

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

**Hearing Date April 29, 2025  
at 1:00 p.m. (ET)**

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In re

Chapter 11 - Sub-chapter V

**Sticky's Holdings, LLC., et al.**

Case No.: 24-10856 (JKS)

Reorganized Debtors.

Jointly Administered

RE: D.I. 545 & 553

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**FTW CHICKEN INNOVATIONS LLC'S OPPOSITION TO REORGANIZED DEBTORS'  
MOTION FOR ENTRY OF AN ORDER AUTHORIZING ENTRY INTO PROPOSED  
LETTER OF INTENT WITH HARKER PALMER INVESTORS LLC AND RELATED  
REQUESTS**

FTW Chicken Innovations LLC ("Chicken Innovations"), by and through its undersigned counsel, hereby submits this objection to the Debtors' Motion for Entry of an Order Authorizing Entry into Proposed Letter of Intent with Harker Palmer Investors LLC and Related Requests<sup>1</sup> (the "Harker Palmer LOI Motion") (D.I. 545 and 553) and (ii) request for direct award of sale to FTW Chicken Innovations LLC ("Opposition "). In support of this Objection, the Objector respectfully states as follows:

**I. PRELIMINARY STATEMENT**

1. Chicken Innovations opposes the Debtors' proposed letter of intent for the sale of substantially all of their assets (the "Harker Palmer LOI") (D.I. 565 Exhibit A) to the purported Harker Palmer (the "Harker Palmer") because the Debtors have improperly rejected Chicken Innovations's higher and better offer that would provide substantially greater value to the Debtors' estates and creditors ("Chicken Innovations LOI"). Chicken Innovations LOI offers a

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<sup>1</sup> The related requests are (i) authorizing the Reorganized Debtors and their professionals to perform other obligations thereunder and (ii) granting related relief (D.I. 545).



purchase price of \$2,513,579, plus \$1,000,000 for 2026 and 2027 plan payments, to acquire the Debtors' assets as a going concern, assuming all leases,<sup>2</sup> curing post-confirmation debts, and guaranteeing 100% payment of plan commitments (Exhibit A). This bid substantially surpasses Harker Palmer's \$2,000,000 LOI, which proposes liquidation and limited creditor recovery (D.I. 565 Exhibit A).

2. On April 28, 2025, Chicken Innovations's Investors transferred \$2,600,000 into a dedicated escrow account with their counsel, Loeb & Loeb, directly refuting the Debtors' allegations questioning Chicken Innovations's financial credibility (Exhibit B; contra D.I. 571, Greer Declaration). The absence of formal bidding procedures has led to a chaotic, insider-driven process favoring Harker Palmer, necessitating court intervention. An orderly and well-organized bidding process would benefit the estate.

3. For these reasons, and as more fully set forth below, the Court deny the Harker Palmer LOI and establish a neutral auction on May 6, 2025, with bids due May 5, 2025, and a hearing on May 8, 2025, to approve the winner's LOI, ensuring fairness while addressing the Debtors' concerns about Harker Palmer's \$550,000 deposit commitment.

## **II. BACKGROUND**

### **A. The Chapter 11 Cases**

4. On April 25, 2024, Sticky's Holdings LLC and its affiliated debtors and debtors-in-possession (collectively, the "Debtors") filed voluntary petitions for relief under chapter 11 of

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<sup>2</sup> Chicken Innovations acknowledges this Court's April 28, 2025, Order Granting Motion Of Brooks Shopping Centers, LLC (I) To Compel Rejection Of Lease Under 11 U.S.C. § 365(A); (II) For Allowance Of An Administrative Claim For Unpaid Post-Petition Lease Obligations Under 11 U.S.C. § 503(b); (III) For Relief From Or To Vacate The Automatic Stay Under 11 U.S.C. § 362(B); And (IV) To Waive The Stay Of Enforcement Of Any Order Under Fed.R.Bankr.P. 4001(3) (D.I. 574).

title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware.

5. The Debtors continued to operate their businesses and managed their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. On November 13, 2024, the Bankruptcy Court approved a restructuring plan that Movant aims to preserve fully as an alternative to a conversion to Chapter 7 (D.I. 398).

7. On February 10, 2025, Debtors filed a motion to convert the Chapter 11 cases to cases under Chapter 7 of the Bankruptcy Code, alleging “inability to obtain additional financing, and inability to find a purchaser” (D.I. 481, ¶ 21).

8. In the following weeks, Debtors received expressions of interest in acquiring its assets or equity from various parties and engaged in negotiations with various subjects, including Harker Palmer and Chicken Innovations.

#### **B. The Informal Bidding Process**

9. The Debtors’ bidding process has been unstructured and biased toward Harker Palmer, whose principal is a Sticky’s Holdings director, 10%+ shareholder, and major investor.

10. In March 2025, Harker Palmer submitted multiple bids, including a nonactionable bid and an actionable bid that failed before a court hearing. They regrouped and submitted a \$2,000,000 LOI, supported by a \$150,000 non-refundable deposit and a \$400,000 commitment to become non-refundable upon LOI approval (D.I. 565 Exhibit A).

11. Chicken Innovations submitted its initial LOI on April 2, 2025, followed by a revised LOI on April 23, 2025, offering a purchase price of \$2,513,579, including lease assumptions, debt cures, and full plan payment guarantees (Exhibit A).

12. The Debtors rejected FTW's LOI on April 25, 2025, without substantive engagement (Exhibits C).

13. This proposed Chicken Innovations LOI was the highest and best offer available to Debtors to date.

**C. Chicken Innovations's Financial Commitment**

14. On April 28, 2025, Chicken Innovations Investors deposited \$2,600,000 into a dedicated escrow account with their counsel, Loeb & Loeb, exclusively to be used to fund this transaction (Exhibit B).

15. This action refutes the Debtors' declaration by CEO Jamie Greer, which questions Chicken Innovations's financial credibility and investor commitment (D.I. 571).

16. Chicken Innovations had provided, along with its proposed LOI on April 23, 2025, bank statements exceeding \$4,600,000 and conditional commitments from Chicken Innovations Investors Igor Steve Ostromogilsky and Robert Kelman (Exhibit A).

17. Despite the Debtors' abandonment of employees a month ago, Chicken Innovations maintains support from a majority of Sticky's General Managers and a majority of employees, who are committed to reopening all stores under Chicken Innovations's plan (Exhibit A).

**D. The Competing Bids**

18. The proposed Harker Palmer LOI offers to purchase all Debtors' assets for a \$2,000,000 purchase price free and clear of all liens, claims, and encumbrances, plus assume their payment obligations under the EIDL loan, valued at \$300,000 plus interest.

19. The Chicken Innovations LOI proposes to acquire substantially all of the assets of the Debtors pursuant to a definitive § 363 Purchase Agreement, free and clear of all liens, claims,

and interests, in exchange for a purchase price of \$2,513,579 (plus \$1,000,000 for 2026 and 2027 plan payments), guaranteeing payment of all post-confirmed liabilities and future plan payments.

20. The Chicken Innovations LOI is superior to the Harker Palmer LOI. In exchange for a purchase price of \$2,000,000, the Harker Palmer LOI provides a guaranteed recovery only for Class 1 Secured Creditors, likely payment of post-confirmation expenses, but uncertain recovery, and possibly no recovery, for other secured creditors and all general unsecured creditors. This offer provides uncertain recovery for most creditors and contrasts with Chicken Innovations's comprehensive bid. In exchange for a purchase price of \$2,513,579 (plus \$1,000,000 for 2026 and 2027 plan payments), the Chicken Innovations LOI provides a guaranteed recovery for *all* post-confirmation expenses and *all* creditors, including all secured and all general unsecured creditors.

### **III. OBJECTION**

#### **A. Chicken Innovations has Standing to Oppose the Approval of the Harker Palmer LOI**

21. Chicken Innovations is an unsuccessful bidder in the sale process concerning the Debtors' assets. Chicken Innovations actively participated in the bidding process, submitting a bona fide offer to purchase the assets on terms that were superior in value and terms (Exhibit A).

22. As an unsuccessful bidder, Chicken Innovations is a "party in interest" with standing to object to the proposed approval of the Harker Palmer LOI because the sale, as proposed, prejudices Chicken Innovations's rights and interests and potentially undermines the integrity of the bidding process conducted in this case.

23. Courts have recognized that unsuccessful bidders may have standing to object to a sale where the sale process was flawed, the winning bid was not truly the highest or best offer, or the sale otherwise violates applicable legal standards or the terms of the sale procedures

approved by the Court. *See, e.g., In re Abbots Dairies of Pennsylvania, Inc.*, 788 F.2d 143 (3d Cir. 1986); *In re Caldor, Inc.*, 303 F.3d 161, 169-70 (2d Cir. 2002) (recognizing that a party with an economic interest in the outcome of bankruptcy proceedings may have standing to intervene); *In re New Energy Corp.*, 739 F.3d 1077 (7th Cir. 2014) (holding that a party generally must have actively participated in the auction by submitting a formal, qualified bid to possess standing to object to the approval of the sale to a competitor).

24. Chicken Innovations's participation in the bidding process as a prospective purchaser of estate assets created a direct interest in the outcome of that process. The proposed Harker Palmer LOI, under the circumstances described herein (see paragraphs 29-**Error! Reference source not found.** of this Opposition), directly impacts Chicken Innovations's economic interests and its expectation that the sale process would be conducted fairly and in accordance with the approved procedures.

25. Specifically, Chicken Innovations is aggrieved by the proposed sale because, notwithstanding submitting a bid that maximizes the value for the estate, its bid was improperly rejected in favor of an LOI whose sale terms are less favorable in a material way not justified by the process. This grievance is not merely speculative but arises directly from Chicken Innovations' concrete actions and investment in participating in the bidding and negotiation process.

26. Chicken Innovations's economic interest and the Debtors' improper rejection of its bid (Exhibit C) establish standing.

#### **B. This Opposition is Timely**

27. Chicken Innovations's opposition is timely, as its interests were impacted only upon the Debtors' rejection of its LOI on April 25, 2025 (Exhibit C).

28. The rejection violated 11 U.S.C. § 363(b) by failing to maximize value. Considering this opposition timely benefits the estate by allowing Chicken Innovations's superior offer to be evaluated without prejudice to other parties.

**C. Debtors Failed to Maximize Value for the Estate**

29. Section 363(b) of the Bankruptcy Code permits a debtor to sell assets outside the ordinary course of business after notice and a hearing. Courts have held that such sales should be approved when supported by a sound business purpose and when the sale price is fair and reasonable. *See, e.g., In re Abbotts*, 788 F.2d at 149-50; *In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (D. Del. 1999).

30. In evaluating whether a sound business purpose exists, courts consider, among other factors, whether the sale is in the best interests of the Debtors' estate, the creditors, and the equity holders. *See In re Global Home Prods. LLC*, 369 B.R. 778, 783 (Bankr. D. Del. 2007).

31. The paramount goal in any proposed sale of property of the estate is to maximize the proceeds received by the estate. *See In re Food Barn Stores, Inc.*, 107 F.3d 558, 564-65 (8th Cir. 1997) (noting that "a primary objective of the Code [is] to enhance the value of the estate at hand"); *In re Integrated Resources, Inc.*, 147 B.R. 650, 659 (S.D.N.Y. 1992) (stating that bidding procedures should "facilitate an open and fair public sale designed to maximize value for the estate").

32. The Debtors' rejection of the Chicken Innovations LOI, which guarantees full creditor recovery (Exhibit A), in favor of Harker Palmer LOI, which offers limited recovery (D.I. 565 Exhibit A), breaches this duty. The Harker Palmer LOI only guarantees payment for Class 1 Secured Claims and lumps together post-confirmation liabilities in excess of a portion of their good faith deposit (\$400,000) with other secured creditors and general unsecured creditors, who

can only seek pro rata payment from the General Unsecured Claims Reserve, funded with \$260,840.

33. The Subchapter V Trustee, Natasha M. Songonuga, expressed “significant concern” about Harker Palmer’s inadequate funding (D.I. 545, ¶¶6-10), underscoring the Debtors’ failure to prioritize creditor interests (*In re Global Home Prods. LLC*, 369 B.R. 778 (Bankr. D. Del. 2007))

#### **D. Chicken Innovations’s Bid Represents a Higher and Better Offer**

34. Courts have recognized that the highest bid is not always the “best” bid for the estate. *See In re Family Christian, LLC*, 533 B.R. 600, 622 (Bankr. W.D. Mich. 2015). However, where a competing bid offers both a higher purchase price and better terms, courts have been willing to reopen bidding or direct debtors to accept the Chicken Innovations offer. *See In re Gil-Bern Indus., Inc.*, 526 F.2d 627, 628-29 (1st Cir. 1975).

35. The Chicken Innovations LOI, supported by a \$2,600,000 escrow deposit (Exhibit B), offers both a higher price and better terms: full creditor recovery, contract assumption, and employee retention (Exhibit A). Courts favor such offers. *In re Gil-Bern Indus., Inc.*, 526 F.2d 627 (1st Cir. 1975). The Debtors’ preference for Harker Palmer’s inferior bid lacks a sound business purpose and appears driven by insider influence.

#### **E. The Proposed Sale Does Not Satisfy the Requirements of Section 363(f) of the Bankruptcy Code**

36. Section 363(f) of the Bankruptcy Code permits a debtor to sell property free and clear of interest only if certain conditions are met. One such condition is that the price at which the property is to be sold is greater than the aggregate value of all liens on such property. 11 U.S.C. § 363(f)(3).



37. Here, the Harker Palmer LOI may not satisfy this requirement, particularly if it is significantly lower than Chicken Innovations's bid. By contrast, Chicken Innovations's higher offer is more likely to exceed the aggregate value of all liens on the Debtors' property, thereby better satisfying the requirements of section 363(f)(3).

38. Moreover, a sale to Harker Palmer may not be in the best interests of the Debtors' estates and creditors, as required by section 363(f)(5), given the availability of Chicken Innovations's higher and better offer.

**F. The Proposed Sale Does Not Satisfy the Requirements of Section 365 of the Bankruptcy Code**

39. Section 365 of the Bankruptcy Code governs the assumption and assignment of executory contracts and unexpired leases. To assume and assign an executory contract or unexpired lease, a debtor must (1) cure, or provide adequate assurance that it will promptly cure, any default; (2) compensate, or provide adequate assurance that it will promptly compensate, the non-debtor party for any actual pecuniary loss resulting from such default; and (3) provide adequate assurance of future performance under such contract or lease. 11 U.S.C. § 365(b)(1).

40. Here, the Debtors have not demonstrated that Harker Palmer can provide adequate assurance of future performance under the contracts and leases to be assumed and assigned. By contrast, Chicken Innovations's financial commitments and employee retention plan satisfy this requirement.

**IV. REQUEST FOR NEUTRAL AUCTION PROCEDURES**

41. Chicken Innovations requests that the Court establish neutral bidding procedures to maximize value through a competitive auction. Debtors' informal process, tainted by insider relationships, has unfairly favored Harker Palmer, necessitating court intervention.

**A. Legal Basis for Neutral Bidding Procedures**

42. Under 11 U.S.C. § 363(b)(1), sales must maximize value. *In re Lionel Corp.*, 722 F.2d 1063 (2d Cir. 1983). Post-confirmation, Debtors owe a fiduciary duty to creditors (11 U.S.C. § 1123(b)(3); *In re Marvel Entm't Grp., Inc.*, 140 F.3d 463 (3d Cir. 1998)). Auctions ensure the highest offer. *In re Food Barn Stores, Inc.*, 107 F.3d 558 (8th Cir. 1997), particularly when insider conflicts exist (*In re Abbotts* 788 F.2d at 143).

43. Courts may reopen bidding for superior offers without a stalking horse. *In re Family Christian, LLC*, 533 B.R. 600 (Bankr. W.D. Mich. 2015). The court's equitable powers under 11 U.S.C. § 105(a) support ordering a neutral auction. *In re Integrated Resources, Inc.*, 147 B.R. 650 (S.D.N.Y. 1992).

#### **B. B. Response to Debtors' Allegations**

44. The Debtors' declaration by CEO Jamie Greer alleges that Chicken Innovations's lacks financial credibility (D.I. 571). These claims are baseless:

45. On April 28, 2025, Chicken Innovations's Investors deposited \$2,600,000 into a Loeb & Loeb escrow account, covering closing payments (Exhibit B). In addition, bank letters confirm the availability of \$4,600,000 in the accounts of Chicken Innovations Investors Igor Steve Ostromogilsky and Robert Kelman, ensuring readiness to close by May 30, 2025 (Exhibit A).

46. Chicken Innovations's engagement with Sticky's General Managers and employees supports reopening all stores, unlike Harker Palmer's liquidation (Exhibit A).

47. Debtors' allegations aim to justify favoring Harker Palmer, undermining creditor interests and necessitating an auction.

#### **C. Response to Debtors' Concerns About Harker Palmer's Deposit**

48. Debtors argue that Harker Palmer’s \$150,000 non-refundable deposit and \$400,000 commitment (totaling \$550,000, to become non-refundable upon LOI approval) would be prejudiced by delay.

49. Chicken Innovations respectfully proposes the following Neutral Bidding Procedures:

- a. Postpone the decision on the Harker Palmer LOI Motion.
- b. Set up a neutral auction process with no “stalking Horse” or “bid protection” provisions, meaning neither Chicken Innovations nor Harker Palmer receives stalking horse status, break-up fees, or expense reimbursements.
- c. Set the deadline for submitting qualified bids exceeding the highest current offer by \$100,000, with proof of funds, on Monday, May 5, 2025, at 5:00 p.m. EST.
- d. Debtors select the highest and best bid by Tuesday, May 6, 2025, at 10:00 a.m. EST.

50. A hearing shall be held on Thursday, May 8, 2025, for the Court’s approval of the selected LOI. Upon LOI approval, the winning bidder shall transfer a \$550,000 non-refundable deposit by Friday, May 9, 2025. Closing, completing the sale and lease assumptions, shall occur on May 30, 2025, or as soon as feasible, as agreed by the Debtors.

## **V. RESERVATION OF RIGHTS**

51. Chicken Innovations reserves all rights to supplement or amend this Objection, raise additional objections to the motion to approve the Harker Palmer LOI, request further information related to the proposed auction procedures, and introduce evidence at any hearing.

## VI. CONCLUSION

WHEREFORE, Chicken Innovations respectfully requests that the Court

- a. Sustain this Opposition and deny approval of the Harker Palmer LOI Motion (D.I. 545 & 553).
- b. Establish the proposed neutral bidding procedures, scheduling an auction for May 6, 2025, and a sale hearing for May 8, 2025, to approve the winning bidder's LOI.
- c. Grant such other and further relief as the Court deems just and proper.

Dated: April 29, 2025  
New York, New York

Respectfully submitted,

### LAW OFFICE OF ANDREA BOGGIO

By: /s/ Timothy J. Weiler, Esq.  
Timothy J. Weiler (DE002363)  
716 North Tatnall Street  
Wilmington, Delaware 19801-1716  
(302) 658-6900  
[timweiler@timweilerlaw.com](mailto:timweiler@timweilerlaw.com)

/s/ Andrea Boggio, Esq.  
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1270 Avenue of the Americas, Floor 7  
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*Counsel for FTW Chicken Innovations, LLC*

A

**FTW Chicken Innovations LLC - Letter of Intent (LOI)**

**Date:** April 23, 2025

**Via Email**

Jamie Greer, CEO  
Sticky's Holdings LLC  
21 Maiden Lane  
New York, NY 10038

**cc:**

- John Weiss, Debtor's Counsel (Pashman Stein Walder Hayden, P.C.)
  - Natasha Songonuga, Subchapter V Trustee (Archer & Greiner, P.C.)
  - Joseph Cudia & Jon Lipshie (USTP)
  - Roger Iorio (Cole Schotz, P.C.) (Investors' Counsel)
  - Andrea Boggio (FTW Counsel)
- 

**1. LOI for Acquisition of Assets**

FTW Chicken Innovations LLC ("FTW") hereby submits this non-binding Letter of Intent ("LOI") detailing our total commitment of \$4,533,559 to acquire substantially all of the assets of Sticky's Holdings LLC and its subsidiaries and continue the business as a going concern.

**Investors.** This transaction is funded by Igor Steve Ostromogilsky and Robert Kelman (together, the "Investors"). The Investors' funding underpins FTW's earnest money, credit facility and guarantee obligations, and their bank-confirmation letters (Exhibit A) demonstrate that the full \$4,533,559 is unencumbered and immediately available. **Upon entry of the definitive transaction documents, the Investors will hold 60% of FTW's issued and outstanding units and exercise majority governance control.**

FTW's plan will:

- Fully fund all post-confirmed liabilities
  - Assume the unexpired leases.
  - Provide immediate liquidity via a committed credit facility to continue operations.
  - Backstop future plan payments with an unconditional guarantee.
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## 2. Transaction Overview

**Asset Acquisition.** FTW will acquire substantially all of the assets of the Debtors (the “Assets”) pursuant to a definitive § 363 Purchase Agreement, free and clear of all liens, claims, and interests. FTW shall be deemed a good-faith purchaser under § 363(m).

**Brand & Operations.** All Sticky’s restaurants remain open and branded “Sticky’s,” preserving ~100 jobs and all the New York and New Jersey locations.

**Lease & Contract Assignments.** Concurrently with the § 363 Sale Motion, the Debtors will file a § 365 notice identifying all unexpired leases and executory contracts to be assumed and assigned to FTW, together with proposed cure amounts. Absent a timely objection, the Bankruptcy Court will authorize assumption and assignment at closing under § 365.

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## 3. Purchase Price for the Assets (\$2,513,579 *plus* the guarantee referenced below)

The cash portion of the Purchase Price shall be sufficient to satisfy the following obligations of the Debtors:

**(a) \$150,000:** Advance for professional fees & ordinary-course expenses incurred post-March 4, 2025.

**(b) \$400,000:** Cover April 2025 rent obligations (\$250,000) and trustee/legal fees (\$150,000).

**(c) \$450,000:** Refundable deposit reserved exclusively for confirmed plan payments due Jan 1–Dec 31, 2025.

**(d) \$50,000:** Administrative/legal fees

**(e) \$464,027:** Feb/Mar 2025 rent

**(f) \$713,288:** Vendor payables

**(g) \$39,756:** KCC/Veritas fees

**(h) \$14,495:** Lease & loan arrears

**(i) \$232,013:** May 2025 rent

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#### 4. FTW Line of Credit

**Advance Amount:** FTW will draw up to \$1,513,579 under its credit facility to fund a portion of the purchase price. The balance of the purchase price will be funded through equity.

**Use of Proceeds:** Proceeds of the line of credit will be used to pay a portion of the purchase price and to fund working capital.

**Remaining Facility Capacity:** After the closing, up to \$1,000,000 remains available for general working-capital use.

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#### 5. Guarantee of Future Plan Payments

Investors shall guarantee up to \$1,019,980 of confirmed plan payments due in 2026 (\$502,631) and 2027 (\$517,349). Their guarantee shall be unconditional and binding upon entry of the Sale Order.

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#### 6. Anticipated Timeline & Due Diligence

1. Fri 4/25: Seller's Board approves LOI
2. Mon 4/28: Final due diligence window opens (store visits, lease checks, systems review) and Debtor files omnibus "Sale & Assumption" motion (seeking § 363 sale, § 365 assumption/assignment, and LOI approval) plus Motion to Shorten Notice (14-day sale notice; 7-day cure notice)
3. Tue 4/29: Serve 2002 Notice of Sale & Cure Schedule on service matrix
4. Wed 4/30: File proposed Order approving shortened notice (with certificate of counsel)
5. Thu 5/1: Clerk enters Order shortening sale notice and cure notice
6. Fri 5/9: Due-diligence deadline: store visits, lease checks, systems review, etc. complete
7. Mon 5/12: Proposed hearing: omnibus hearing on LOI approval, Sale Order (§ 363), Assumption Order (§ 365) Upon Entry.
8. Fri 5/16 Anticipated Closing Date



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## 7. Conditions Precedent

- Execution of definitive Purchase Agreement and related documents
- Bankruptcy Court approval of Omnibus Sale & Assumption motion
- Satisfactory completion of due diligence by 5/9

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## 8. Proof of Funds & Incorporation of Terms Sheet

- **Investors & Bank Letters:** Igor Steve Ostromogilsky & Robert Kelman
- **Proof of Funds:** Bank-confirmation letters from:
  - **Fidelity Investments**, Ostromogilsky Family LLC (Acct ZXXXXXX5145)
  - **Charles Schwab**, Robert Kelman & Linda Corradina (Acct 9XXXXXX5102)

These bank letters together confirm  $\geq$  \$4,548,695 unencumbered, reserved exclusively for this transaction. (See *Exhibit A.*)

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## 9. Confidentiality

Each party shall hold in strict confidence all non-public information ("Confidential Information") received from the other party and shall not disclose such information to any third party without the disclosing party's prior written consent, except to its own officers, directors, employees, affiliates, legal counsel, financial advisors, and accountants who have a bona fide need to know such information to evaluate or consummate the transactions contemplated hereby; **provided, however, that no director or officer of the Debtors who has recused himself or herself from matters relating to these transactions (or who is otherwise subject to a disclosed conflict) shall receive or have access to any Confidential Information.**

## **10. MISCELLANEOUS**

### **10.1 Governing Law**

This LOI and all related definitive documents shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law.

### **10.2 Expiration**

This LOI shall automatically expire at 11:59 PM (ET) on May 30, 2025, unless extended by mutual written agreement of the parties.

### **10.3 Counterparts and Electronic Execution**

This LOI may be executed in multiple counterparts (including by facsimile, PDF, or other electronic signature methods), each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

### **10.4 Non-Binding**

All other provisions of this LOI are non-binding and solely for discussion purposes. Neither party shall have any obligation to negotiate or enter into any definitive agreement except as to the binding sections set forth above upon execution of this LOI.

This LOI represents a statement of general intent only and does not reference all of the terms, conditions, representations, warranties, indemnities, covenants, and other provisions that would be contained in the documents for the proposed transaction. Except with respect to the obligations set forth in the terms of this Section 10, each of which provisions shall be binding on the parties hereto, this LOI does not purport to be and does not constitute a binding agreement or an offer capable of being accepted, and, none of the parties hereto or any of their respective affiliates will have any legal obligation under this LOI unless and until definitive agreements are executed and delivered by the applicable parties or their respective affiliates, as applicable. No past, present or future action, course of conduct, or failure to act relating to the transactions referenced in this LOI or relating to the negotiation of the terms of such transactions will give rise to or serve as the basis for any obligation or other liability on the part of the parties hereto or any of their respective affiliates.

## **11. Exhibits**

- **Exhibit A:** Bank Confirmation Letters (Proof of Funds)
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**FTW Chicken Innovations LLC**

By: \_\_\_\_\_  
Name: Paul Abrahamian, Manager

Date: April 23, 2025

**Sticky's Holdings LLC**

By: \_\_\_\_\_  
Name: Jamie Greer, CEO

Date: April 23, 2025

4:55



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## EXHIBIT A



chrome-native://pdf/



4/23/2025

IGOR OSTROMOGILSKY  
89 LLEWELLYN RD  
MONTCLAIR NJ 07042

Dear IGOR OSTROMOGILSKY:

Please accept this letter as confirmation that as of market close on 04/22/2025, you held a balance in excess of \$2,500,000.00 in cash and securities in your portfolio at Fidelity Brokerage Services. The balance is based on the total market value of all positions in the account, including core, minus any outstanding debit balances and any amount required to cover short option positions that are in-the-money.

You may withdraw any amount up to and including the full value of the account(s), pending the settlement of any applicable liquidating trade transactions. Account value(s) may change due to factors such as market conditions or customer activities; therefore, the amount available to withdraw may differ from the value provided above.

Per IRS regulations, withdrawals from an IRA made prior to age 59½ may be subject to a 10% early withdrawal penalty. Please consult a tax advisor to review your individual situation.

I hope you find this information helpful. If you have any questions, please contact a Fidelity representative at 800-544-6666 for assistance.

Sincerely,

Clint Brandner  
VP, Operations

Fidelity does not provide legal or tax advice. The information herein is general in nature and should not be considered legal or tax advice. Consult an attorney or tax professional regarding your specific situation.

Fidelity Brokerage Services LLC, Member NYSE, SIPC  
900 Salem Street, Smithfield, RI 02917  
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Page 1 of 1



April 17, 2025

Account #: \*\*\*\*\*102  
Questions:

Robert Kelman  
33 SHERMAN RD  
WOODSTOCK, NY 12498  
US

## Here is the requested account balance information.

To Whom It May Concern,

I'm writing in response to a request for balance information on the account noted above.

On April 17, 2025, the total account value was in excess of \$2,100,000.00 .

Please note: This letter is for informational purposes only and is not an official record of the account.

**Thank you for choosing Schwab.** To learn more about Schwab's digital services, go to **[schwab.com/go-digital](https://schwab.com/go-digital)**. We appreciate your business and look forward to serving you in the future. If you have any questions, please call me at .

Sincerely,

James Davison  
Manager, AS Service  
[james.davison@Schwab.com](mailto:james.davison@Schwab.com)

1958 Summit Park Dr

ORLANDO, FL 32810

**B**

## Incoming Wire Transfers



Date Received	Apr 28, 2025 at 5:11 PM EDT
Posted	Apr 28, 2025
Account	****6266(Checking)
Amount	1,300,000.00
Beneficiary	
Sender's Bank	NATIONAL FINANCIAL SERVICES LLC
Originator	1/OSTROMOGILSKY FAMILY LLC
Global Reference #	F0151180D19801
Other Reference #	20250428MMQFMP2L0379902025042 8B1Q8021R053656
Additional Information	REF: 240946-10001 -- ORIGINATOR INFORMATION: USZ4029 51451

## Incoming Wire Transfers



Date Received	Apr 28, 2025 at 3:21 PM EDT
Posted	Apr 28, 2025
Account	****6266(Checking)
Amount	1,300,000.00
Beneficiary	
Sender's Bank	CHARLES SCHWAB AND CO., INC.
Originator	ROBERT KELMAN ,
Global Reference #	F0151180AD7601
Other Reference #	20250428I1B7031R01842020250428B 1Q8021R044406
Additional Information	REF: ROBERT KELMAN REF: ROBERT KELMAN -- ORIGINATOR IN FORMATION: 92415102



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Outlook

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**Re: FTW Chicken Innovations LLC - Letter of Intent (LOI) with Proof of Funds Enclosed - April 23, 2025 - Total Commitment of \$4,533,559**

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**From** John W. Weiss <jweiss@pashmanstein.com>

**Date** Fri 2025-04-25 11:17 AM

**To** Vachani Steve <steve@stevevachani.com>

**Cc** Greer Jamie <jamie@stickys.com>; Paul Tuennerman <tuennerman@mac.com>; Joseph C. Barsalona II <JBarsalona@pashmanstein.com>; Boggio Andrea <boggio@alumni.stanford.edu>; M. Songonuga Natasha <nsongonuga@archerlaw.com>; Stickys <stickys@pashmanstein.com>; Lipshie Jon <jon.lipshie@usdoj.gov>; Cudia Joseph <Joseph.Cudia@usdoj.gov>; ostro steve <ostrosteve@gmail.com>; Kelman Robert <kelmanrobert@gmail.com>; Abrahamian Paul <paulabrahamian@gmail.com>; Iorio Roger <riorio@coleschotz.com>; Henry J. Jaffe <hjaffe@pashmanstein.com>

After considering your latest proposal, the Sticky's Board has determined to decline your latest offer.

Thank you.

John

John W. Weiss

Partner

Pashman Stein Walder Hayden, P.C.

201.373.2071 Direct

267.738.3207 Mobile

jweiss@pashmanstein.com

[www.pashmanstein.com](http://www.pashmanstein.com)

**New Jersey** - 101 Crawfords Corner Road, Suite 4202, Holmdel, NJ 07733 | Phone:732.852.2481 | Fax:732.852.2482

**Delaware** - 824 North Market Street, Suite 800, Wilmington, DE 19801 | Phone:302.592.6496 | Fax:732.852.2482

**New York** - 233 Broadway Suite 200, New York City, NY 10279 | Phone:646.828.8081 | Fax:201.488.5556

**PashmanStein**  
**WalderHayden**  
A Professional Corporation

On Apr 25, 2025, at 9:43 AM, John W. Weiss <jweiss@pashmanstein.com> wrote:

Steve:

Your latest proposal is being considered by the Sticky's Board.

Thanks.

John

On Apr 24, 2025, at 6:28 PM, Steve Vachani <steve@stevevachani.com> wrote:

<b>EXTERNAL:</b> This email originated from outside of the organization.
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Jamie and John,

I hope you are well. I imagine you have had a busy day and may not have had a chance to fully review our LOI. As we all appreciate the urgency and importance to ensure the best interests for the Sticky Holdings LLC estate, I wanted to send this follow up email to our formal LOI that we sent to you yesterday evening.

On behalf of the whole FTW team, I wanted to let you know that we are fully committed to doing whatever is necessary to further instill confidence in our most recent April 23, 2025 LOI/bid.

As a follow up to this LOI and the proof of funds/bank letters we already provided, we are also proceeding to immediately set up an escrow account where we will be holding funds that are allocated to completing this transaction per our proposed Letter of Intent (LOI).

We are immediately transferring at least \$1 million into this account and will send documentation of this in a good faith demonstration of our commitment until we hear back from you with more specific feedback. With your cooperation, we are open to further taking additional reasonable good faith steps to provide the confidence and clarity needed to complete this transaction.

Please also note that our Investor's counsel, Roger Iorio (Cole Schotz) is also copied in this email and standing by together with FTW counsel Andrea Baggio to further assist with anything needed from our side to assist you and the Sticky's board to properly consider and approve our LOI.

Respectfully, if there is anything else that you or the Sticky's board believe would help us all evolve this process, please do let us know.

We are committed to our proposed schedule to completely finalize and close this transaction in the first half of May in order to revive and restore the integrity of the Sticky's brand, save and restore more than 100 jobs, and reopen all ten Sticky's stores in the month of May.

Our proposed LOI provides a financial commitment that is \$4,533,559 (\$2,500,000+ higher than the current bid) will:

- 1) Fully fund all post-confirmed liabilities**
- 2) Assume and maintain all current leases**
- 2) Provide immediate liquidity to properly restore, stabilize, and grow Sticky's operations**
- 3) Provide an unconditional financial guarantee that all future plan payments are paid.**

Our bid is also clean and does not have any conflicts of interest as the current bid is coming from a Sticky's Holdings Insider/Board Member.

Jamie and John, we appreciate your communication and cooperation to help us quickly advance this bid or to communicate with us if there is any specific obstacle we need to resolve so that we can move this forward.

John, our counsel, Andrea Baggio has made multiple attempts to reach you today and left voicemails.

We appreciate your consideration and cooperation.

Thank you,

Steven Vachani  
FTW Chicken Innovations  
(212) 991-8913

On Wed, Apr 23, 2025 at 7:57 PM Steve Vachani <[steve@stevevachani.com](mailto:steve@stevevachani.com)> wrote:

# FTW Chicken Innovations LLC - Letter of Intent (LOI)

**Date:** April 23, 2025

**Via Email**

Jamie Greer, CEO  
Sticky's Holdings LLC  
21 Maiden Lane  
New York, NY 10038

**cc:**

- John Weiss, Debtor's Counsel (Pashman Stein Walder Hayden, P.C.)
- Natasha Songonuga, Subchapter V Trustee (Archer & Greiner, P.C.)
- Joseph Cudia & Jon Lipshie (USTP)
- Roger Iorio (Cole Schotz, P.C.) (Investors' Counsel)
- Andrea Boggio (FTW Counsel)

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## 1. LOI for Acquisition of Assets

FTW Chicken Innovations LLC ("FTW") hereby submits this non-binding Letter of Intent ("LOI") detailing our **total commitment of \$4,533,559** to acquire substantially all of the assets of Sticky's Holdings LLC and its subsidiaries and continue the business as a going concern.

**Investors.** This transaction is funded by Igor Steve Ostromogilsky and Robert Kelman (together, the "Investors"). The Investors' funding underpins FTW's earnest money, credit facility and guarantee obligations, and their bank-confirmation letters (Exhibit A) demonstrate that the full \$4,533,559 is unencumbered and immediately available. **Upon entry of the definitive transaction documents, the Investors will hold 60% of FTW's issued and outstanding units and exercise majority governance control.**

FTW's plan will:

- Fully fund all post-confirmed liabilities
- Assume the unexpired leases.
- Provide immediate liquidity via a committed credit facility to continue operations.
- Backstop future plan payments with an unconditional guarantee.

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## 2. Transaction Overview

**Asset Acquisition.** FTW will acquire substantially all of the assets of the Debtors (the "Assets") pursuant to a definitive § 363 Purchase Agreement, free and clear of all liens, claims, and interests. FTW shall be deemed a good-faith purchaser under § 363(m).

**Brand & Operations.** All Sticky's restaurants remain open and branded "Sticky's," preserving ~100 jobs and all the New York and New Jersey locations.

**Lease & Contract Assignments.** Concurrently with the § 363 Sale Motion, the Debtors will file a § 365 notice identifying all unexpired leases and executory contracts to be assumed and assigned to FTW, together with proposed cure amounts. Absent a timely objection, the Bankruptcy Court will authorize assumption and assignment at closing under § 365.

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### **3. Purchase Price for the Assets (\$2,513,579 *plus* the guarantee referenced below)**

The cash portion of the Purchase Price shall be sufficient to satisfy the following obligations of the Debtors:

- (a) **\$150,000:** Advance for professional fees & ordinary-course expenses incurred post-March 4, 2025.
- (b) **\$400,000:** Cover April 2025 rent obligations (\$250,000) and trustee/legal fees (\$150,000).
- (c) **\$450,000:** Refundable deposit reserved exclusively for confirmed plan payments due Jan 1–Dec 31, 2025.
- (d) **\$50,000:** Administrative/legal fees
- (e) **\$464,027:** Feb/Mar 2025 rent
- (f) **\$713,288:** Vendor payables
- (g) **\$39,756:** KCC/Veritas fees
- (h) **\$14,495:** Lease & loan arrears
- (i) **\$232,013:** May 2025 rent

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### **4. FTW Line of Credit**

**Advance Amount:** FTW will draw up to \$1,513,579 under its credit facility to fund a portion of the purchase price. The balance of the purchase price, \$1,000,000 will be funded through equity.

**Use of Proceeds:** Proceeds of the line of credit will be used to pay a portion of the purchase price and to fund working capital.

**Remaining Facility Capacity:** After the closing, up to \$1,000,000 remains available for general working-capital use.

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### **5. Guarantee of Future Plan Payments**

Investors shall guarantee up to \$1,019,980 of confirmed plan payments due in 2026 (\$502,631) and 2027 (\$517,349). Their guarantee shall be unconditional and binding upon entry of the Sale Order.

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### **6. Anticipated Timeline & Due Diligence**

1. **Fri 4/25: Seller's Board approves LOI**
2. **Mon 4/28: Final due diligence window opens (store visits, lease checks, systems review, etc) and Debtor files omnibus "Sale & Assumption" motion (seeking § 363 sale, § 365 assumption/assignment, and LOI approval) plus Motion to Shorten Notice (14-day sale notice; 7-day cure notice)**
3. **Tue 4/29: Serve 2002 Notice of Sale & Cure Schedule on service matrix**
4. **Wed 4/30: File proposed Order approving shortened notice (with certificate of counsel)**
5. **Thu 5/1: Clerk enters Order shortening sale notice and cure notice**

**6. Fri 5/9: Due-diligence deadline: store visits, lease checks, systems review, etc. complete**

**7. Mon 5/12: Proposed hearing: omnibus hearing on LOI approval, Sale Order (§ 363), Assumption Order (§ 365) Upon Entry.**

**8. Fri 5/16 Anticipated Closing Date**

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## **7. Conditions Precedent**

- Execution of definitive Purchase Agreement and related documents
  - Bankruptcy Court approval of Omnibus Sale & Assumption motion
  - Satisfactory completion of due diligence by 5/9
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## **8. Proof of Funds & Incorporation of Terms Sheet**

- **Investors & Bank Letters:** Igor Steve Ostromogilsky & Robert Kelman
- **Proof of Funds:** Bank-confirmation letters from:
  - **Fidelity Investments**, Ostromogilsky Family LLC (Acct ZXXXXXX5145)
  - **Charles Schwab**, Robert Kelman & Linda Corradina (Acct 9XXXXXX5102)

These bank letters together confirm  $\geq$  \$4,548,695 unencumbered, reserved exclusively for this transaction.  
(See *Exhibit A*.)

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## **9. Confidentiality**

Each party shall hold in strict confidence all non-public information (“Confidential Information”) received from the other party and shall not disclose such information to any third party without the disclosing party’s prior written consent, except to its own officers, directors, employees, affiliates, legal counsel, financial advisors, and accountants who have a bona fide need to know such information to evaluate or consummate the transactions contemplated hereby; **provided, however, that no director or officer of the Debtors who has recused himself or herself from matters relating to these transactions (or who is otherwise subject to a disclosed conflict) shall receive or have access to any Confidential Information.**

## **10. MISCELLANEOUS**

### **10.1 Governing Law**

This LOI and all related definitive documents shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law.

### **10.2 Expiration**

This LOI shall automatically expire at 11:59 PM (ET) on May 30, 2025, unless extended by mutual written agreement of the parties.

### **10.3 Counterparts and Electronic Execution**

This LOI may be executed in multiple counterparts (including by facsimile, PDF, or other electronic signature methods), each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

### **10.4 Non-Binding**

All other provisions of this LOI are non-binding and solely for discussion purposes. Neither party shall have any obligation to negotiate or enter into any definitive agreement except as to the binding sections set forth above upon execution of this LOI.

This LOI represents a statement of general intent only and does not reference all of the terms, conditions, representations, warranties, indemnities, covenants, and other provisions that would be contained in the documents for the proposed transaction. Except with respect to the obligations set forth in the terms of this Section 10, each of which provisions shall be binding on the parties hereto, this LOI does not purport to be and does not constitute a binding agreement or an offer capable of being accepted, and, none of the parties hereto or any of their respective affiliates will have any legal obligation under this LOI unless and until definitive agreements are executed and delivered by the applicable parties or their respective affiliates, as applicable. No past, present or future action, course of conduct, or failure to act relating to the transactions referenced in this LOI or relating to the negotiation of the terms of such transactions will give rise to or serve as the basis for any obligation or other liability on the part of the parties hereto or any of their respective affiliates.

#### **11. Exhibits**

- **Exhibit A:** Bank Confirmation Letters (Proof of Funds)
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#### **FTW Chicken Innovations LLC**

By: \_\_\_\_\_

Name: Paul Abrahamian, Manager

Date: April 23, 2025

#### **Sticky's Holdings LLC**

By: \_\_\_\_\_

Name: Jamie Greer, CEO

Date: April 23, 2025