


**SO ORDERED.**

**SIGNED this 23rd day of August, 2024.**



  
BENJAMIN A. KAHN  
UNITED STATES BANKRUPTCY JUDGE

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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA  
WINSTON-SALEM DIVISION**

<b>IN RE:</b>  <b>FREIRICH FOODS, INC.,</b>  <b>DEBTOR</b>	<b>CASE NO. 24-50204</b> <b>CHAPTER 11</b>
<b>Order (A) Authorizing And Scheduling An Auction For The Sale Of Some Or Substantially All Of Debtor's Assets As A Going Concern, (B) Approving Bidding Procedures, (C) Approving Procedures For The Assumption And Assignment Of Contracts And Leases; (D) Authorizing The Debtor To Designate A Stalking Horse Bidder And Approving A Break-Up Fee, (E) Approving The Form And Manner Of Certain Notices, And (F) Setting A Date For The Sale Hearing</b>	

THIS MATTER came before the Court after due notice and hearing on August 20, 2024, for purposes of an interim order establishing bidding procedures and other relief in connection with the Motion For Entry Of Orders (A) Authorizing And Scheduling An Auction For The Sale Of Some Or Substantially All Of Debtor's Assets As A Going Concern, (B) Approving Bidding Procedures, (C) Approving Procedures For The Assumption And Assignment Of Contracts And Leases; (D) Authorizing The Debtor To Designate A Stalking Horse Bidder And Approving A Break-Up Fee, (E) Approving The Form And Manner Of Certain Notices, (F) Setting A Date For The Sale Hearing, (G)

Approving The Sale Of The Debtor's Assets To The Highest Or Best Bidder, And (H) Granting Related Relief (the "Sale Motion")<sup>1</sup> filed by Freirich Foods, Inc. (the "Debtor"), pursuant to §§ 105, 363 and 365 of the Bankruptcy Code and Rules 2002, 6004, 6006 and 9006 of the Federal Rules of Bankruptcy Procedure.

John A. Northen appeared at the hearing on behalf of the Debtor; Robert E. Price, Jr., appeared at the hearing on behalf of the Office of the United States Bankruptcy Administrator; and Matthew Weiner appeared at the hearing on behalf of First National Bank of Pennsylvania ("FNB"). Paul Bardin, the Debtor's President, appeared and was available to testify at the hearing.

Upon consideration of the Sale Motion and the evidence submitted in support thereof, and it appearing that this Court has jurisdiction to consider the Sale Motion; that the relief requested in the Sale Motion is in the best interests of the Debtor, its estate, and all parties in interest; that adequate notice of the Sale Motion has been given; that circumstances exist to justify a sale (the "Sale") of the Debtor's assets as defined in the Sale Motion and Bidding Procedures (the "Sale Assets") pursuant to Section 363 and the assumption and assignment of executory contracts and unexpired leases pursuant to Section 365 of the Bankruptcy Code, rather than pursuant to a confirmed chapter 11 plan under Section 1129 of the Bankruptcy Code; and that the Sale is within the reasonable business judgment of the Debtor and is in the best interest of the estate, subject to exposing the Sale Assets to bids and after further hearing to confirm the Sale as being in the best interests of the Debtor's estate; and sufficient cause appearing therefore:

**IT IS HEREBY ORDERED THAT:**

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<sup>1</sup> Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Sale Motion, including exhibits attached thereto.

1. The relief requested in the Sale Motion is granted and approved, and the Sale contemplated thereby according to the terms set forth in the Sale Motion is approved as set forth in this Order.

2. The “Bidding Procedures” attached as Exhibit A are hereby approved by this Court and incorporated by reference as if set forth fully herein. The failure specifically to include any provision of the Bidding Procedures in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of this Court that the Bidding Procedures are authorized and approved in their entirety.

3. Any sale of FNB’s collateral shall require the consent of FNB, unless the sale proceeds are sufficient to satisfy the FNB Secured Claim in full, and if the sale process does not produce an acceptable bid, as determined in the Debtor’s discretion exercising its reasonable business judgment, the Debtor’s right to recommend that no bid be approved and alternative reorganization options will be explored is hereby reserved.

4. The Debtor is authorized, but shall not be obligated, to conduct an auction (the “Auction”) with respect to the Sale Assets. The Auction shall be held on **November 25, 2024**, commencing at 10:00 o’clock a.m. Eastern, at the office of Debtor’s counsel, Northen Blue, LLP, 1414 Raleigh Road, Suite 435, Chapel Hill, North Carolina 27517 (or such other location as may be determined by the Debtor and communicated to all Qualified Bidders at least two (2) business days before the Auction), and shall be governed by the Bidding Procedures; provided however, the Debtor in the exercise of its reasonable business judgment may, in either case notifying all Qualified Bidders, (i) forgo the Auction in accordance with the Bidding Procedures or (ii) adjourn and reschedule the Auction to a later date, time and place.

5. The notices contemplated by the Sale Motion are adequate and sufficient notice of the proposed sale of the Sale Assets, the Auction, any proposed assumption and assignment of executory contracts or unexpired leases and any Cure Amounts associated therewith, and the Sale Hearing, and no additional notice need be given. Without limiting the generality of the foregoing, the Court specifically approves the “Sale Notice” attached as Exhibit B and the “Assignment Notice” attached as Exhibit C.

6. The procedures for the assumption and assignment of executory contracts and unexpired leases are approved. Unless the non-Debtor party to an executory contract or unexpired lease files an objection by the Assignment Objection Deadline set forth in the Assignment Notice, such counterparty shall be forever barred from objecting to the Cure Amount and forever barred and estopped from asserting or claiming any Cure Obligation (other than the Cure Amount listed on the Assignment Notice) against the Debtor, any Prevailing Bidder, any Back-up Bidder, or any other assignee of the relevant Contract or Lease.

7. The final hearing (the “Sale Hearing”) to consider the sale of the Sale Assets, including any proposed assumption and assignment of executory contracts and unexpired leases and the Cure Amounts related thereto, shall be held at 9:30 a.m. Eastern, on **November 26, 2024**, in Courtroom #1, U.S. Bankruptcy Court, 101 S. Edgeworth Street, Greensboro, North Carolina 27401; provided however, the Debtor in the exercise of its reasonable business judgment may request that the Sale Hearing be rescheduled to a later date, time and place; or expedited if no Auction is conducted.

8. Within three (3) business days after entry of this Order (the “Sale Procedures Order”), the Debtor shall serve copies of the Sale Procedures Order, the

Bidding Procedures, the Sale Notice and the Assignment Notice on (i) the Bankruptcy Administrator and all parties who have filed a notice of appearance, (ii) all parties known by the Debtor to assert a lien or security interest in the Sale Assets, (iii) all non-debtor parties to the Debtor's executory contracts and unexpired leases, and (iv) the creditors holding the 20 largest unsecured claims (the "Notice Parties").

9. In addition, although not required by the Bankruptcy Code or Rules, the Debtor shall also provide copies of the Sale Procedures Order, the Bidding Procedures and the Sale Notice to any parties who previously have expressed serious interest in acquiring all or a material portion of the Sale Assets.

[End of Document]

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA  
WINSTON-SALEM DIVISION**

<b>IN RE:</b>  <b>FREIRICH FOODS, INC.,</b>  <b>DEBTOR</b>	<b>CASE NO. 24-50204</b> <b>CHAPTER 11</b>
<b><u>BIDDING PROCEDURES</u></b>	

The following procedures (the “Bidding Procedures”) have been approved and authorized by order (the “Sale Procedures Order”) of the United States Bankruptcy Court for the Middle District of North Carolina (the “Bankruptcy Court”) in the Chapter 11 case (No. 24-50204, the “Bankruptcy Case”) of Freirich Foods, Inc. (the “Debtor”). These procedures shall govern the possible sale (the “Sale”), including any auction (the “Auction”) conducted in connection therewith, of some or substantially all of the assets of the Debtor’s bankruptcy estate as a going concern pursuant to the Debtor’s motion (the “Sale Motion”).

**1. Sale Assets.** The assets to be sold pursuant to these Bidding Procedures (the “Sale Assets”) may consist of some or substantially all assets that have not been previously sold, assigned, transferred, or otherwise administered in the Bankruptcy Case, as a going concern; provided however, the Sale Assets do not include the Excluded Assets as defined below. The Sale Assets shall be sold free and clear of all liens to the fullest extent permitted under Section 363 of the Bankruptcy Code, with all liens transferred to the net proceeds of the Sale.

**2. Excluded Assets.** Specifically excluded from the Sale Assets are (i) cash now or subsequently held in bank accounts by the Debtor on behalf of the bankruptcy estate, (ii) the Debtor’s rights under any approved Asset Purchase Agreement, including the purchase price or other consideration to be delivered to the Debtor in connection with any approved sale, (iii) the

Debtor's books and records, (iv) insurance policies or the proceeds thereof, (v) any claims or causes of action which may be asserted by or on behalf of the Debtor against Americold Logistics, LLC ("Americold"), (vi) any claims or causes of action which may be asserted by or on behalf of the Debtor against any party under Bankruptcy Code §§ 544, 547, 548, 549, 550 and 553 ("Bankruptcy Causes of Action"), and (vii) any other assets that are expressly excluded in the Asset Purchase Agreement approved by the Court (collectively, the "Excluded Assets").

**3. Diligence by Prospective Bidders.** The Debtor shall give notice of the proposed Sale and these Bidding Procedures to prospective bidders, receive and consider offers for the Sale Assets, provide information to any prospective bidder, and allow any prospective bidder to conduct due diligence in connection with consideration of a potential bid for the Sale Assets; provided however, any prospective bidder desiring to conduct due diligence shall (a) demonstrate the financial ability, as determined by Debtor in its reasonable discretion, to consummate a transaction for the purchase of the Sale Assets, and (b) execute a confidentiality agreement in a form acceptable to the Debtor in its reasonable discretion.

**4. Asset Purchase Agreement.** To facilitate the sale, the Debtor has prepared a template asset purchase agreement (the "APA"), which is available to potential bidders upon request.

**5. Stalking Horse Designation.** If the Debtor desires to designate a stalking horse bidder (the "Stalking Horse Bidder"), the Debtor must (a) consult with First National Bank of Pennsylvania ("FNB") and the Bankruptcy Administrator (the "BA") and together with FNB the "Consulting Parties") regarding such designation, (b) enter into an agreement of sale in the form of the APA, with changes mutually acceptable to the Debtor, the Stalking Horse Bidder and FNB (the "Stalking Horse Agreement") on or before the Stalking Horse Designation Deadline, (c) file a copy of the Stalking Horse Agreement on or before the Stalking Horse Designation Deadline,

and (d) serve a notice of such designation (with a statement that the Stalking Horse Agreement is on file and is available upon written request to counsel for the Debtor) upon (i) the Bankruptcy Administrator and all parties who have filed a notice of appearance, (ii) all parties known by the Debtor to assert a lien or security interest in the Sale Assets, (iii) all non-debtor parties to the Debtor's executory contracts and unexpired leases, and (iv) the creditors holding the 20 largest unsecured claims (the "Notice Parties") within three (3) days of the filing of the Stalking Horse Agreement. Any designated Stalking Horse Bidder shall be deemed a Qualified Bidder (as defined below). All parties-in-interest shall be given an opportunity to object to the proposed Stalking Horse Agreement within seven (7) days of the Stalking Horse Agreement being filed with the Court, and, if necessary, a hearing may be held to consider any objections and the need to modify the sale timeline set forth herein.

6. **Stalking Horse Designation Deadline.** If the Debtor designates a Stalking Horse Bidder, the Debtor shall file a designation of the Stalking Horse Bidder and a copy of the Stalking Horse Agreement with the Court on or before **October 18, 2024** (the "Stalking Horse Designation Deadline").

7. **Bid Requirements.** Any entity that is interested in purchasing some or all of the Sale Assets (a "Bidder") must submit to the Debtor a bid (an "Initial Bid") in conformance with this paragraph, in a manner such that the Initial Bid is received by the Debtor no later than the Bid Deadline. The Debtor shall provide the Consulting Parties, through counsel, with copies of any Initial Bid within two (2) business days of receiving such bid. The Debtor shall have reasonable discretion in determining whether an Initial Bid is a conforming bid in accordance with the requirements of this paragraph. Every such Initial Bid must:



- a. Include an executed copy of a definitive Asset Purchase Agreement (the “Bidder’s Agreement”) specifying the assets to be purchased at closing. The Bidder’s Agreement shall not include any assets in addition to the Sale Assets. The Bidder’s Agreement shall include a marked copy against the APA, or, if a Stalking Horse Bidder has been designated, marked against the Stalking Horse Agreement, to show all changes requested by the Bidder. The Bidder’s Agreement also shall specify any executory contracts or unexpired leases which are to be assumed and assigned to the Bidder at closing.
- b. If a Stalking Horse Bidder has been designated, any subsequent Initial Bid for the Sale Assets must propose a purchase price (the “Sale Price”) that in the Debtor’s judgment has a value which is equal to or greater than (i) the Initial Bid of the Stalking Horse Bidder as set forth in the Stalking Horse Agreement and (ii) two times the Break-Up Fee (a “Qualifying Overbid”).
- c. Be irrevocable, subject only to final approval of the Bankruptcy Court, and not subject to further due diligence or conditional upon obtaining financing or any third-party approvals.
- d. Be accompanied by admissible evidence in the form of affidavits or declarations establishing the Bidder's good faith, within the meaning of section 363(m) of the Bankruptcy Code.
- e. Be accompanied by (i) financial statements or admissible evidence in the form of affidavits or declarations establishing that the Bidder is ready, willing, authorized, capable, and qualified, financially, legally, and otherwise, of unconditionally performing all obligations under the Bidder’s Agreement in the event that the Initial

Bid is determined to be the prevailing or back-up bid at the Sale Hearing, and (ii) admissible evidence in the form of affidavits or declarations that it is duly authorized and entitled to engage in the transaction contemplated by the Initial Bid without the consent of any entity that has not been obtained.

- f. Be accompanied by a deposit equal to the greater of (i) \$100,000 or (ii) two percent (2%) of the purchase price under the Bidder's Agreement (the "Deposit Amount") in the form of a wire transfer to the trust account of Debtor's counsel and to be held in such trust account by Debtor's counsel pending completion of the Auction and subject to the additional provisions set forth below.

8. **Bid Deadline.** Any Initial Bid must be delivered to counsel for the Debtor by 4:00 p.m. Eastern, on **November 20, 2024** (the "Bid Deadline").

9. **Non-Conforming Bids.** Any entity that fails to submit a timely, conforming Initial Bid, as set forth above, as determined by Debtor in its reasonable discretion, shall be disqualified from bidding for the Sale Assets at the Auction. Any party in interest may contest the Debtor's determination as to whether an Initial Bid is conforming, but any such contest must be served upon the Debtor and filed with the Bankruptcy Court by the Objection Deadline (as defined below).

10. **Auction Procedures.** In the event that (a) a Stalking Horse Bidder has been designated and the Debtor receives one or more Qualifying Overbids, the Debtor shall conduct an Auction; and (b) a Stalking Horse Bidder has not been designated and the Debtor receives two or more timely, conforming Initial Bids, the Debtor may conduct an Auction. For purposes of any Auction, the Stalking Horse Bidder, if any, and each person who has submitted a timely, conforming Initial Bid or Qualifying Overbid shall be referred to herein as a "Qualified Bidder". If the Debtor

proceeds with an Auction in accordance with this paragraph, the Auction shall be governed by the following procedures:

- a. The Auction shall be held on **November 25, 2024** (the “Auction Date”), commencing at 10:00 a.m. Eastern, at the office of Debtor’s counsel, Northen Blue, LLP, 1414 Raleigh Road, Suite 435, Chapel Hill, North Carolina 27517 (or such other location as may be determined by the Debtor and communicated to all Qualified Bidders before the Auction).
- b. The Auction shall be conducted by the Debtor, its counsel and its financial advisor.
- c. Only Qualified Bidders may participate in the Auction.
- d. All bidders shall be deemed to have consented to the core jurisdiction of the Bankruptcy Court, to have consented to the Constitutional authority of the Bankruptcy Court to enter a final judgment, and to have waived any right to jury trial in connection with any disputes relating to the Auction and/or the sale of the Sale Assets.
- e. Bidding will commence at an amount of the highest or otherwise best conforming Bid submitted by a Qualified Bidder, as determined by the Debtor in its reasonable discretion. The Debtor will conduct the bidding process as it deems appropriate and in the best interests of the estate.
- f. Each subsequent bid by a Qualified Bidder shall be in increments that increase the aggregate consideration above the previous bid in an amount to be determined by the Debtor at the Auction.

- g. Each Qualified Bidder should be prepared to make its best and final offer at the Auction, and the Debtor reserves all rights to grant or deny any request for a continuance or recess of the Auction or the Sale Hearing.
- h. Upon conclusion of the Auction, the Debtor shall designate the highest or otherwise best bidder as the prevailing bidder (the “Prevailing Bidder”) and the next highest or otherwise best bidder (the “Back-up Bidder”).
- i. The Debtor shall file a Report of Auction upon completion of the Auction, designating the Prevailing Bidder and the Back-up Bidder, if applicable, setting forth in each instance the amount of the respective Bids.

**11. Back-up Bidder.** Any objection to the designation of the Back-up Bidder shall be raised at the Sale Hearing and decided by the Bankruptcy Court. If, for any reason, the Prevailing Bidder is unable or unwilling to timely perform its obligations under the Prevailing Bidder's definitive sale agreement and the Bidding Procedures, the Debtor, in the exercise of its business judgment, may sell the Sale Assets to the Back-up Bidder without further notice or a hearing. The Back-up Bidder's bid shall remain open and binding until the sale to the Prevailing Bidder closes or, if the Prevailing Bidder is unable or unwilling to close and the Debtor elects to sell to the Back-up Bidder, until the sale to the Back-up Bidder closes.

**12. Break-Up Fee.** Solely in the event that (i) the Debtor designates a bidder as a Stalking Horse Bidder, (ii) the Bankruptcy Court enters an order approving the sale to an entity other than the Stalking Horse Bidder, (iii) the Stalking Horse Bidder does not submit a bid greater than its Initial Bid during the auction process, (iv) the Stalking Horse Bidder has not committed a material default under its Stalking Horse Agreement, and (v) the Debtor does not sell to the Stalking Horse Bidder, the Debtor shall pay to the Stalking Horse Bidder a break-up fee equal to two percent (2%) of the Sale Price set forth in the Stalking Horse Agreement for

its time spent and expenses incurred in connection with negotiating the Stalking Horse Agreement and for the value it brought to the bankruptcy estate by providing a stalking horse bid and entering into the Stalking Horse Agreement. The break-up fee shall be payable only on the closing of the sale to an entity other than the Stalking Horse Bidder. Except as expressly provided herein, the Stalking Horse Bidder shall not be entitled to any other overbid, expense reimbursement, topping or break-up fee of any nature.

**13. Objection.** Any objection to the Sale Motion, a Bid or Bidder disqualification, the Auction, the designation of the Prevailing Bidder or the Back-up Bidder, or entry of the Sale Order (an “Objection”) must be filed with the Bankruptcy Court and served upon (i) counsel for the Debtor, John A. Northen, Northen Blue, LLP, 1414 Raleigh Road, Suite 435, Chapel Hill, North Carolina 27517; (ii) counsel for the Bankruptcy Administrator, Robert E. Price, Jr., 101 S. Edgeworth Street, Greensboro, North Carolina 27401; and (iii) counsel for FNB, Matthew Weiner, Poyner Spruill LLP, 301 Fayetteville Street, Suite 1900, Raleigh, North Carolina 27601, in a manner such that the Objection is filed with the Bankruptcy Court and received by such parties before the commencement of the Sale Hearing (the “Objection Deadline”). The Debtor and other parties-in-interest shall not be required to file responses to any Objection. The foregoing notwithstanding, counterparties to executory contracts and unexpired leases may object to the assumption and assignment of such executory contracts and unexpired leases on the basis of lack of adequate assurance of future performance (but no other basis) by raising such objection at the Sale Hearing and in the absence of a timely written, filed and served Objection.

**14. Sale Hearing.** Unless otherwise ordered by this Court, the hearing to approve the Prevailing Bidder and the Back-up Bidder (the “Sale Hearing”) shall be held before the Bankruptcy Court at 9:30 a.m. Eastern, on **November 26, 2024**, in Courtroom #1, U.S. Bankruptcy Court, 101

S. Edgeworth Street, Greensboro, North Carolina 27401. The Prevailing Bidder and the Back-up Bidder, if one is designated, shall appear at the Sale Hearing, in person or through a duly authorized representative and not solely through counsel. The Sale Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing. If the Debtor determines not to conduct an Auction in accordance with paragraph 10 above, the Debtor reserves its right to expedite and reschedule the Sale Hearing.

**15. Business Judgment.** The Debtor may recommend a sale to any Qualified Bidder pursuant to a bid which the Debtor determines, exercising reasonable business judgment, to be in the best interests of the bankruptcy estate. The Debtor may also reject, at any time before the entry of an order of the Bankruptcy Court approving a bid from a Qualified Bidder, any bid that is deemed inadequate or insufficient, not in substantial conformity with the Bankruptcy Code or these Bidding Procedures, or contrary to the best interests of the estate and its creditors. In exercising business judgment as to which bid constitutes the highest or otherwise best bid, the Debtor may consider all factors which it may deem relevant, subject to the parties' right to object and raise any such issues with the Bankruptcy Court. The Debtor may modify these bidding procedures, exercising reasonable business judgment, if the Debtor determines such modification to be in the best interests of the bankruptcy estate.

**16. Disposition of Deposits.** Promptly following the Bankruptcy Court's determination of the Prevailing Bidder, the deposits submitted by any Bidders shall be refunded to each unsuccessful bidder other than the Back-up Bidder, if any. The deposits of the Prevailing Bidder and the Back-up Bidder shall be retained as earnest money to be used in the following ways:

- a. The deposit of the Prevailing Bidder shall either be (i) applied at closing as a credit toward the purchase price of the Prevailing Bidder or, if the purchase price is paid in full at closing, returned to the Prevailing Bidder, (ii) if the sale to the Prevailing Bidder shall fail to timely close by reason of a breach or default of the Prevailing Bidder, the deposit shall be retained by the Debtor as liquidated damages, or (iii) in the event that the sale to the Prevailing Bidder shall fail to timely close by reason of a breach or default of the Debtor, the deposit shall be returned to the Prevailing Bidder.
- b. The deposit of the Back-up Bidder shall either be (i) returned to the Back-up Bidder upon the closing of the transaction with the Prevailing Bidder, (ii) if the sale to the Prevailing Bidder shall fail to close for any reason, applied at closing as a credit toward the purchase price of the Back-up Bidder, (iii) if the sale to the Back-up Bidder shall fail to timely close by reason of a breach or default of the Back-up Bidder, retained by the Debtor as liquidated damages, or (iv) if the sale to the Back-up Bidder shall fail to timely close by reason of a breach or default of the Debtor, the deposit shall be returned to the Back-up Bidder.

17. **Closing Date.** The closing of the sale of the Sale Assets must occur as soon as practicable, but in any event within twenty (20) days after entry of the Sale Order, provided the Sale Order is not subject to a stay, or such later date as the Debtor may agree.

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<p style="text-align: center;"><b>IN THE UNITED STATES BANKRUPTCY COURT FOR THE MIDDLE DISTRICT OF NORTH CAROLINA WINSTON-SALEM DIVISION</b></p>	
<p><b>IN RE:</b></p> <p><b>FREIRICH FOODS, INC.,</b></p> <p><b>DEBTOR</b></p>	<p style="text-align: center;"><b>CASE NO. 24-50204</b></p> <p style="text-align: center;"><b>CHAPTER 11</b></p>
<p style="text-align: center;"><b>NOTICE OF POSSIBLE SALE OF ASSETS</b></p>	

Freirich Foods, Inc. (the “Debtor”) is seeking proposals to purchase some or substantially all its tangible and intangible assets as a going concern (the “Sale Assets”), excluding only certain assets (the “Excluded Assets”), free and clear of all liens, claims, encumbrances and other interests, to the extent permissible by law (the “Sale”) as part of its reorganization. If the sale process does not produce an acceptable result, the Debtor intends to reject inadequate bids and proceed with an alternate plan of reorganization.

The Bankruptcy Court entered an order (the “Sale Procedures Order”), in which the Bankruptcy Court approved certain Bidding Procedures that govern the sale of, or other transaction to acquire, the Sale Assets by the highest and best bidder. The Sale Procedures Order also approved procedures for the assumption and assignment of contracts and leases, authorized the Debtor to designate a Stalking Horse Bidder and approved a break-up fee, approved the form and manner of certain notices, and set a date for the Sale Hearing to consider approval of the sale of the Debtor’s assets to the highest or best bidder. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures Order.

Copies of the Bidding Procedures Order, the Bidding Procedures, and other pleadings can be accessed through the Bankruptcy Court’s electronic case docket or can be provided upon request via email to counsel and financial advisor for the Debtor as noted below.

**ANY PARTY INTERESTED IN BIDDING ON THE SALE ASSETS SHOULD CONTACT:**

<p><b>NORTHEN BLUE LLP</b>  John A. Northen  Telephone 919-948-6823  <a href="mailto:jan@nbfirm.com">jan@nbfirm.com</a>  Vicki L. Parrott, NCSB #25449  Telephone 919-948-6824  <a href="mailto:vlp@nbfirm.com">vlp@nbfirm.com</a>  1414 Raleigh Road, Suite 435  Chapel Hill, North Carolina 27517  <b>Counsel for the Debtor</b></p>	<p><b>The Finley Group, Inc.</b>  Matthew W. Smith  Telephone 704-578-9900  <a href="mailto:matt@finleygroup.com">matt@finleygroup.com</a>  Rod McGeachy  Telephone 817-372-6755  <a href="mailto:rmcgeachy@finleygroup.com">rmcgeachy@finleygroup.com</a>  212 South Tryon St., Suite 1050  Charlotte, NC 28281  <b>Financial Advisor for the Debtor</b></p>
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**PLEASE TAKE NOTE OF THE FOLLOWING INFORMATION AND IMPORTANT DEADLINES:**

If the Debtor desires to designate a stalking horse bidder (the “Stalking Horse Bidder”), the Debtor will file a designation of the Stalking Horse Bidder and a copy of the Stalking Horse Agreement with the Court on or before **October 18, 2024** (the “Stalking Horse Designation Deadline”).

The deadline to be qualified as a Qualifying Bidder and to submit a Qualifying Bid is 4:00 pm Eastern on **November 20, 2024**. All Qualifying Bids must be accompanied with a deposit in an amount equal to the greater of (i) \$100,000 or (ii) two percent (2%) of the purchase price provided under the proposed Asset Purchase Agreement.

If the Debtor receives two or more Qualifying Bids (including the Stalking Horse Agreement, if any), an Auction may be held beginning at 10:00 a.m. Eastern on **November 25, 2024**.

An objection to the proposed Sale, a disqualification of Bid or Bidder, the Auction, the designation of the Prevailing Bidder or Bid or Back-Up Bidder or Bid, or entry of the Sale Order (each, an “Objection”) must be filed with the Bankruptcy Court and served on Debtor’s counsel and certain other parties prior to the Sale Hearing.

The Bankruptcy Court will conduct a hearing (the “Sale Hearing”) to consider any proposed Sale commencing at 9:30 a.m. on **November 26, 2024**, in Courtroom #1, U.S. Bankruptcy Court, 101 S. Edgeworth Street, Greensboro, North Carolina 27401.

**THE FAILURE OF ANY PERSON OR ENTITY TO FILE AND SERVE AN OBJECTION BY THE OBJECTION DEADLINE SHALL BE DEEMED CONSENT TO, AND A BAR TO THE ASSERTION BY SUCH PERSON OR ENTITY OF ANY OBJECTION TO, THE SALE AND/OR THE DEBTOR’S CONSUMMATION AND PERFORMANCE OF THE ASSET PURCHASE AGREEMENT FOR THE PREVAILING BID OR BACK-UP BID, AS APPLICABLE (INCLUDING, WITHOUT LIMITATION, THE DEBTOR’S TRANSFER OF THE SALE ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND THE ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS OR LEASES AS PROVIDED IN THE APPLICABLE PURCHASE AGREEMENT).**

**NORTHEN BLUE LLP**

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**Counsel for the Debtor**

<p style="text-align: center;"><b>IN THE UNITED STATES BANKRUPTCY COURT FOR THE MIDDLE DISTRICT OF NORTH CAROLINA WINSTON-SALEM DIVISION</b></p>	
<p><b>IN RE:</b></p> <p><b>FREIRICH FOODS, INC.,</b></p> <p><b>DEBTOR</b></p>	<p style="text-align: center;"><b>CASE NO. 24-50204</b></p> <p style="text-align: center;"><b>CHAPTER 11</b></p>
<p style="text-align: center;"><b>NOTICE OF POSSIBLE ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES AND OF CURE AMOUNTS</b></p>	

TAKE NOTICE that certain bidding procedures (the “Bidding Procedures”) have been approved and authorized by order (the “Sale Procedures Order”) of the United States Bankruptcy Court for the Middle District of North Carolina (the “Bankruptcy Court”) in the Chapter 11 case of Freirich Foods, Inc. (the “Debtor”), No. 24-50204 (the “Bankruptcy Case”).

The Bidding Procedures govern the possible sale (the “Sale”), including any auction (the “Auction”) conducted in connection therewith, of some or substantially all of the Debtor’s assets as a going concern (the “Sale Assets”) pursuant to the Debtor’s motion (the “Sale Motion”). Copies of the Bidding Procedures Order, the Bidding Procedures, and other pleadings can be accessed through the Bankruptcy Court’s electronic case docket or can be provided upon request via email to Debtor’s counsel.

The Bidding Procedures contemplate the possible assumption and assignment of certain executory contracts and unexpired leases (each, a “Contract or Lease”) listed on Exhibit A in conjunction with the Sale at the Sale Hearing. If the Debtor wishes to assume and assign a Contract or Lease to which you are a party, the Debtor is required to promptly cure certain defaults under the Contract or Lease as more specifically set forth in the Bankruptcy Code (such defaults which are required to be cured are hereafter referred to as the “Cure Obligations”).

The Debtor believes that, as to each Contract or Lease identified on Exhibit A, upon payment of any amount listed opposite the name of the non-debtor counterparty (the “Cure Amount”), all Cure Obligations as to such Contract or Lease will be satisfied at or in conjunction with the closing of the Sale.

Any objection (an “Objection”) to the Cure Amount or to the Debtor’s assumption and assignment of any Contract or Lease (other than on the basis of lack of adequate assurance of future performance by the Prevailing Bidder or Back-up Bidder) must be filed with the Bankruptcy Court and served upon counsel for the Debtor, John A. Northen, Northen Blue, LLP, 1414 Raleigh Road, Suite 435, Chapel Hill, North Carolina 27517 in a manner such that the Objection is filed with the Bankruptcy Court and received by Debtor’s counsel on or before **October 1, 2024** (the “Assignment Objection Deadline”). The Objection must be made in writing and (a) state with

specificity the basis for such objection, and (b) if you disagree with the Cure Amount, state what amount you believe is required in order to satisfy the Cure Obligation related to the Contract or Lease to which you are a counterparty. The Debtor and other parties in interest shall not be required to file responses to any Objection.

The hearing to consider approval of the Prevailing Bid and Bidder and the Back-up Bid and Bidder, and in conjunction therewith the assumption and assignment of Contracts and Leases (the “Sale Hearing”), shall be held before the Bankruptcy Court at 9:30 a.m. Eastern, on **November 26, 2024**, in Courtroom #1, U.S. Bankruptcy Court, 101 S. Edgeworth Street, Greensboro, North Carolina 27401.

If an Objection is timely filed and served, a hearing with respect to the Objection will take place at the Sale Hearing or such earlier date as may be set by the Court. If an Objection is not timely filed and served, the counterparty to such Contract or Lease will: **(a) be forever barred from objecting to the Cure Amount and from asserting any additional Cure Obligations, and (b) be forever barred and estopped from asserting or claiming against the Debtor or the assignee of such Contract or Lease that any additional Cure Obligations are due, or conditions to assumption and assignment (other than demonstration of adequate assurance of future performance) must be satisfied with respect to such Contract or Lease in order for such Contract or Lease to be assumed and assigned.**

After the Auction, the Debtor will file, but not serve, a notice that identifies the Prevailing Bidder and any Back-up Bidder. If the Prevailing Bidder and/or Back-up Bidder propose to have the Debtor assume and assign to such Bidder a Contract or Lease to which you are a counterparty, you will have the opportunity to challenge the ability of such Bidder to provide adequate assurance of future performance under such Contract or Lease, whether or not you file an Objection, by appearing at the Sale Hearing and stating such objection on the record. At the Sale Hearing, the Prevailing Bidder and any Back-up Bidder will present evidence necessary to demonstrate adequate assurance of future performance by such Bidder.

YOU WILL NOT RECEIVE A NOTICE BETWEEN THE DATE OF THE AUCTION AND THE SALE HEARING ADVISING WHETHER THE CONTRACT OR LEASE TO WHICH YOU ARE A PARTY HAS BEEN DESIGNATED FOR ASSUMPTION AND ASSIGNMENT TO THE PREVAILING BIDDER AND/OR BACK-UP BIDDER. WHILE THERE IS NO CERTAINTY THAT ANY PARTICULAR CONTRACT OR LEASE WILL BE DESIGNATED FOR ASSUMPTION AND ASSIGNMENT, IF YOU HAVE ANY OBJECTION TO THE ASSUMPTION AND ASSIGNMENT OF YOUR CONTRACT OR LEASE, YOU (1) MUST FILE A TIMELY OBJECTION AS TO THE CURE AMOUNT OR ANY ADDITIONAL CURE OBLIGATIONS, AND (2) AS TO ANY OBJECTIONS BASED ON LACK OF ADEQUATE ASSURANCE OF FUTURE PERFORMANCE, APPEAR AT THE SALE HEARING.

EXHIBIT A

<b>Counterparty</b>	<b>Description</b>	<b>Cure Amount</b>
Vestis f/k/a Aramark	Service agreement, uniforms	\$4,709.87
Bunzl	Stocking agreement	\$41,491.90
FP Mailing Solutions	Shipping agreement	\$0.00
GraceBlood, LLC	Managed services agreement	\$2,400.00
Open Text, Inc.	Freeway cloud services agreement	\$0.00
Patriot Staffing d/b/a Latin Labor	Employee staffing agreement	\$4,398.07
SPS Commerce	Fulfillment agreement	\$0.00
Sysco Corp.	Indemnity and guaranty agreement	\$0.00
Try-Angle Food	Brokerage agreement	\$56,228.50

Date: August 12, 2024

/s/ John A. Northen

**Counsel for the Debtor:**

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