and the Debtors, in their respective discretion, in each case, on the terms and conditions set forth herein; which Interim Order shall be in full force and effect, shall not have been reversed, vacated or stayed and shall not have been amended, supplemented or otherwise modified without the prior written consent of the DIP Agent (at the direction of the Required DIP Lenders).

- The Bankruptcy Court shall have entered the Final DIP Order within twenty (23) calendar days following the Petition Date, in form and substance consistent with the terms and conditions set forth herein and otherwise satisfactory to the DIP Agent at the direction of the Required DIP Lenders, which Final DIP Order shall include, an updated Budget (as necessary) as an exhibit thereto, entered on notice to such parties as may be satisfactory to the DIP Agent acting at the direction of the Required DIP Lenders and otherwise as required by the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules of the Bankruptcy Court, (i) authorizing and approving, on a final basis, the New Money DIP Facility and the transactions contemplated thereby, including, without limitation, the

granting of the superpriority status, security interests and priming liens, and the payment of all fees, referred to herein; (ii) authorizing, on a final basis, the lifting or modification of the automatic stay to permit the Borrower and the Guarantors to perform their obligations, and the DIP Lenders to exercise their rights and remedies, with respect to the DIP Facility; (iii) authorizing, on a final basis, the use of cash collateral and providing for adequate protection in favor of the Prepetition Lenders as and to the extent provided herein; and (iv) reflecting such other terms and conditions that are mutually satisfactory to the DIP Agent (at the direction of the Required DIP Lenders) and the Debtors, in their respective discretion, in each case, on the terms and conditions set forth herein; which Final DIP Order shall be in full force and effect, shall not have been reversed, vacated or stayed and shall not have been amended, supplemented or otherwise modified without the prior written consent of the DIP Agent (at the direction of the Required DIP Lenders).

- The Debtors shall have entered into all stalking horse asset purchase agreements as set forth in and pursuant to the RSA.

- The DIP Agent shall have received, at least three (3) Business Days prior to the Closing Date, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act, and the DIP Agent shall have completed, with results satisfactory to the DIP Agent, its review procedures regarding the respective documentation and information, on or prior to the Closing Date.

- Receipt of customary closing items, including (i) a secretary's certificate containing customary exhibits, and (ii) UCC-1 financing statements and intellectual property security agreements.

- The Debtors shall have entered into the RSA with the requisite Consenting Parties (as defined in the RSA) in accordance with its terms and the RSA shall otherwise become effective as to such parties, and the RSA shall continue to be in full force and effect according to its terms.

Conditions Precedent to Borrowing New Money DIP Loans:

In addition to the satisfaction of the conditions on the Closing Date, the DIP Credit Agreement will contain the following conditions precedent to borrowings on the date of any Extension of Credit:

- The DIP Agent shall have received a borrowing notice from the Borrower at least three (3) business days prior to the anticipated date of any Extension of Credit.

- No Default or Event of Default shall have occurred, and shall be continuing, under the DIP Loan Documents immediately prior to the funding of the New Money DIP Loans or would result from such borrowing of the New Money DIP Loans.

- The representations and warranties of each Borrower and each Guarantor set forth in the DIP Credit Agreement shall be true and correct in all material respects (without duplication of any materiality qualifier) on and as of the Closing Date or on and as of the date of any Extension of Credit thereafter, as applicable, in each case immediately after giving effect to the funding of any New Money DIP Loans and to the application of the proceeds therefrom as though made on and as of such date (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 in all material respects (without duplication of any materiality qualifier) as of such earlier date).

- The making of the New Money DIP Loans shall not violate any requirement of law and shall not be enjoined temporarily, preliminarily or permanently.

- The making of the New Money DIP Loans shall be authorized pursuant to the Interim Order or the Final DIP Order, as applicable.

- Other than the Final DIP Order, there shall not exist any law, regulation, ruling, judgment, order, injunction or other restraint that prohibits or restricts the DIP Facility or the exercise by the DIP Agent at the direction of the DIP Lenders of its rights as a secured party with respect to the DIP Collateral.

- The entry of the Final DIP Order, in form and substance consistent with the terms and conditions set forth herein and otherwise satisfactory to the DIP Agent at the direction of the Required DIP Lenders, which Final DIP Order shall be in full force and effect, shall not have been reversed, vacated or stayed and shall not have been amended, supplemented or otherwise modified without the prior written consent of the DIP Agent (at the direction of the Required DIP Lenders).

- Other than the Known Events, since the Petition Date, there shall not have been a Material Adverse Change.

- The RSA shall remain in force and effect according to its terms.

- Other than the Chapter 11 Cases, as stayed upon the commencement of the Chapter 11 Cases, or as disclosed in writing to the DIP Agent prior to the Petition Date on a schedule to the DIP Credit Agreement, there shall exist no action, suit, investigation, litigation or proceeding pending or threatened in writing in any court or before any arbitrator or governmental authority that (i) would reasonably be expected to result in a Material Adverse Change or (ii) restrains, prevents or purports to affect materially adversely the legality, validity or enforceability of the DIP Facility or the consummation of the transactions contemplated thereby.

- The Loan Parties shall be in compliance with (i) the Interim Order, (ii) the Final DIP Order, and (ii) the Budget (subject to Permitted Variances).

Representations and Warranties:	The DIP Credit Agreement will contain representations and warranties (which will be applicable to each Debtor and its subsidiaries) consistent with the Documentation Principles and to be made as of (x) the date the Borrower and the Guarantors execute the DIP Loan Documents, (y) the Closing Date, and (z) the date of any Extension of Credit thereafter, including without limitation the following: representations and warranties regarding valid existence, requisite power, due authorization, no conflict with the Interim Order or the Final DIP Order (as applicable) or applicable law, governmental consent, enforceability of DIP Loan Documents, Budget, accuracy of financial statements and all other non-forward looking information provided, compliance with law, absence of Material Adverse Change, no default under the DIP Loan Documents, taxes, subsidiaries, litigation, labor matters, ERISA, pension and benefit plans, leases and real property, material contracts, bankruptcy matters, environmental, ownership of properties and necessary rights to intellectual property, insurance, inapplicability of Investment Company Act, compliance with OFAC, money laundering, PATRIOT Act and other anti-terrorism laws and anti-corruption laws, continued accuracy of representations and continued effectiveness of the Interim Order or Final DIP Order (as applicable) and each other order of the Bankruptcy Court with respect to the DIP Facility.
Affirmative and Negative Covenants:	The DIP Credit Agreement will contain customary affirmative and negative covenants to be consistent with the Documentation Principles, including without limitation, the following: • Deliver to the DIP Agent and the DIP Lenders and their counsel for review and comment, as soon as commercially reasonable, and in any event not less than three (3) Business Days prior to filing (or as soon thereafter as is reasonably practicable under the circumstances), all pleadings, motions and other documents material to the DIP Agent or DIP Lenders (provided that any of the foregoing relating to the DIP Facility shall be deemed material) to be filed on behalf of the Debtors with the Bankruptcy Court. • Promptly deliver in accordance with the Bid Procedures (as defined in the RSA), to the DIP Agent and the DIP Lenders copies of any term sheets, proposals, presentations, amendments to any Asset Purchase Agreement(s) (as defined in the RSA) or other documents, from any party, related to (i) the restructuring of the Debtors, or (ii) the sale of assets of one or more of the Debtors. Notwithstanding the foregoing, the Debtors will not provide copies of any term sheets, proposals, presentations, amendments to any Asset Purchase Agreement(s), bids or other confidential information to the DIP Agent and the DIP Lenders if the DIP Agent and the DIP Lenders are active bidders or involved in the bidding process as to the relevant Asset(s) at the applicable time. • Comply with laws (including without limitation, the Bankruptcy Code, ERISA, environmental laws, OFAC, money laundering laws, PATRIOT Act and other anti-terrorism laws and anti-corruption laws), pay taxes, maintain all necessary licenses and permits and trade names, trademarks, patents, preserve corporate existence, maintain appropriate and adequate

insurance coverage and permit inspection of properties, books and records, in each case, subject to materiality qualifiers consistent with the Documentation Principles.

- Limitations against all transactions with affiliates of the Debtors (other than ordinary course transactions consistent with past practice among or between any Debtors and their respective subsidiaries), including, without limitation, restrictions on payment of any management fees to affiliates.

- Maintain a cash management system as required by the Interim Order and the Final DIP Order and otherwise in compliance with the Prepetition Term B Credit Agreement.

- Not make or commit to make payments to critical vendors in respect of prepetition amounts.

- Delivery of the Budget, updated every two weeks and adherence to the Budget, subject to Permitted Variances.

- (i) Actual line item and aggregate disbursements shall not exceed the line item and aggregate amount of disbursements in the Budget for the applicable period by more than the Permitted Variances, (ii) actual aggregate cash receipts (excluding DIP Proceeds that may be deemed a receipt) during the applicable period shall not be less than the aggregate amount of such cash receipts in the Budget for such period by more than the Permitted Variances; and (iii) actual cash flows during the applicable period shall not differ from the aggregate amount of such cash flows in the Budget for such period by more than the Permitted Variances.

  [For purposes hereof, the term "Permitted Variances" will mean, for the first two week period after the Closing Date, to be tested on the first Wednesday following the end of such two week period (the "Initial Testing Period") and for each rolling two week period after the Initial Testing Period (each such period after the Initial Testing Period, together with the Initial Testing Period, the "Testing Periods"): (i) all favorable variances, and (ii) an unfavorable variance of no more than [ ]% for each of actual receipts, actual disbursements (on a line item and aggregate basis) and actual net cash flows as compared to the budgeted receipts, disbursements and net cash flows, respectively, set forth in the Budget with respect to the applicable Testing Period; provided, further, that any disbursements in any Testing Period made from proceeds of favorable variances with respect to receipts in any Testing Period shall not be counted as disbursements for purposes of calculating unfavorable variances; notwithstanding the foregoing, the Carve Out shall be excluded from the determination of Permitted Variances. The Permitted Variances with respect to each Testing Period shall be determined and reported to the DIP Agent and the DIP Lenders not later than 5:00 p.m. Eastern Time on each Wednesday immediately following the end of each such Testing Period. Additional variances, if any, from the Budget, and any proposed changes to the Budget, shall be subject to the approval of

the DIP Agent at the direction of the Required DIP Lenders.**]**[3]

- Consistent with the Documentation Principles and subject to the Budget, not incur or assume any additional debt or contingent obligations in respect of debt, give any guaranties in respect of debt, create any liens, charges or encumbrances or incur additional material lease obligations, in each case, beyond agreed upon limits; not merge or consolidate with any other person, change the nature of business or corporate structure or create or acquire new subsidiaries, in each case, beyond agreed upon limits; not amend its charter or by laws; not sell, lease or otherwise dispose of assets (including, without limitation, in connection with a sale leaseback transaction) outside the ordinary course of business and beyond agreed upon limits; not give a negative pledge on any assets in favor of any person other than the DIP Agent for the benefit of the DIP Lenders; and not permit to exist any consensual encumbrance on the ability of any subsidiary to pay dividends or other distributions to the Borrower; in each case, subject to customary exceptions or baskets as may be agreed.

- Other than the DIP Obligations or as otherwise set forth in the Interim Order or the Final DIP Order, not prepay, redeem, purchase, defease, exchange or repurchase any debt or amend or modify any of the terms of any such debt or other similar agreements entered into by any Debtor or its subsidiaries.

- Not make any loans, advances, capital contributions or acquisitions, form any joint ventures or partnerships or make any other investments in subsidiaries (other than among the Debtors) or any other person, subject to certain exceptions to be agreed.

- Not make or commit to make any payments in respect of warrants, options, repurchase of stock, dividends or any other distributions (other than among the Debtors, from Debtors to non-Debtor affiliates in the ordinary course, among non-Debtors, and from non-Debtors to Debtors).

- Not make, commit to make, or permit to be made any bonus payments to executive officers of the Debtors and their subsidiaries in excess of the amounts set forth in the Budget.

- Not permit any change in ownership or control of any Debtor or any subsidiary or any change in accounting treatment or reporting practices, except as required by GAAP or as permitted or contemplated by the DIP Credit Agreement.

- Without the prior written consent of the Required DIP Lenders, not make or permit to be made any change to the Interim Order or the Final DIP Order with respect to the DIP Facility.

- Not permit the Debtors to seek authorization for, and not permit the

[3] NTD: Variance concept to be discussed.

existence of, any claims other than that of the DIP Lenders entitled to a superpriority under section 364(c)(1) of the Bankruptcy Code that is senior or *pari passu* with the DIP Lenders' section 364(c)(1) claim, except for the Carve Out.

- The Debtors shall comply with the Milestones (as defined herein).

Financial Reporting Requirements:

The Borrower shall provide to the DIP Agent for the benefit of the DIP Lenders (hereinafter the "Financial Reporting Requirements"): (i) monthly operating reports of the Debtors and their subsidiaries, within thirty (30) calendar days of month end, certified by the Debtors' chief financial officer; (ii) quarterly consolidated financial statements of the Debtors and their subsidiaries within forty-five (45) calendar days of fiscal quarter end, certified by the Borrower's chief financial officer; (iii) following delivery of the Budget on the Closing Date, by not later than 5:00 p.m. Eastern Time on the second Wednesday following the Closing Date and by not later than 5:00 p.m. Eastern Time on each Wednesday following the end of each Testing Period, an updated Budget, in each case, in form reasonably satisfactory to the DIP Agent at the direction of the Required DIP Lenders and in substance satisfactory to the DIP Agent at the direction of the Required DIP Lenders for the subsequent 13 week period consistent with the form of the Budget, and such updated Budget shall become the "Budget" for the purposes of the DIP Facility upon the DIP Agent's acknowledgement at the direction of the Required DIP Lenders that the proposed updated Budget is substantially in the form of the Budget and in substance satisfactory to the DIP Agent at the direction of the Required DIP Lenders (provided, that, until a new Budget has been approved by the DIP Agent at the direction of the Required DIP Lenders, the most recently approved Budget shall govern); and (iv) beginning on the second Wednesday following the Closing Date (by not later than 5:00 p.m. Eastern Time), and on every Wednesday following the end of each Testing Period (by not later than 5:00 p.m. Eastern Time), a variance report (the "Variance Report") setting forth actual cash receipts and disbursements and cash flows of the Debtors for the prior Testing Period and setting forth all the variances, on a line-item and aggregate basis, from the amount set forth for such period as compared to the applicable Budget delivered by the Debtors, in each case, on a weekly and cumulative rolling 2-week basis (and each such Variance Report shall include explanations for all material variances and shall be certified by the Chief Financial Officer of the Debtors). The Borrower will promptly provide notice to the DIP Agent, for distribution to the DIP Lenders, of any Material Adverse Change.

All deliveries required pursuant to this section shall be subject to the confidentiality provision to be negotiated in the DIP Credit Agreement.

On each Monday (or, in the event that such day is not a Business Day then on the Business Day immediately following) during the Chapter 11 Cases, the Borrower's senior management and professionals shall host a telephonic meeting for the DIP Lenders and their professionals at which the Borrower's senior management and professionals shall provide an update to the DIP Lenders (and make themselves available for questions) with respect to the financial and operating performance of the Loan Parties and their estates,

including, but not limited to, the Variance Report.

Other Reporting Requirements: The DIP Credit Agreement will contain other customary reporting requirements for similar debtor-in-possession financings and others determined by the DIP Lenders in their reasonable discretion to be appropriate to the transactions contemplated herein, including, without limitation, with respect to material adverse events, events and notices under other material debt instruments, litigation, contingent liabilities, ERISA or environmental events and consistent with the Documentation Principles (collectively with the financial reporting information described above, the "Information").

Chapter 11 Cases Milestones: The DIP Credit Agreement will include the following milestones related to the Debtors' Chapter 11 Cases (the "Milestones"):

- No later than [three] calendar days after the Petition Date, the Bankruptcy Court shall have entered the Interim Order.
- No later than twenty-three (23) calendar days after the Petition Date, the Bankruptcy Court shall have entered the Final DIP Order;
- The Debtors shall establish a date that is no later than fifty-five (55) calendar days after the Petition Date as the deadline for the submission of binding bids with respect to their assets;
- No later than sixty (60) calendar days after the Petition Date, the Debtors shall complete an auction for substantially all of its assets, in accordance with the Bid Procedures; provided that if there is no higher or better offer submitted in comparison to the stalking horse bid(s), no auction shall be held;
- No later than sixty-five (65) calendar days after the Petition Date, the Bankruptcy Court shall have entered one or more sale order(s) (which shall be in form and substance reasonably acceptable to Required DIP Lenders) approving each of the winning bid(s) resulting from the auction; and
- Approval of the Debtors' sale(s), including consummation of the transactions contemplated thereby, shall occur no later than the date that is seventy-five (75) calendar days after the Petition Date.
- No later than [days] after the Petition Date, the Bankruptcy Court shall have entered an order approving the disclosure statement and approving voting and solicitation procedures with respect to the Liquidating Plan (as defined in the TSA);
- No later than [days] after the Petition Date, the Bankruptcy Court shall have entered an order confirming the Liquidating Plan; and
- No later than [days] after the Petition Date, the Liquidating Plan Effective Date (as defined in the TSA) shall have occurred.

Events of Default: The DIP Credit Agreement will contain events of default customarily found in loan agreements for similar debtor-in-possession financings and other

events of default deemed by the DIP Lenders appropriate to the transactions contemplated therein which will be applicable to the Debtors and their subsidiaries (each an "Event of Default"), including, without limitation:

- failure to make payments when due;
- noncompliance with covenants (subject to customary cure periods as may be agreed with respect to certain covenants);
- breaches of representations and warranties in any material respect, in either case, under the DIP Credit Agreement;
- failure to satisfy or stay execution of judgments in excess of specified amounts;
- the existence of certain materially adverse employee benefit or environmental liabilities, except for such liabilities as are in existence as of the Closing Date and are set forth on a schedule to the DIP Credit Agreement, and customary ERISA and similar foreign plan events;
- occurrence of a Material Adverse Change;
- invalidity of the DIP Loan Documents;
- change in ownership or control;
- termination of the RSA;
- termination of the Asset Purchase Agreement(s) due to a breach thereunder by the Debtors;
- filing of a plan of reorganization or plan of liquidation by the Debtors that does not propose to indefeasibly repay the DIP Obligations in full in cash on the plan effective date, unless otherwise consented to by the DIP Agent and the Required DIP Lenders;
- any of the Debtors shall file a pleading seeking to vacate or modify the Interim Order or the Final DIP Order over the objection of the DIP Agent at the direction of the Required DIP Lenders;
- entry of an order without the prior written consent of the Required DIP Lenders amending, supplementing or otherwise modifying the Interim Order or the Final DIP Order;
- reversal, vacatur or stay of the effectiveness of the Interim Order or the Final DIP Order except to the extent reversed within five (5) Business Days;
- any violation of any material term of the Interim Order or the Final DIP Order by the Debtors;
- dismissal of the Chapter 11 Case of a Debtor with material assets or conversion of the Chapter 11 Case of a Debtor with material assets to a case under Chapter 7 of the Bankruptcy Code, or any Debtor shall file a motion or other pleading seeking such dismissal or conversion of any Bankruptcy Case;
- appointment of a Chapter 11 trustee or examiner with enlarged powers, or any Debtor shall file a motion or other pleading seeking such

appointment;

- any sale of all or substantially all assets of the Debtors pursuant to Section 363 of the Bankruptcy Code, unless such sale is conducted in accordance with the Bid Procedures;
- failure to meet a Milestone, unless extended or waived by the prior written consent of the DIP Agent at the direction of the Required DIP Lenders;
- granting of relief from the automatic stay in the Chapter 11 Cases to permit foreclosure or enforcement on assets of the Borrower or any Guarantor, in each case, with a fair market value in excess of $[50,000];
- the Debtors' filing of (or supporting another party in the filing of) a motion seeking entry of, or the entry of an order by the Bankruptcy Court, granting any superpriority claim or lien (except as contemplated herein) which is senior to or *pari passu* with the DIP Claims;
- an order shall be entered in any of the Chapter 11 Cases, without the prior written consent of the DIP Agent and the Required DIP Lenders (i) to permit any administrative expense or any claim (now existing or hereafter arising of any kind or nature whatsoever) to have administrative priority equal or superior to the DIP Claims (other than the Carve Out) or (ii) granting or permitted grant of a lien that is equal in priority or senior to the DIP Liens (other than the Carve Out);
- the Debtors' filing of a motion seeking entry of an order approving any key employee incentive plan, employee retention plan, or comparable plan, without the prior written consent of the Required DIP Lenders;
- the Debtors shall seek, or shall support any other person's motion seeking (in any such case, verbally in any court of competent jurisdiction or by way of any motion or pleading filed with the Bankruptcy Court, or any other writing to another party in interest by the Debtors), to challenge the validity or enforceability of any of the obligations of the parties under the Prepetition Loan Documents;
- the Debtors shall assert in any pleading filed in any court that the guarantee contained in the DIP Loan Documents is not valid and binding, for any reason, to be in full force and effect, other than pursuant to the terms hereof or thereof;
- payment of or granting adequate protection with respect to prepetition debt, other than as expressly provided herein or in the Interim Order or the Final DIP Order or consented to by the DIP Agent at the direction of the Required DIP Lenders;
- expiration or termination of the period provided by section 1121 of the Bankruptcy Code for the exclusive right to file a plan with respect to a Debtor with material assets unless such expiration or termination was sought by the Prepetition Lenders or the DIP Lenders;
- cessation of the DIP Liens or the DIP Claims to be valid, perfected and enforceable in all respects;

- Permitted Variances under the Budget are exceeded for any period of time without consent of or waiver by the DIP Agent at the direction of the Required DIP Lenders;
- any uninsured judgments are entered with respect to any post-petition non-ordinary course claims against any of the Debtors or any of their respective affiliates in a combined aggregate amount in excess of $50,000 unless stayed;
- any Debtor asserting any right of subrogation or contribution against any other Debtor until all borrowings under the DIP Facility are paid in full and the commitments are terminated;
- subject to entry of the Final DIP Order, the allowance of any claim or claims under Section 506(c) of the Bankruptcy Code or otherwise against any DIP Lender;
- the commencement of a suit or action against any DIP Lender and, as to any suit or action brought by any person other than any Debtor or an officer or employee of any Debtor, the continuation thereof without dismissal for thirty (30) days after service thereof on the DIP Lenders, that asserts or seeks by or on behalf of the Debtors, any Committee or any other party in interest in any of the Bankruptcy Cases, a claim or any legal or equitable remedy that would (i) have the effect of subordinating any or all of the DIP Obligations or DIP Liens of the DIP Lenders under the DIP Loan Documents to any other claim, or (ii) have a material adverse effect on the rights and remedies of the DIP Agent and/or the DIP Lenders under any DIP Loan Document or the collectability of all or any portion of the DIP Obligations;
- the entry of an order in any Bankruptcy Case avoiding or requiring repayment of any portion of the payments made on account of the DIP Obligations owing under the DIP Credit Agreement or the other DIP Loan Documents;
- an order shall have been entered by the Bankruptcy Court prohibiting, limiting or restricting the right of the DIP Agent (on behalf of the DIP Lenders) to credit bid for any or all of the Debtors' assets; and
- the payment of any prepetition claim other than (i) as consented to by the Required DIP Lenders, (ii) as authorized by the Budget, (iii) permitted under the terms of the DIP Credit Agreement or (iv) as authorized by the Bankruptcy Court pursuant to the "first day" or "second day" orders or the Interim Order or the Final DIP Order and reflected in the Budget.

Termination: Upon the occurrence and during the continuance of an Event of Default, the DIP Agent, at the direction of the Required DIP Lenders shall, by written notice to the Borrower, its counsel, the U.S. Trustee and counsel for any statutory committee, terminate the DIP Facility, declare the obligations in respect thereof to be immediately due and payable and, subject to the immediately following paragraph, exercise all rights and remedies under the

DIP Loan Documents, the Interim Order, and the Final DIP Order.

Remedies: The DIP Agent and the DIP Lenders shall have customary remedies upon the occurrence and during the continuance of an Event of Default, including, without limitation, the following:

Without further order from the Bankruptcy Court, and subject to the terms of the Interim Order and the Final DIP Order (including in respect of any required notices), the automatic stay provisions of section 362 of the Bankruptcy Code shall be vacated and modified to the extent necessary to permit the DIP Agent and the DIP Lenders to exercise, upon the occurrence and during the continuance of any Event of Default under their respective DIP Loan Documents, all rights and remedies provided for in the DIP Loan Documents, and to take any or all of the following actions without further order of or application to the Bankruptcy Court (as applicable): (a) immediately terminate the Debtors' limited use of any cash collateral; (b) cease making any DIP Loans under the DIP Facility to the Debtors; (c) declare all DIP Obligations to be immediately due and payable; (d) freeze monies or balances in the Debtors' accounts (and, with respect to the DIP Credit Agreement and the DIP Facility, sweep all funds contained in the Controlled Accounts); (e) immediately set-off any and all amounts in accounts maintained by the Debtors with the DIP Agent or the DIP Lenders against the DIP Obligations, or otherwise enforce any and all rights against the DIP Collateral in the possession of any of the applicable DIP Lenders, including, without limitation, disposition of the DIP Collateral solely for application towards the DIP Obligations; and (f) take any other actions or exercise any other rights or remedies permitted under the Interim Order and the Final DIP Order, the DIP Loan Documents or applicable law to effect the repayment of the DIP Obligations; provided, however, that the DIP Agent and the DIP Lenders must provide the Debtors with three (3) business days' written notice (which may be by email) before exercising any enforcement rights or remedies; provided, further, that neither the Debtors, the Committee nor any other party-in-interest shall have the right to contest the enforcement of the remedies set forth in the Interim Order and the Final DIP Order and the DIP Loan Documents on any basis other than an assertion that an Event of Default has not occurred or has been cured within the cure periods expressly set forth in the applicable DIP Loan Documents. The Debtors shall cooperate fully with the DIP Agent and the DIP Lenders in their exercise of rights and remedies, whether against the DIP Collateral or otherwise.

The Debtors shall waive any right to seek relief under the Bankruptcy Code, including under section 105 thereof, to the extent such relief would restrict or impair the rights and remedies of the DIP Agent and the DIP Lenders set forth in the Interim Order and the Final DIP Order and in the DIP Loan Documents.

Adequate Protection: As adequate protection for the use of the collateral securing the Prepetition Obligations (the "Prepetition Collateral"), the Prepetition Term B Agent, on behalf of and for the benefit of the Prepetition Term B Lenders, and the Prepetition Term B Lenders, shall receive, in each case subject to the Carve Out:

(i) current payment of all reasonable and documented (in summary form) out-of-pocket fees, costs and expenses of (x) the Prepetition Term B Agent (limited, in the case of counsel, to all reasonable and documented out-of-pocket fees, costs, disbursements and expenses of [JBBG] as its counsel, and any successor counsel, and one local counsel) and (y) the Prepetition Term B Lenders (limited, in the case of counsel, to all reasonable and documented out-of-pocket fees, costs, disbursements and expenses of Province Inc. and of K&S as its counsel, and any successor counsel, and one local counsel);

(ii) replacement liens to the extent of any postpetition diminution in value of the Prepetition Term B Lenders' interest in the Collateral resulting from the use, sale or lease by the Debtors of such Prepetition Collateral and/or the imposition of the automatic stay, including replacement liens on all Unencumbered Property of the Debtors, which liens will be junior to DIP Liens (the "Prepetition Term B Lender Adequate Protection Liens") and senior to Prepetition Liens;

(iii) superpriority administrative expense claims to the extent of any postpetition diminution in value of the Prepetition Term B Lenders' interest in the Collateral resulting from the use, sale or lease by the Debtors of such Prepetition Collateral and/or the imposition of the automatic stay (the "Prepetition Term B Lender Superpriority Claims"), which claims will be junior to the DIP Obligations and be payable from and have recourse to all assets and property of the Debtors; and

(iv) reasonable access to the Debtors' books and records and such financial reports as are provided to the DIP Agent pursuant to provisions (i) through (iii) above of the Financial Reporting Requirements section.

(the foregoing clauses (i)-(iv), the "Adequate Protection Package").[4]

The Interim Order and the Final DIP Order shall provide that the Debtors' agreement to the Milestones and the Budget shall constitute a component of the Adequate Protection Package.

The Interim Order shall include language providing for the payment of all outstanding fees and expenses referenced in the foregoing clauses (i) and (ii) through and including the Petition Date upon entry of the Interim Order.

[4] NTD: Interim Order and Final Order to include customary adequate protections for Prepetition BAML Obligations including, without limitation, (1) until the BAML Payoff Date, current pay of interest and reasonable and documented attorney's fees, and customary cash collateral usage provisions (Milestones, reporting requirements, etc.), and (2) until the indefeasible repayment in full of the Prepetition BAML Obligations (including the running of the Investigation Period without a Challenge being filed), replacement liens and administrative expense claims and current pay of any contingent indemnification, reimbursement or similar surviving obligations arising under or in connection with the Prepetition BAML Obligations (including any reasonable and documented attorneys' fees related thereto).

For the avoidance of doubt, any and all payments made on account of the Prepetition Term B Obligations to the Prepetition Term B Lenders in connection with the Adequate Protection Package shall be distributed in accordance with the waterfall set forth in the Prepetition Term B Credit Agreements.

Marshalling and Waiver of 506(c) and 552(b) Claims:

Effective upon entry of the Final DIP Order, the DIP Agent, the DIP Lenders, the Prepetition BAML Agent, the Prepetition BAML Lenders, the Prepetition Term B Agent, and the Prepetition Term B Lenders shall not be subject to the equitable doctrine of "marshalling" or any similar doctrine with respect to the DIP Collateral or the Prepetition Collateral, as applicable, and all proceeds shall be received and applied pursuant to the Final DIP Order and the DIP Loan Documents notwithstanding any other agreement or provision to the contrary.

Effective upon entry of the Final DIP Order, the Debtors (on behalf of themselves and their estates) shall waive, and shall not assert in the Chapter 11 Cases or any successor cases, (i) any surcharge claim under sections 105(a) and/or 506(c) of the Bankruptcy Code or otherwise for any costs and expenses incurred in connection with the preservation, protection or enhancement of, or realization by the DIP Agent, the DIP Lenders, the Prepetition BAML Agent, the Prepetition BAML Lenders, the Prepetition Term B Agent, and the Prepetition Term B Lenders, upon the DIP Collateral, or the Prepetition Collateral and (ii) the DIP Agent, the DIP Lenders, the Prepetition BAML Agent, the Prepetition BAML Lenders, the Prepetition Term B Agent, and the Prepetition Term B Lenders 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 Agent, the DIP Lenders, the Prepetition BAML Agent, the Prepetition BAML Lenders, the Prepetition Term B Agent, and the Prepetition Term B Lenders with respect to proceeds, product, offspring or profits of any of the Prepetition Collateral or DIP Collateral.

Indemnification:

The Debtors shall jointly and severally indemnify and hold harmless the DIP Agent, each DIP Lender and each of their affiliates and each of the respective officers, directors, employees, controlling persons, agents, advisors, attorneys and representatives of each (each, an "Indemnified Party") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, fees and disbursements of counsel), joint or several, that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or relating to any investigation, litigation or proceeding or the preparation of any defense with respect thereto, arising out of or in connection with or relating to the DIP Facility, the DIP Loan Documents or the transactions contemplated thereby, or any use made or proposed to be made with the DIP Proceeds, whether or not such investigation, litigation or proceeding is brought by any Debtor or any of its subsidiaries, any shareholders or creditors of the foregoing, an Indemnified Party or any other person, or an Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby or under the DIP Loan Documents are consummated, except, with respect to any Indemnified

Party, to the extent such claim, damage, loss, liability or expense is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted solely from such Indemnified Party's gross negligence or willful misconduct or any of such Indemnified Party's affiliates or their respective principals, directors, officers, employees, representatives, agents, attorneys or third party advisors. No Indemnified Party shall have any liability (whether direct or indirect, in contract, tort or otherwise) to any Debtor or any of its subsidiaries or any shareholders or creditors of the foregoing for or in connection with the transactions contemplated hereby, except, with respect to any Indemnified Party, to the extent such liability is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted solely from such Indemnified Party's gross negligence or willful misconduct or any of such Indemnified Party's affiliates or their respective principals, directors, officers, employees, representatives, agents, attorneys or third party advisors. In no event, however, shall any Indemnified Party be liable on any theory of liability for any special, indirect, consequential or punitive damages.

Expenses: The Borrower and each Guarantor shall jointly and severally pay (i) (x) all reasonable and documented (in summary form) out-of-pocket fees, costs, disbursements and expenses of the DIP Agent (including (and limited, in the case of counsel, to) all reasonable and documented out-of-pocket fees, costs, disbursements and expenses of the DIP Agent's counsel, [JBBG], and, to the extent necessary, one firm of local counsel engaged by the DIP Agent in connection with the Debtors' Chapter 11 Cases, and any successor counsel to each), and any other professional advisors retained by the DIP Agent at the direction of the Required DIP Lenders in their reasonable discretion and (y) all reasonable and documented (in summary form) out-of-pocket fees, costs, disbursements and expenses of the DIP Lenders (including (and limited, in the case of counsel, to) all reasonable and documented out-of-pocket fees, costs, disbursements and expenses of the DIP Lenders' counsel, K&S, and, to the extent necessary, one firm of local counsel engaged by the DIP Lenders in connection with the Debtors' Chapter 11 Cases, and any successor counsel to each), in each case of the foregoing clauses (x) and (y), in connection with the negotiations, preparation, execution and delivery of the DIP Loan Documents and the funding of all DIP Loans under the DIP Facility, including, without limitation, all due diligence, transportation, computer, duplication, messenger, audit, insurance, appraisal, valuation and consultant costs and expenses, and all search, filing and recording fees, incurred or sustained by the DIP Agent or DIP Lenders and their respective counsel and professional advisors in connection with the DIP Facility, the DIP Loan Documents or the transactions contemplated thereby, the administration of the DIP Facility and any amendment or waiver of any provision of the DIP Loan Documents, and (ii) without duplication, (x) all reasonable and documented (in summary form) out-of-pocket fees, costs, disbursements and expenses of the DIP Agent (including (and limited, in the case of counsel, to) all reasonable and documented out-of-pocket fees, costs, disbursements and expenses of [JBBG] (and any successor counsel) as outside counsel to the DIP Agent (and any successor counsel), and, to the extent necessary, one firm of local counsel engaged by the DIP Agent in each relevant jurisdiction, and any successor counsel to such primary counsel and local counsel, and any

	other professional advisors retained by the DIP Agent at the direction of the Required DIP Lenders in their reasonable discretion) and (y) all reasonable and documented (in summary form) out-of-pocket fees, costs, disbursements and expenses of the DIP Lenders (including (and limited, in the case of counsel, to) all reasonable and documented out-of-pocket fees, costs, disbursements and expenses of Province, Inc. and K&S (and any successor counsel) as outside counsel to the DIP Lenders (and any successor counsel), and, to the extent necessary, one firm of local counsel engaged by the DIP Lenders in each relevant jurisdiction, and any successor counsel to such primary counsel and local counsel, in each case of the foregoing clauses (x) and (y), in connection with (A) the enforcement of any rights and remedies under the DIP Loan Documents, (B) the Chapter 11 Cases, including attendance at all hearings in respect of the Chapter 11 Cases; and (C) defending and prosecuting any actions or proceedings arising out of or relating to the Prepetition Obligations, the DIP Obligations, the Liens securing the Prepetition Obligations and the DIP Obligations, or any transaction related to or arising in connection with the Prepetition Loan Documents, the DIP Credit Agreement or the other DIP Loan Documents (in the case of the Prepetition Obligations and the Liens securing the Prepetition Obligations, to the extent provided in the Prepetition Loan Documents).
Assignments and Participations:	No consent of the Borrower shall be required for any assignments. Each DIP Lender shall have the right to sell participations in its DIP Loans, subject to customary voting limitations.
Removal of DIP Lenders:	The Required DIP Lenders shall have the right to cause any DIP Lender (under certain situations to be specified in the DIP Credit Agreement) to assign its DIP Loans, DIP Commitment or any other obligations to one or more existing and consenting DIP Lenders.
Required DIP Lenders:	DIP Lenders holding more than 50.0% of the DIP Commitments (the "Required DIP Lenders"), except as to matters requiring unanimity under the DIP Credit Agreement (*e.g.*, the reduction of interest rates, the extension of interest payment dates, the reduction of fees, the extension of the maturity of the Borrower's obligations, any change in the superpriority status of the Borrower's and Guarantors' obligations under the DIP Facility and the release of all or substantially all of the DIP Collateral).
Miscellaneous:	The DIP Credit Agreement will include standard yield protection provisions (including, without limitation, provisions relating to compliance with risk-based capital guidelines, increased costs, payments free and clear of withholding taxes and customary EU bail-in provisions).
Governing Law:	Except as governed by the Bankruptcy Code, the law of the State of New York.
Counsel to the DIP Agent:	[James-Bates-Brannan-Groover LLP]
Counsel to the DIP Lenders:	King & Spalding LLP
Local Counsel to the DIP	Morris, Nichols, Arsht & Tunnell LLP

Lenders:	
Counsel to the Debtors:	Gibson, Dunn & Crutcher LLP
Local Counsel to the Debtors:	Pachulski Stang Ziehl & Jones LLP

EXHIBIT E

JOINDER

This Joinder to the Restructuring Support Agreement, dated as of [_____], 2021 by and among each of the Company Parties and the Consenting Parties signatory thereto (as amended, supplemented or otherwise modified, the "**RSA**), is executed and delivered by _____ (the "**Joining Party**") as of _____, 2021. Capitalized terms used but not otherwise defined herein shall have the meaning set forth in the RSA.

1. Agreement to be Bound. The Joining Party hereby agrees to be bound by all of the terms of the RSA (as the same may be hereafter amended, restated or otherwise modified from time to time). The Joining Party shall hereafter be deemed to be a Party for all purposes under the RSA.

2. Representations and Warranties. With respect to the aggregate principal amount of Consenting Lender Holdings, as applicable, held by the Joining Party upon consummation of the sale, assignment, transfer, hypothecation or other disposition (including by participation) of such Consenting Lender Holdings listed on the signature page hereto, the Joining Party hereby makes the representations and warranties, as applicable, to the Company set forth in the RSA.

3. Governing Law. This Joinder shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to any conflicts of law provisions which would require the application of the law of any other jurisdiction.

* * * * *

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IN WITNESS WHEREOF, the Joining Party has caused this Joinder to be executed as of the date first written above.

Name of Institution: _____

_____
By:
Name:
Title:

Principal amount of Loans: $_____

Notice Address: _____
_____
Attn: _____
Phone: _____
Email: _____